


FRANCHISE DISCLOSURE DOCUMENT

 SS	SCOOTER'S COFFEE, LLC (a Nebraska limited liability company) 11808 Miracle Hills Drive, Suite #400 Omaha, Nebraska 68154 Phone: (877) 494-7004 Fax: (402) 614-3702 www.scooterscoffee.com
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Scooter's Coffee, LLC, is offering franchises for the right to operate a quick service-~~kiosk~~ coffee store, offering drive-through service of espresso drinks, smoothies, baked goods, and other items under the service mark "SCOOTER'S COFFEE".

The total investment necessary to begin operation of a SCOOTER'S COFFEE Store franchise is from \$894,500 to \$1,393,000. This includes \$253,000 to \$266,000 that must be paid to the franchisor or an affiliate.

The total investment necessary to begin operation under a Multiple Store Development Agreement is from \$914,000 to \$1,513,000, depending on number of Stores opened under the Multiple Store Development Agreement (this range is for the purchase of two to seven Stores). This includes \$273,000 to \$386,000 that must be paid to the franchisor or an affiliate (this range is for the purchase of two to seven Stores).

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 to you. To discuss the availability of disclosures in other formats, contact Tim Arpin at Scooter's Coffee, LLC, 11808 Miracle Hills Drive, Suite #400, Omaha, Nebraska 68154. Telephone: 877-494-7004.

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.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: April 2, 2024, as amended December 31, 2024

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits D and E.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit F includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Scooter's Coffee business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Scooter's Coffee franchisee?	Item 20 or Exhibits D and E lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit A.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

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 requires you to resolve disputes with the franchisor by mediation, arbitration or litigation only in Nebraska. 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 Nebraska than in your own state.

2. **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.

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.

DISCLOSURES REQUIRED BY MICHIGAN LAW

To the extent the Michigan Franchise Investment Law, Mich. Comp. Laws §§445.1501 – 445.1546 applies, the terms of this Addendum apply.

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years, and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

If the franchisee has any questions regarding this notice, those questions should be directed to the Michigan Department of Attorney General, Consumer Protection Division, Attn.: Franchise, 670 Law Building, Lansing, Michigan 48913, telephone: (517) 373-7117.

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ITEM 1. THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The franchisor is Scooter's Coffee, LLC and is referred to in this Disclosure Document as "Scooter's," "we," "us" or "our." We refer to the individual or entity who buys the franchise as "you" throughout this Disclosure Document. If you are a corporation, partnership or a limited liability company, "you" also may refer to the shareholders of the corporation, partners of the partnership or members of the limited liability company, including your Principal Owners. As described in Item 15, we currently will only permit a franchised Store to be operated by a franchisee that is a corporation, limited liability company or partnership. Although we may enter into a Franchise Agreement with you in your individual capacity as the franchisee, you must form a legal entity and transfer the franchise to that legal entity within 90 days following the effective date of the Franchise Agreement, which must be prior to entering into a lease or purchase agreement for the site for the Store.

The first Scooter's store was created in 1998 by Don and Linda Eckles and Scooter's franchises were first offered in 2002.

Franchisor

We are a Nebraska limited liability company organized on September 15, 2010. We do business as "Scooter's Coffee." Our principal business address is 11808 Miracle Hills Drive, Suite #400 Omaha, Nebraska 68154. In addition to offering SCOOTER'S COFFEE Store franchises under this Disclosure Document, we also offered area representative franchises from September 2012 to November 1, 2023. We have offered SCOOTER'S COFFEE Store franchises since October 2010.

We have not operated and do not currently operate SCOOTER'S COFFEE Stores, although one or more of our affiliates and predecessors have operated SCOOTER'S COFFEE Stores for 26 years. We have not offered franchises in other lines of business. Our agents for service of process are disclosed in Exhibit A.

Parents and Affiliates

Our parent company is Boundless Enterprises, LLC, ("Parent" or "Boundless Enterprises"), a Nebraska limited liability company formed on November 28, 2006. Parent, as a former franchisee, operated SCOOTER'S COFFEE Stores from November 2006 to October 2010. Parent has not directly offered franchises of the type of business you will operate or of any other line of business.

We have two affiliate companies that are also wholly owned by Parent that must be disclosed in this Disclosure Document: Harvest Roasting, LLC ("Harvest Roasting") and Boundless Operations, LLC ("Boundless Operations"). Harvest Roasting and Boundless Operations were each organized on September 15, 2010. Prior to that, they were a part of, or divisions of, Parent. Harvest Roasting provides coffee beans, syrups and sauces, sandwiches, burritos, baked goods (in areas where Harvest Roasting delivers such goods), smoothie mixes, paper goods (e.g., hot

and cold cups, lids, napkins, etc.) and other items bearing any SCOOTER'S COFFEE logo or trademark, and certain equipment (e.g., brewers, grinders and ovens) to SCOOTER'S COFFEE franchisees and other licensees of ours. Boundless Operations does not provide any goods or services to franchisees. Boundless Operations owns and operates franchised SCOOTER'S COFFEE Stores and has done so since October 2010. Neither Harvest Roasting nor Boundless Operations has offered franchises in this or any other line of business.

We have no predecessors and no other parents or affiliates that must be disclosed in this Disclosure Document. Boundless Operations, Harvest Roasting and Parent all share our principal business address.

The Franchise

We offer franchises for the establishment and operation of quick-service coffee stores, offering drive-through service of espresso drinks, smoothies, baked goods, and other items ("SCOOTER'S COFFEE Stores" or "Stores") under the form of Franchise Agreement attached as Exhibit B ("Franchise Agreement"). We currently offer franchises for a drive-thru kiosk Store (a "Kiosk Store"). There is no seating in Kiosk Stores and sales are primarily of drinks and associated food products served through drive-up windows. Kiosk Stores are designed to have low overhead, a small footprint, and are usually located in a parking lot near other retail shopping. Kiosk Stores provide convenience for the mobile customer. As a result, Kiosk Stores are generally dependent on strong morning traffic. In addition, we currently offer ~~in limited markets~~ franchises for an end cap Store ~~which~~that generally is located in a strip center as "end cap space," and offers indoor ordering and a drive-up window (~~an~~a "End cap Store"). We previously offered franchises for a "Coffeehouse Store" (as defined in Item 19), but no longer offer franchises for this type of Store.

All Stores operate under the service mark "SCOOTER'S COFFEE" and related trademarks (together, the "Marks") and our marketing plan and proprietary business methods ("System"). Under the terms of the Franchise Agreement, franchisees are loaned a franchise operations manual (the "Operations Manual").

We also offer multi-unit franchises under a Multiple Store Development Agreement (the "MSD Agreement"), a copy of which is attached as Exhibit C. If you sign an MSD Agreement, you agree to open a certain number of Stores according to an agreed upon development schedule. You will sign a separate franchise agreement for each Store you develop. For each future Store you develop, you may be required to sign our then-current form of franchise agreement, which form franchise agreement may differ from the form attached to this Disclosure Document as Exhibit B. The minimum number of Stores for an MSD Agreement is two.

Periodically in the past we have offered, but do not currently offer, area representative franchises, in which an area representative acts as our sales representative within a defined geographic area to solicit and identify prospective franchisees, to assist them in locating and securing sites for SCOOTER'S COFFEE Stores within that area, and to provide additional support before, during and after the Store opens.

We currently operate a franchisee referral program under which we will pay a franchisee a referral fee if the franchisee refers to us a qualified candidate who signs a franchise agreement and the franchisee satisfies other conditions of the program.

Other than offering SCOOTER’S COFFEE franchises and operating the SCOOTER’S COFFEE System, we have no other business activities.

Market and Competition

The market for espresso-based drinks is well-established and highly competitive. You will compete with national as well as local coffee stores, operating under well-known and recognizable service marks, as well as with independent restaurants and other businesses that offer similar products. In your market, you may be competing with other stores, restaurants and a variety of retail outlets selling coffee, espresso-based beverages, smoothies, pastries, and other items, as well as quick-service restaurant (QSR) facilities that offer coffee, espresso-based beverages, smoothies, or pastries.

Regulations

We are not aware of any state or federal laws specifically regulating the operation of a SCOOTER’S COFFEE Store, although you are required to comply with all local, state and federal health and sanitation laws, including all regulations related to menu labeling and the sale and labeling of food products. The federal Food and Drug Administration (“FDA”), the Consumer Product Safety Commission (“CPSC”) and the Federal Trade Commission (“FTC”) regulate consumer advertising and the storage, offer and sale of many of the food products in your Store. Franchisees must also comply with all local, state and federal laws of a more general nature that affect the operation of the Store, including employment, worker’s compensation, insurance, corporate, taxing, licensing, and similar laws and regulations. Any supplier that handles cold food or drink items must comply with FDA approved transport methods. You should familiarize yourself with these laws.

ITEM 2. BUSINESS EXPERIENCE

Chairman: Donald W. Eckles

Don Eckles co-founded the “Scooter’s” business in 1998 and has been active in senior leadership involving the “Scooter’s” business since its inception. Since April 2016, Mr. Eckles has served as Chairman. Mr. Eckles served as the President and CEO of Boundless Enterprises, LLC, in Omaha, Nebraska from its inception in November 2006 until April 2016. He has also served as CEO of Scooter’s Coffee, LLC, and affiliated companies (all in Omaha, Nebraska) since their inception in September 2010, and as President of Scooter’s Coffee, LLC, from September 2010 to April 2015.

Chief Executive Officer: Joe Thornton

Joe Thornton has served as Chief Executive Officer of Boundless Enterprises, LLC, Scooter’s Coffee, LLC, Boundless Operations, LLC, and Harvest Roasting, LLC since January 2024. Mr.

Thornton served as President of Scooter’s Coffee, LLC from June 2022 to December 2023. From March 2020 to June 2022, Mr. Thornton served as Chief Operating Officer for HMS Host in Bethesda, Maryland. Prior to that role he served as Chief Operating Officer for Jamba Juice, based in Frisco, Texas from March 2017 to October 2018.

Chief Legal Officer: Susan Tegt

Susan Tegt has served as Chief Legal Officer for Boundless Enterprises, LLC, Scooter’s Coffee, LLC, Boundless Operations, LLC and Harvest Roasting, LLC since January 2024. From December 2016 to January 2024, Ms. Tegt served as Shareholder and Attorney at Larkin Hoffman Daly & Lindgren, Ltd. in Minneapolis, Minnesota.

Chief Financial Officer: Greg Hand

Greg Hand has served as our Chief Financial Officer since April 2020. From February 2006 to April 2020, Mr. Hand worked at Hayneedle, Inc. in Omaha, Nebraska in various positions, including that of Chief Financial Officer and Campus Lead from January 2019 to February 2020, and the Vice President – Financial Planning & Analysis and Decision Support from March 2014 to January 2019.

Chief Strategy Officer: Malorie Maddox

Malorie Maddox has served as our Chief Strategy Officer since January 2024. Mrs. Maddox previously served as our Chief Marketing Officer from March 2023 to January 2024. From March 2018 to March 2023, Ms. Maddox served as Chief Marketing Officer for Blue Cross Blue Shield of Nebraska in Omaha, Nebraska.

~~**Chief Community Officer: Bill Black**~~

~~Bill Black was appointed Chief Community Officer in February 2023. Mr. Black previously served as our Chief Marketing Officer from July 2018 to February 2023. From 2010 to July 2018, Mr. Black served as Chief Marketing Officer of The Marketing Coach, LLC in Atlanta, GA.~~

Chief Technology and Innovation Officer: Richard Heyman

Richard Heyman has served as our Chief Technology and Innovation Officer since January 2024. Prior to that, Mr. Heyman served as Chief Strategy Officer from January 2022 to January 2024 and as Chief Information Officer from July 2021 to January 2022. From October 2018 to July 2021, Mr. Heyman served as Chief Information Officer for Christopher & Banks in Minneapolis, Minnesota. From July 2017 to October 2018, Richard was a Principal for Retail Digital Strategy Consulting, a technology consulting firm based in Omaha, Nebraska.

~~**Chief Development Officer: Kim Ellis**~~

~~Kim Ellis joined Scooter's as Chief Development Officer in January 2023. Prior to joining Scooter's Coffee, Ms. Ellis served as Senior Vice President for Black Rifle Coffee from August 2021 to May 2022, and held the same title at GameStop from February 2019 to July 2021. Ms. Ellis served as Chief Development Officer at IFly from June 2018 to August 2019 and was Chief Development Officer at Piada from August 2015 to March 2018.~~

Chief Growth Officer: Tim Arpin

Tim Arpin has served as our Chief Growth Officer since January 2024. Prior to that, Mr. Arpin served as our Chief Sales Officer from July 2023 to January 2024. Mr. Arpin previously served as Vice President, Franchise Development for ServiceMaster Brands, LLC in Atlanta, Georgia from April 2022 to July 2023. From October 2021 to April 2022, he was head of franchise sales for Restaurant Brands International in Miami, Florida. Prior to that, Mr. Arpin served as our Vice President, Franchise Development from July 2019 to October 2021. From August 2009 to July 2019, he was Vice President, Franchise Development for Self Esteem Brands, LLC in Woodbury, Minnesota.

Chief Operating Officer: John Owen

John Owen has served as our Chief Operating Officer since January 2024. Prior to that, Mr. Owen served as Principal for Owen & Associates from January 2023 to December 2023 in Chicago, Illinois. Prior to that, Mr. Owen served as President for ACRELEC Americas from November 2021 to January 2023 in Chicago, Illinois. From January 2017 to October 2021, Mr. Owen served as Principal at Owen & Associates, LLC in Chicago, Illinois.

Chief Supply Chain Officer: Nick Jarecke

Nick Jarecke has served as our Chief Supply Chain Officer since December 2023. Prior to that, Mr. Jarecke served as Sr. Vice President with Harvest Roasting, LLC and Scooter's Coffee, LLC, from November 2019 to December 2023. Prior to that, Mr. Jarecke served as Plant Manager for Tyson Foods in Omaha, Nebraska from April 2016 to May 2019.

~~Vice President, Franchise Sales: Matthew Sawicki~~

~~Matt Sawicki has served in several capacities for Scooter's Coffee since February 2021, including that of Vice President, Franchise Sales since August 2023. From August 2017 to February 2021, he served as a Franchise Commercial Relationship Manager at ApplePie Capital, Inc. in San Francisco, CA. From June 2017 to August 2017, Mr. Sawicki served as Vice President of Franchise Development for Priority Leasing, Inc., in Minneapolis, Minnesota. Mr. Sawicki served as Assistant Vice President, Franchise Development at TCF Equipment Finance from July 2013 to June 2017. Prior to that he served as Vice President, Special Assets at Minnwest Bank from August 2009 to July 2013.~~

ITEM 3. LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4. BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5. INITIAL FEES

Franchise Agreement

Initial Franchise Fee

We offer an individual Store franchise and territory development rights under a Multiple Store Development Agreement (the “MSD Agreement”). The “Initial Franchise Fee” for an individual SCOOTER’S COFFEE Store is \$40,000 for each Store. The Initial Franchise Fee is due and paid by an Automated Clearing House network transfer (“ACH”) when you sign the Franchise Agreement and is not refundable for any reason.

Except for reduced initial franchise fees that you may pay under the MSD Agreement (as described below), you will pay us our then-current initial franchise fee if you sign any additional franchise agreements. You must sign our then-current form of franchise agreement for each Store you operate and, except as described in the MSD Agreement, you must pay us our then-current initial franchise fee in a lump sum when each franchise agreement is signed.

During 2023, we received initial franchise fees ranging from \$0 to \$40,000.

Initial Opening Support Fee

Under the Franchise Agreement, you must pay us an Initial Opening Support Fee of \$15,000 at the time the Franchise Agreement is signed (the “Initial Opening Support Fee”). We will match the first \$5,000 of your Initial Opening Support Fee if you satisfy our Initial Grand Opening Support program requirements. We will use the Initial Opening Support Fee primarily to directly pay or reimburse you for qualified expenses related to your grand opening promotional advertising campaign, although we may also use that Fee to offset the costs and expenses related to providing on site opening assistance at your Store. The Initial Opening Support Fee is not refundable for any reason.

New Store Opening Training Fee

Under the Franchise Agreement, if you are opening your first SCOOTER’S COFFEE Store or we otherwise determine that new Store opening training assistance is necessary, you agree to pay us a “New Store Opening Training Fee” of \$5,000. You will pay the New Store Opening Training Fee when you sign the Franchise Agreement or at another time we direct before Store opening. We will use the New Store Opening Training Fee to offset the costs and expenses related to providing on site opening assistance at your Store. The New Store Opening Training Fee is not refundable for any reason.

Initial Inventory and Equipment

You must purchase your initial inventory and certain Store equipment from our affiliate, Harvest Roasting (and other vendors), before opening your Store. We estimate that the range of the costs of your opening inventory (including menu items, ingredients, paper goods, uniforms and branded products and merchandise for retail sale) and certain Store equipment (including, espresso machine, countertops, storage, coffee brewers, coffee grinders, smoothie machines, oven, refrigerators, ice makers, sinks, shelving, menu board) will be \$193,000 to \$206,000. The amount paid for your opening inventory and equipment is not refundable for any reason.

We are a member of the International Franchise Association (“IFA”), and support and participate in IFA’s VetFran Program. If you are an honorably discharged veteran who meets our qualifications for new SCOOTER’S COFFEE franchisees, you will receive a \$20,000 product credit from our affiliate, Harvest Roasting. You must use this credit within one year from the date you open your Store. This credit may be granted only for your first Store.

MSD Agreement

If you elect to develop more than one Store under an agreed upon development schedule, you will pay us, by electronic funds transfer, a \$20,000 development fee (“Development Fee”) for each Store (excluding your first Store) that you agree to develop under the MSD Agreement when you sign the MSD Agreement. For example, if you agree to develop 5 Stores under the MSD Agreement, you will pay us a Development Fee of \$80,000 (\$20,000 times 4 Stores) under the MSD Agreement. We do not count your first Store when calculating the Development Fee as you will sign your first Franchise Agreement and pay us the Initial Franchise Fee for your first Store when you sign the MSD Agreement. You must sign the second and each subsequent Franchise Agreement under an MSD Agreement at the earlier of (i) the time you submit site permits for review, or (ii) at least 9 months before you are required to open and commence operations of the Store.

There is no maximum number of Stores that we would allow in an MSD Agreement, but generally our MSD Agreements allow for the development of 2 to 7 Stores. We reserve the right, however, to limit the number of Stores in any given MSD Agreement based on market conditions, our strategic goals, and the financial and other attributes of the Developer, among other factors. We will apply the Development Fee you pay for each Store under the MSD Agreement toward the Initial Franchise Fees for the respective Store to be developed after the first one. The remaining Initial Franchise Fee due for the second and subsequent Store(s) will be due at the earlier of the time you submit site permits for review, or at least 9 months before you are required to open and commence operations of the Store. We do not refund the Development Fee, once paid, under any circumstances.

ITEM 6. OTHER FEES

Franchise Agreement

Type of Fee¹	Amount	Due Date	Remarks
Royalty	6% of Net Sales	Paid by electronic	See Note 2

Type of Fee ¹	Amount	Due Date	Remarks
		funds transfer every Tuesday for the preceding Reporting Period. See Note 2	
Marketing Contribution	2% of Net Sales	Paid by electronic funds transfer every Tuesday for the preceding Reporting Period. See Note 2	The Marketing Contribution will be deposited into the Marketing Fund. Currently, Marketing Contributions are paid by electronic transfer of funds. See Note 2
Local Marketing and Advertising Commitment	None currently, although we may require you to spend up to 2% of Net Sales for local marketing and advertising in the future.	If required, you would spend the specified amount each calendar quarter.	We must give 60 days' written notice to impose such a requirement.
Regional Marketing and Advertising Cooperatives	None currently. May vary, with recurring contributions up to 3% of Net Sales.	Usually on a monthly basis, based on prior month's Net Sales, or as directed by co-op	As of the date of this Disclosure Document, there are no established cooperatives. Affiliate Stores contribute on the same basis as franchised Stores and have the same voting power as franchised Stores. The Regional Advertising Cooperative Fee may be offset by any Local Marketing and Advertising Commitment, if imposed. Maximum advertising expense of 5%. See Note 3.
Cost of Marketing, Advertising and Promotional Materials	Varies depending on the type of promotion and the type of materials used in the promotion	Due upon invoice	If you purchase advertising or marketing materials from us, we may, at our option, pass on the cost of these materials to you.
Inventory Purchases from Franchisor or Affiliate	Varies according to sales volume	Paid by electronic funds transfer on the date of invoice	Purchases are from our affiliate, Harvest Roasting.
Interest and Late Charges	\$25 late charge, plus the lesser of 1½ % per month, or highest rate of interest allowed by law	Late fee automatically assessed; interest on demand	Begins to accrue the day after payments are due.
Transfer Fee	\$10,000 per Store	Before the transfer is effective	If you transfer your rights to an existing franchisee or immediate family member (i.e., spouse, son, or daughter), we will waive this fee.
Territory/Search Area Modification Fee	No charge for first two requests. After second request, \$3,000 for each additional request.	Upon approval	Each request for our approval of a modification to the Development Area under the MSD Agreement or the Non-Exclusive Search Area under the Franchise Agreement must be in writing and meet our then-current standards and specifications.
Successor Renewal Fee	The greater of \$10,000 or 25% of the then-current Initial Franchise Fee for the first Store.	When you sign the then current Franchise Agreement	Payable if you opt for and qualify for a successor franchise at the end of the initial term.
Inspection and Audit Fee	Interest on past due amount at 18%, or highest rate of interest allowed by law plus costs of audit	15 days after receipt of our notice to you of any underpayment	Costs of audit payable only if you understate your Net Sales by 3% or more, do not submit reports to us or do not cooperate in performance of the inspection and audit. Interest payable if you understate your Net Sales by any amount.
Alternative Supplier Approval Fee	\$2,500 per supplier plus the actual cost of any testing and the	Upon approval or disapproval	You must make a written request for approval. We will respond within thirty days

Type of Fee ¹	Amount	Due Date	Remarks
	reasonable cost of our investigation.		after receiving your written request. See Operations Manual for approved suppliers list.
Technology Fee	Will vary under the circumstances, currently \$175 to \$350 per month	The first day of each month	You pay this Fee to cover mobile application fees, access to the Dashboard Software (see Item 11), and access to a HR and talent management system (currently, Talent Reef).
Costs and Attorneys' Fees	Will vary under the circumstances	As incurred	Payable only if you do not comply with the Franchise Agreement.
Indemnification	Will vary depending on nature of the claim involved	As incurred	You must reimburse us if we are held liable for claims arising from your Store's operations.
Insurance Premiums	Will vary depending on your location and insurer	As incurred	If you fail to obtain or maintain required insurance, we may obtain insurance on your behalf and seek from you reimbursement for insurance, including late charges.
Relocation Fees	Minimum of \$500 up to a maximum of \$1,000 depending on expenses we incur	Due when you submit request to relocate and remainder, if any, due before opening	Payable only if you relocate your Store during the term of your Franchise Agreement. You pay all costs of relocating.
Conference Fee	\$499 per person per year	As incurred	A Principal Owner or your Designated Manager must attend any annual conference we sponsor, and pay our then-current conference fee. You must pay this fee if you fail to attend without our prior written consent. Additional travel and lodging expenses are your responsibility.
Additional Training Fee	\$500 per person	Before training begins	Immersion Training for an unlimited number of trainees is included in the Initial Franchise Fee. Operations Training for up to four people is included in the Initial Franchise Fee. This Additional Training Fee is payable if it becomes necessary to provide the Operations Training program to any replacement manager during the term of the Franchise Agreement.
Operations Training Cancellation Fee	\$500 per person plus all other expenses we incur	Upon cancellation or rescheduling	If you fail to cancel scheduled Operations Training at least 14 days prior to such training or if you are not prepared to successfully complete training, we may charge you an Operations Training Cancellation Fee (including any training fees and any travel and living expenses incurred by our representatives), and we may require you to pay an additional fee for rescheduled training.
Designated Manager Training Cancellation Fee	\$150 per person	Upon failure to attend	If you or your Designated Manager registers but fails to attend the Designated Manager portion of Operations Training, we may charge you a cancellation fee.
Tax Indemnification	We may collect from you the cost of all sales and related taxes arising from our licensing of	Payable, when applicable, by electronic funds	Only imposed if state collects these taxes or assessments from us.

Type of Fee ¹	Amount	Due Date	Remarks
	intellectual property (such as the Royalty fees) to you in the state where your Store is located, as well as any assessment on fees and any other revenue we receive from you.	transfer.	
Site Concept Plan	Up to \$1,000	Before signing ground lease or purchase agreement	See Note 5

~~¹Except as otherwise noted, fees are imposed by and paid to us. All fees are nonrefundable. All fees are uniformly imposed except as otherwise indicated.~~

~~²Upon signing the Franchise Agreement, you must sign and deliver to us and your bank all documents necessary to permit us to electronically debit your bank account for each week's Royalty and Marketing Contribution payments and other payments that you make to us or to our affiliates. Reporting Period means the period of Saturday to Friday (unless we designate otherwise). If you fail to report Net Sales, in addition to all other rights we may have, we may debit your bank account by an amount equal to the amount transferred from your account for the last Reporting Period for which a report of Net Sales of the Store was provided to us, together with a late fee on that amount. We will credit any overpayment against the next week's amount due. Any deficiency is debited from your account.~~

~~The term "Net Sales" means sales of all services or products from or through your Store, including any sale of services or products made for cash and/or on credit, regardless of: (i) collection of charges for which credit is given, (ii) whether such sale is conducted in compliance with the Franchise Agreement, and (iii) whether such sale is at the Franchised Location or off site, but exclusive of discounts. "Net Sales" also includes the fair market value of any services or products you receive in barter or exchange for your services and products.~~

~~³Your maximum marketing and advertising expense will be 5% of Net Sales, which includes any Marketing Contribution, Local Marketing and Advertising Commitment, and Regional Co-op Expenditure.~~

~~⁴You are responsible for all expenses associated with travel, meals and lodging while you attend initial training sessions. All of these expenses are paid to third parties. These expenses will vary according to where you stay, where you eat and how far you have to travel.~~

~~⁵The "Site Concept Plan" is a document that may consist of an overlay of the site plan on satellite imagery, engineering test fits and/or preliminary civil designs, to confirm the feasibility of Store development, before entering into a ground lease or purchase agreement. You are responsible for the costs incurred in preparing all required Site Concept Plans to suit the shape and site constraints of the Store, before submitting to us for site acceptance. These expenses may be paid to us or third parties.~~

Explanatory Notes

Note 1: Except as otherwise noted, fees are imposed by and paid to us. All fees are nonrefundable. All fees are uniformly imposed except as otherwise indicated.

Note 2: Upon signing the Franchise Agreement, you must sign and deliver to us and your bank all documents necessary to permit us to electronically debit your bank account for each week's Royalty and Marketing Contribution payments and other payments that you make to us or to our affiliates. Reporting Period means the period of Saturday to Friday (unless we designate otherwise). If you fail to report Net Sales, in addition to all other rights we may have, we may debit your bank account by an amount equal to the amount transferred from your account for the last Reporting Period for which a report of Net Sales of

the Store was provided to us, together with a late fee on that amount. We will credit any overpayment against the next week's amount due. Any deficiency is debited from your account.

The term "Net Sales" means sales of all services or products from or through your Store, including any sale of services or products made for cash and/or on credit, regardless of: (i) collection of charges for which credit is given, (ii) whether such sale is conducted in compliance with the Franchise Agreement, and (iii) whether such sale is at the Franchised Location or off-site, but exclusive of discounts. "Net Sales" also includes the fair market value of any services or products you receive in barter or exchange for your services and products.

Note 3: Your maximum marketing and advertising expense will be 5% of Net Sales, which includes any Marketing Contribution, Local Marketing and Advertising Commitment, and Regional Co-op Expenditure.

Note 4: You are responsible for all expenses associated with travel, meals and lodging while you attend initial training sessions. All of these expenses are paid to third parties. These expenses will vary according to where you stay, where you eat and how far you have to travel.

Note 5: The "Site Concept Plan" is a document that may consist of an overlay of the site plan on satellite imagery, engineering test fits and/or preliminary civil designs, to confirm the feasibility of Store development, before entering into a ground lease or purchase agreement. You are responsible for the costs incurred in preparing all required Site Concept Plans to suit the shape and site constraints of the Store, before submitting to us for site acceptance. These expenses may be paid to us or third parties.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT – KIOSK

Type of expenditure	Amount for Kiosk Store	Method of payment	When due	To whom payment is to be made
Initial Franchise Fee (See note 1)	\$40,000	Cash	At signing of Franchise Agreement	Us
Initial Opening Support Fee	\$15,000	Cash	At signing of Franchise Agreement	Us
Construction Costs (See notes 2, 3 , and <u>43</u>)	\$495,000 to \$829,000 (not including the purchase of land)	As negotiated	Before opening	Us or other suppliers
Architectural and Engineering Fees (See note 54)	\$36,000 to \$75,000	As negotiated	Before opening	Other suppliers
Equipment, fixtures and furniture (See note 65)	\$172,500 to \$183,000	As negotiated	Before opening	Harvest Roasting and other suppliers
Signs (See note <u>76</u>)	\$51,000 to \$61,000	As negotiated	Before opening	Other suppliers

Type of expenditure	Amount for Kiosk Store	Method of payment	When due	To whom payment is to be made
Point-of-sale system and software (See note 87)	\$14,500 to \$15,000	As negotiated	Before opening	Other suppliers
Technology Systems (See note 98)	\$34,500 to \$41,000	Cash	As incurred	Us or other suppliers
Deposits and licenses (See note 109)	\$1,000 to \$8,000	As negotiated	Before opening	Other suppliers
Initial training: travel and living expenses (See note 110)	\$5,000 to \$8,000	Cash	Before opening	Other suppliers
New Store Opening Training Fee	\$5,000	Cash	At signing of Franchise Agreement	Us
Opening inventory, supplies, and smallwares (See note 111)	\$25,000 to \$27,000	Cash	Before opening	Harvest Roasting and other suppliers
Additional funds — 3 months (See note 112)	\$0 to \$86,000	Cash	As incurred	Other suppliers and your employees
Total (See note 113)	\$894,500 to \$1,393,000			

Explanatory Notes

Note 1: Initial Franchise Fee. If you sign an MSD Agreement and this is your second or subsequent Store, we apply the nonrefundable \$20,000 Development Fee paid for the second and each subsequent Store to be developed toward the Initial Franchise Fee for each Store. This payment must be made by ACH.

Note 2: Site Concept Plan, Due Diligence and Site Work. Typically, a Kiosk Site will require a Site Concept Plan and preliminary due diligence to confirm the feasibility of development, before entering into a ground lease or purchase agreement. The Site Concept Plan may consist of an overlay of the site plan on satellite imagery, engineering test fits and/or preliminary civil designs. Due Diligence may consist of a full site investigation research, including flood zone(s), zoning district(s), setback requirements, signage allowances, planning and zoning hearings, permitting processes, parking requirements, asbestos abatement, geotechnical surveys, environmental surveys, title research, and platting. You should factor this into your cost analysis. If you purchase real estate for the Store, your investment obligations will be significantly higher, and will depend on the location of the real estate. In addition, the site may require a Phase II Environmental Site Assessment or traffic impact study. You should factor this into your cost analysis.

The total investment for site work depends on a number of factors, including utility access, size of lot, existing or new street access, storm water drainage, environmental contamination, and quality of soil. Your costs for site work for the Store will depend in large part on the square footage of your Site, the extent of the site work required, and the location and overall costs in the market in which you are developing the Store. You must prepare, for our review and acceptance, all required Site Concept Plans to suit the shape and site constraints of the Store. The site work

you typically will perform includes running utilities to the building, tying into storm water infrastructure, new concrete or asphalt for the drive-thru or parking areas, remediation of contaminants, and import/excavation of existing soil. You may receive an allowance from the landlord to finish the site work, or you may receive a rent credit to cover a portion of the site work cost. You should factor this into your cost analysis. In addition, you may be required to hire an energy consultant to assist with utilities at the Store. We estimate this cost to be approximately \$2,500 per Store.

Note 3: Free Standing Building and Leasehold Improvements. Typically, a Kiosk Store will have 664 square feet. The total investment depends on a number of factors, including outside finish materials and local code requirements. Your costs for leasehold improvements for the Store will depend in large part on the square footage of your Store and the location and overall costs in the market in which you are developing the Store. The estimated leasehold improvements reflect the build-out of space that is “ready to occupy”, based on the recommended size of the Store, although your actual costs may vary under or over the estimates. The leasehold improvements you will typically make include floor covering, painting, HVAC, lighting, electrical, plumbing, design, utilities, water, and other improvements. You must construct your Store with the assistance of contractors, architects and suppliers designated or approved by us. We may in the future designate one or more suppliers for materials (including modules and prefabricated kiosks) used in the construction of all or part of the Store.

You may receive an allowance from the landlord to finish the interior or build the building, or you may receive a rent credit to cover a portion of the same. You should factor this into your cost analysis. As of the date of this disclosure document, the rent paid by franchisees and our affiliates for Kiosk Stores range from \$3,500 to \$10,000 per month.

If you purchase real estate for the Store, your investment obligations will be significantly higher, and will depend on the location of the land. The purchase of real estate for a Kiosk Store is optional. While we cannot estimate these costs due to the significant variances based on location and market conditions, as of the date of this disclosure document, the purchase price for real estate purchased by franchisees and our affiliates ranged from \$250,000 to \$1,300,000.

~~Note 4: End Cap Site. You may also purchase or lease an existing end cap site to convert into a SCOOTER’S COFFEE Store at what would likely be a lower cost than a Kiosk Store. As a result, you may experience construction costs that vary from the estimated amount provided in this Item 7. The construction costs for an end cap site will vary significantly depending on many factors including the size of the building, whether any site work is required and whether there is an existing drive-thru.~~

~~Note 5:~~ Architectural and Engineering Fees. The estimate provided in the table above includes estimated architectural fees and structural and civil engineering fees and costs. Although we may supply you with standardized blueprints for a Store, you are responsible for preparing all required blueprints to suit the shape and dimensions of the Store. This estimate also includes the cost of a required site investigation report (SIR), approximately \$5,000 per store.

Note ~~6~~5: Equipment, Fixtures and Furniture. This item includes the estimated costs to obtain and install the merchandising systems, espresso machine, countertops, storage, coffee brewers, coffee grinders, smoothie machines, oven, refrigerators, ice makers, sinks, furniture and shelving, and menu board. This estimate also includes office equipment, including a telephone system and access to satellite radio. The estimates contained in the chart above only reflect equipment purchases that are required, and not additional optional equipment purchases that you may choose to make.

Note ~~7~~6: Signs. You will be required to have a monument sign unless it is prohibited under city codes or regulations or by your landlord. The estimate provided in the table assumes that you will have a pole sign or monument sign.

Note ~~8~~7: Point-of-Sale System and Software. This item includes the estimated costs to purchase and license a computerized point-of-sale system (“POS System”) and Internet access. None of these payments are refundable once paid. All of these costs are currently paid to third party suppliers, although we may require you to purchase the POS System and other technology from us or our affiliate in the future.

Note ~~9~~8: Technology Systems. This includes the estimated cost to purchase the Technology Systems. See Item 11 for additional information on the Technology Systems for your Store.

Note ~~10~~9: Deposits and Licenses. Security deposits, if applicable to your Store, range from one to two months’ rent; utility deposits range from a nominal amount to approximately \$500; and business licenses range from approximately \$200 to \$500 a year. Each or any of these items may exceed the stated range depending on your location.

Note ~~11~~10: Initial Training (Travel and Living Expenses). Your travel and living expenses when you attend our initial training program will vary depending on the length of your instruction, the distance you must travel and the standard of living you desire while you attend the program. The high range estimate covers expenses for the Store owner(s) attending a three-day owners training session, and for four people attending our four-week training session with week one taking place at a corporate training kiosk and weeks two through four taking place in one of our designated training stores located at various sites across the country.

Note ~~12~~11: Opening Inventory, Supplies and Smallwares. You must open with and maintain an adequate inventory of menu items, ingredients, paper goods, smallwares, uniforms and branded products and merchandise for retail sale. You will be required to purchase several of these items from our Approved Suppliers (as defined in Item 8). We anticipate that all of your initial purchases will be from Harvest Roasting or a vendor recommended by ~~Harvesting~~Harvest Roasting.

Note ~~13~~12: Additional Funds. You may or may not need additional funds as working capital to support ongoing expenses that are not covered by sales revenue. New Stores may generate negative cash flow. These figures are estimates and we cannot guarantee that you will not have additional expenses in the first three months of operation. Your costs will depend on factors such as the extent to which you follow our methods and procedures; your management skill,

experience and business acumen; local economic conditions; the local market for our products and services; the prevailing wage rate; competition; your rent structure; your Store site type; and the sales level reached during this initial period. This item may include a variety of expenses and working capital items during your start-up phase such as rent, employee salaries, and other miscellaneous costs. However, this item excludes your salary.

Note ~~14~~13: Basis for Estimates; Financing. We relied on our affiliate's and predecessors' experience in coffee service businesses of the past 26 years, as well as estimates we have received from some third party vendors, when preparing these figures. These estimates only include required equipment and other purchases, and do not account for optional purchases that you may choose to make. You should review these figures carefully with a business advisor before making any decision to purchase a franchise. These figures are estimates only and we cannot guarantee that you will not have additional expense in starting or operating your Store. We do not offer financing either directly or indirectly for any part of the initial investment. The availability and terms of financing from independent third parties depends on factors such as the availability of financing generally, your creditworthiness, other security and collateral you may have and policies of lenders.

YOUR ESTIMATED INITIAL INVESTMENT – END CAP STORE

<u>Type of expenditure</u>	<u>Amount for End Cap Store</u>	<u>Method of payment</u>	<u>When due</u>	<u>To whom payment is to be made</u>
<u>Initial Franchise Fee (See note 1)</u>	<u>\$40,000</u>	<u>Cash</u>	<u>At signing of Franchise Agreement</u>	<u>Us</u>
<u>Initial Opening Support Fee</u>	<u>\$15,000</u>	<u>Cash</u>	<u>At signing of Franchise Agreement</u>	<u>Us</u>
<u>Construction Costs (See notes 2, 3)</u>	<u>\$299,600</u>	<u>As negotiated</u>	<u>Before opening</u>	<u>Us or other suppliers</u>
<u>Architectural and Engineering Fees (See note 4)</u>	<u>\$28,400</u>	<u>As negotiated</u>	<u>Before opening</u>	<u>Other suppliers</u>
<u>Equipment, fixtures and furniture (See note 5)</u>	<u>\$186,500</u>	<u>As negotiated</u>	<u>Before opening</u>	<u>Harvest Roasting and other suppliers</u>
<u>Signs (See note 6)</u>	<u>\$52,100</u>	<u>As negotiated</u>	<u>Before opening</u>	<u>Other suppliers</u>

<u>Point-of-sale system and software (See note 7)</u>	<u>\$17,500</u>	<u>As negotiated</u>	<u>Before opening</u>	<u>Other suppliers</u>
<u>Technology Systems (See note 8)</u>	<u>\$34,500 to \$41,000</u>	<u>Cash</u>	<u>As incurred</u>	<u>Us or other suppliers</u>
<u>Deposits and licenses (See note 9)</u>	<u>\$1,000 to \$8,000</u>	<u>As negotiated</u>	<u>Before opening</u>	<u>Other suppliers</u>
<u>Initial training: travel and living expenses (See note 10)</u>	<u>\$5,000 to \$8,000</u>	<u>Cash</u>	<u>Before opening</u>	<u>Other suppliers</u>
<u>New Store Opening Training Fee</u>	<u>\$5,000</u>	<u>Cash</u>	<u>At signing of Franchise Agreement</u>	<u>Us</u>
<u>Opening inventory, supplies, and smallwares (See note 11)</u>	<u>\$25,000 to \$27,000</u>	<u>Cash</u>	<u>Before opening</u>	<u>Harvest Roasting and other suppliers</u>
<u>Additional funds — 3 months (See note 12)</u>	<u>\$0 to \$86,000</u>	<u>Cash</u>	<u>As incurred</u>	<u>Other suppliers and your employees</u>
<u>Total</u> (See note 13)	<u>\$709,600 to \$814,100</u>			

Explanatory Notes

Note 1: Initial Franchise Fee. If you sign an MSD Agreement and this is your second or subsequent Store, we apply the nonrefundable \$20,000 Development Fee paid for the second and each subsequent Store to be developed toward the Initial Franchise Fee for each Store. This payment must be made by ACH.

Note 2: Site Concept Plan, Due Diligence and Site Work. Typically, an End cap Store Site will require a Site Concept Plan and preliminary due diligence to confirm the feasibility of development, before entering into a ground lease. The Site Concept Plan may consist of an overlay of the site plan on satellite imagery, engineering test fits and/or preliminary civil designs. Due Diligence may consist of a full site investigation research, including zoning district(s), signage allowances, planning and zoning hearings, permitting processes, parking requirements, asbestos abatement, geotechnical surveys, environmental surveys, title research, and platting. You should factor this into your cost analysis.

Note 3: Leasehold Improvements. An End cap Store must have a minimum of 664 square feet. The total cost of leasehold improvements depends on a number of factors, including outside finish materials and local code requirements. Your costs for leasehold improvements for the Store will depend in large part on the square footage of your Store and the location and overall costs in the market in which you are developing the Store. The estimated leasehold improvements reflect the build-out of space that is “ready to occupy”, based on the recommended size of the Store, although your actual costs may vary under or over the estimates. The leasehold improvements you will typically make include floor covering, painting, HVAC, lighting, electrical, plumbing, design, utilities, water, and other improvements. You must construct your Store with the assistance of contractors, architects and suppliers designated or approved by us. We may in the future designate one or more suppliers for materials (including modules and prefabricated kiosks) used in the construction of all or part of the Store. You may

receive an allowance from the landlord to finish the interior, or you may receive a rent credit to cover a portion of the construction costs. You should factor this into your cost analysis.

Note 4: Architectural and Engineering Fees. The estimate provided in the table above includes estimated architectural fees and structural and civil engineering fees and costs. Although we may supply you with standardized blueprints for a End cap Store, you are responsible for preparing all required blueprints to suit the shape and dimensions of the End cap Store. This estimate also includes the cost of a required site investigation report (SIR), approximately \$5,000 per store.

Note 5: Equipment, Fixtures and Furniture. This item includes the estimated costs to obtain and install the merchandising systems, espresso machine, countertops, storage, coffee brewers, coffee grinders, smoothie machines, oven, refrigerators, ice makers, sinks, furniture and shelving, and menu board. This estimate also includes office equipment, including a telephone system and access to satellite radio along with customer seating and other furniture. The estimates contained in the chart above only reflect equipment purchases that are required, and not additional optional equipment purchases that you may choose to make.

Note 6: Signs. You must install a monument sign unless it is prohibited under city codes or regulations or by your landlord. The estimate provided in the table assumes that you will have a pole sign or monument sign.

Note 7: Point-of-Sale System and Software. This item includes the estimated costs to purchase and license a computerized point-of-sale system (“POS System”) and Internet access. None of these payments are refundable once paid. All of these costs are currently paid to third party suppliers, although we may require you to purchase the POS System and other technology from us or our affiliate in the future.

Note 8: Technology Systems. This includes the estimated cost to purchase the Technology Systems. See Item 11 for additional information on the Technology Systems for your Store.

Note 9: Deposits and Licenses. Security deposits, if applicable to your End cap Store, range from one to two months’ rent; utility deposits range from a nominal amount to approximately \$500; and business licenses range from approximately \$200 to \$500 a year. Each or any of these items may exceed the stated range depending on your location.

Note 10: Initial Training (Travel and Living Expenses). Your travel and living expenses when you attend our initial training program will vary depending on the length of your instruction, the distance you must travel and the standard of living you desire while you attend the program. The high range estimate covers expenses for the End cap Store owner(s) attending a three-day owners training session, and for four people attending our four-week training session with week one taking place at a corporate training kiosk and weeks two through four taking place in one of our designated training stores located at various sites across the country.

Note 11: Opening Inventory, Supplies and Smallwares. You must open with and maintain an adequate inventory of menu items, ingredients, paper goods, smallwares, uniforms and branded

products and merchandise for retail sale. You must purchase several of these items from our Approved Suppliers (as defined in Item 8). We anticipate that all of your initial purchases will be from Harvest Roasting or a vendor recommended by Harvest Roasting.

Note 12: Additional Funds. You may or may not need additional funds as working capital to support ongoing expenses that are not covered by sales revenue. New End cap Stores may generate negative cash flow. These figures are estimates and we cannot guarantee that you will not have additional expenses in the first three months of operation. Your costs will depend on factors such as the extent to which you follow our methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for our products and services; the prevailing wage rate; competition; your rent structure; your Store site type; and the sales level reached during this initial period. This item may include a variety of expenses and working capital items during your start-up phase such as rent, employee salaries, and other miscellaneous costs. However, this item excludes your salary.

Note 13: Basis for Estimates; Financing. We relied on the experience of our franchisee opening an End cap Store in a suburb of the Minneapolis/St. Paul market.. These estimates only include required equipment and other purchases, and do not account for optional purchases that you may choose to make. You should review these figures carefully with a business advisor before making any decision to purchase a franchise. These figures are estimates only and we cannot guarantee that you will not have additional expense in starting or operating your End cap Store. We do not offer financing either directly or indirectly for any part of the initial investment. The availability and terms of financing from independent third parties depends on factors such as the availability of financing generally, your creditworthiness, other security and collateral you may have and policies of lenders.

MSD Agreement

YOUR ESTIMATED INITIAL INVESTMENT

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Development Fee (See note 1)	\$20,000 to \$120,000	Cash	At signing of MSD Agreement	Us
Initial Store Development (See note 2)	\$894,000 to \$1,393,000	As negotiated	As incurred	Us, other suppliers and your employees
Total	\$914,000 to \$1,513,000			

Explanatory Notes

Note 1: Development Fee. If you sign an MSD Agreement to open multiple Stores, you must pay us a nonrefundable \$20,000 Development Fee for each Store to be developed under the MSD Agreement after the initial Store. We apply the \$20,000 Development Fee toward the Initial Franchise Fee for each respective Store to be developed under the MSD Agreement after the initial Store. There is no maximum number of Stores that we would allow in an MSD Agreement, but generally our MSD Agreements allow for the development of 2 to 7 Stores and

we reserve the right to limit the number in any given MSD Agreement based on market conditions, our strategic goals, and the wherewithal of the Developer, among other factors.

Note 2: Initial Store Development. Your initial investment for your first Store will be based on the estimated investments disclosed in this Item 7. You should be aware that your initial investment for your second and subsequent Stores likely will be higher than the above estimates for your first Store due to inflation and other economic factors that vary over time.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

To ensure a uniform image and uniform quality of products and services throughout the SCOOTER'S COFFEE System, you must establish and operate your SCOOTER'S COFFEE Store in compliance with the Franchise Agreement and our required standards and specifications. We will provide you with our Operations Manual that will contain these standards, which we may modify from time to time. As we determine trends in the marketplace or develop new marketing techniques, technologies, products and services, we anticipate that we will develop and modify our standards as we consider appropriate and useful, and notify you through amendments to the Operations Manual.

Proprietary Items

Your Store will feature and offer for sale a variety of coffee drinks, smoothies, baked goods and other food and beverage items that we require and approve. Before opening your Store, you must purchase specific items of goods and equipment, including espresso machines, coffee brewing machines, coffee grinders, blenders, refrigerators, coffee beans, flavoring syrups and sauces, smoothie mixes, baked items, sandwiches, burritos, mugs, cups, T-shirts, caps and other branded merchandise and proprietary food and drink items that we may designate from time to time (the "Proprietary Items"). As detailed further below, you must obtain the Proprietary Items from Designated Suppliers (as defined below). Specifically, as of the date of this Disclosure Document, you must purchase all coffee beans, syrups and sauces, sandwiches, burritos, baked goods (in areas where Harvest Roasting delivers such goods), smoothie mixes, paper goods (e.g., hot and cold cups, lids, napkins, etc.) and other items bearing any SCOOTER'S COFFEE logo or trademark, and equipment (e.g., espresso machines, brewers, grinders, ovens) only from our affiliate, Harvest Roasting, or another Designated Supplier we appoint.

Store Build-Out and Lease

You must operate your Store from the Franchised Location that we consent to. We consent to locations on a case by case basis, considering items such as size, appearance and other physical characteristics of the site, demographic characteristics, traffic patterns, competition from other businesses in the area and other commercial characteristics, such as rental obligations and other lease terms (including those that we require be in the lease). You may not sign a lease for the Franchised Location until you provide us with a copy of the lease and allow us reasonable time to confirm that the lease contains certain mandated provisions. You and the landlord must sign a Lease Addendum (in the form that we require) in connection with any lease agreement. We reserve the right to reject the lease if the lease does not contain these provisions, or the landlord does not sign the Lease Addendum. You also will provide us with a copy of the fully executed

lease or purchase agreement within 14 days of signing the lease or purchase agreement. If you (or your affiliate) desire to own the premises of the Franchised Location, you may do so only through a separate business entity (either a limited liability company, corporation or limited partnership) and will be required to enter into a lease agreement, as the tenant of the Franchised Location, with your affiliate (as the landowner), and the lease must reflect current market rates and other terms and conditions acceptable to us. In addition, your affiliate must sign a Lease Addendum or Guaranty and Assumption of Franchisee Obligations in the form attached to the Franchise Agreement. You are not required to purchase, lease or sublease the Franchised Location from us or our affiliate.

You must construct and develop your Store using only those types of construction and decorating materials, fixtures, equipment (including computer hardware and software), furniture and signs that we have approved as meeting our specifications and standards for appearance, function and performance. You must submit construction plans, bids, specifications, and any other documentation or forms we may require to us for our approval before you begin construction of your Store, and you must submit all revised plans and specifications to us during the course of construction. You must ensure that the plans and specifications comply with the Americans With Disabilities Act and all other applicable federal, state and local laws, ordinances, building code and permit requirements and lease requirements and restrictions. You must construct your Store with the assistance of contractors, architects and suppliers designated or approved by us. We may designate one or more suppliers for materials (including modules and prefabricated kiosks) used in the construction of all or part of your Store.

In developing and operating your Store, you may purchase only the types of construction and decorating materials, fixtures, equipment, furniture and signs that we require and have approved as meeting our specifications and standards for quality, design, appearance, function and performance. You must purchase these items from the Designated Supplier(s) we select, or, if no Designated Supplier has been identified, from an Approved Supplier (as defined below) who can satisfy our standards and specifications. As of the date of this Disclosure Document, our affiliate, Harvest Roasting is the Designated Supplier for the following equipment: brewers, grinders and ovens.

You must maintain the condition and appearance of the Store, and refurbish and modify its layout, decor and general theme, as we will require you to maintain periodically throughout the term of the Franchise Agreement, the condition, appearance, efficient operation, ambience and overall image of SCOOTER'S COFFEE Stores. We require that you obtain our written consent to any improvements to the Franchised Location before construction begins. After your Store is operational, we recommend each year you put aside a portion of your annual revenue for such improvements.

Computer Hardware and Software

You must obtain a license for our proprietary “Dashboard Software” from us and purchase the “Technology Systems” from an Approved Supplier. You also must purchase or lease a point-of-sale system that meets our standards and specifications (together with the software we designate, referred to as “POS System”) from our Designated Supplier. The POS System must be installed by a certified, reputable technician that we approve. See Item 11 for further

information on the POS System and the Technology Systems. You must maintain a high-speed Internet connection at your Store to allow us access to your Store's data. You must run all sales through the POS System. You also must have commercially licensed internet radio at your Store.

You must use an Approved Supplier to maintain a secure technology infrastructure that meets our then-current requirements. All technology used to support the POS System must comply with the then-current regulations of the Payment Card Industry Data Security Standards (PCI-DSS) council or its successor and other regulations and industry standards applicable to the protection of customer privacy and credit card information, including the Fair and Accurate Credit Transaction Act (FACTA).

Supplier and Product Approval

We will provide you with lists of approved manufacturers, suppliers, contractors, consultants, installers, and distributors ("Approved Suppliers List") and approved inventory, products, fixtures, furniture, equipment, signs, supplies and other items or services necessary to operate your Store ("Approved Supplies List"). The Approved Suppliers List will list particular suppliers ("Approved Suppliers") from which you must purchase certain inventory, supplies, fixtures or other items for use in your Store. We, an affiliate or a third-party vendor or supplier periodically may be the only approved supplier for certain products (a "Designated Supplier"). We will provide you with, and periodically update, a list of Designated Suppliers. As of the date of this Disclosure Document, our affiliate, Harvest Roasting, and our then-current designated dairy provider(s), are the Designated Suppliers of coffee beans, syrups and sauces, sandwiches, burritos, baked goods (in areas where Harvest Roasting and/or our then-current designated dairy provider(s) delivers such goods), smoothie mixes, dairy products, paper goods (e.g., hot and cold cups, lids, napkins, etc.) and other items bearing any SCOOTER'S COFFEE logo or trademark, and certain equipment (e.g., espresso machines, brewers, grinders, ovens). If your Store is located within an area served by Harvest Roasting and/or our then-current designated dairy provider(s), you must purchase these items from them unless we agree otherwise in writing. Except as described in this Item 8, as of the date of this Disclosure Document, we and our affiliates are not the Designated Supplier of any other item. The lists specify the suppliers and the products and services which we have approved for use in the System. We may revise these lists and provide you with a copy of approved lists as we deem advisable.

If you want to use any unapproved material, fixture, inventory, supplies, equipment, furniture, sign or services, or purchase any items from any supplier that we have not approved, you must first notify us in writing and must submit to us, at our request, sufficient information, specifications and samples for us to determine whether the services, material, fixture, inventory, suppliers, equipment, furniture or sign complies with our specifications and standards, or the supplier meets our approved supplier criteria. You may not propose an alternative supplier or item for any items for which we have appointed a Designated Supplier. We will notify you of our decision within 90 days following our receipt of all information requested. We charge a fee of \$2,500 for our review of an alternative supplier. In addition, you must reimburse us for the actual cost of any testing and the reasonable cost of our investigation. We may inspect the facilities and products of any supplier or approved item and revoke our approval of any item or supplier that fails to continue to meet any of our criteria. We will send written notice of any

revocation of an approved supplier or supply. As part of the approval process, we may require that a proposed supplier sign a supplier agreement covering such items as insurance, product quality, trademark use, and indemnification. We do not provide material benefits to you based on your use of designated or approved sources.

We apply certain general criteria in approving a proposed supplier, including the supplier's quality and pricing of products, ability to provide products/services that meet our specifications, responsiveness, ability to provide products/services within the parameters required by the System, quickness to market with new items, financial stability, credit program for franchisees, freight costs, and the ability to provide support to the System (merchandising, field assistance, education and training respecting sales and use of products and services).

Advertising and Marketing

All marketing and promotion of your SCOOTER'S COFFEE Store and all signs and displays must conform to our standards and specifications.

You must submit to us samples of all marketing, advertising and promotional materials that have not been prepared or previously approved by us. We retain the right to develop and control all marketing and advertising using our Marks, both on and off the Internet. We reserve the right, on 30 days' prior written notice to you, to require you to participate in electronic advertising by creating, customizing or providing access to a linked web page. Subject to applicable law, you must participate in any gift/loyalty card program or other marketing promotions we implement.

Insurance

You must purchase and maintain for each Store you operate, at your expense, all insurance we require in the types and minimum amounts described below and in the Operations Manual. Your insurance policy or policies must be written by an insurance company that has been approved by us in writing and having an A.M. Best rating of A- or higher. We reserve the right to designate the insurance vendor you must use. Your insurance policies must include the following minimum requirements for each Store (unless otherwise noted): Comprehensive general liability insurance, including product liability, contractual liability, personal injury, property damage, and independent contractor's coverage and auto hired and non-owned vehicles with minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate; property and casualty insurance coverage insuring your inventory, equipment, construction of your improvements, and your completed Store for the full replacement value; automobile liability insurance with a minimum combined single limit of \$1,000,000; worker's compensation insurance that an applicable state may require; employer's liability insurance with minimum limits of \$500,000 per occurrence, \$500,000 per employee, and \$500,000 policy limit; and umbrella coverage with a minimum limit of \$1,000,000 per occurrence and \$1,000,000 aggregate (cumulative) for 4 or fewer Stores and a minimum limit of \$3,000,000 per occurrence and \$3,000,000 aggregate limit (cumulative) for 5 or more Stores. Your obligation to obtain and maintain these insurance policies will not be affected by any insurance that we may obtain for ourselves or our affiliates. We periodically may, with prior written notice to you, increase the minimum liability protection requirements, and require different or additional kinds of insurance to reflect inflation or changes in standards of liability.

If you fail to purchase or maintain this insurance, we may demand that you cease operations or we may obtain insurance for you, in which case you must reimburse us and our affiliates for the cost of the insurance. All insurance policies must name us and our affiliates as an additional insured and give us at least 30 days' prior written notice of termination, amendment or cancellation. You also must provide us with one or more certificates or endorsements of insurance evidencing your insurance coverage and naming us and our affiliates as an additional insured on each applicable policy. You must furnish us with copies of all required insurance policies or other evidence of insurance coverage and payment of premiums at least 30 days before your Store opens, and as we request from time to time.

Miscellaneous

We may negotiate prices for numerous products for the benefit of the System, but not for any individual franchisee. We are not aware of any purchasing or distribution cooperative in the System. We attempt to receive volume discounts for the System.

During our last fiscal year ended December 31, 2023, we received \$38,618 as a result of franchisee purchases of goods, products and services, which represents less than 1% of the total \$59,930,891 revenue we received in 2023. During their last fiscal year ended December 31, 2023, our affiliates Harvest Roasting and Boundless Enterprises received \$162,043,385 in revenue from the sale of goods, products and services to franchisees.

We may derive revenue directly or in the form of rebates or other payments from suppliers, based on purchases made by our franchisee. In fiscal year 2023, the rebates and other payments we or our affiliates received from suppliers ranged from less than 1% up to 10% or more of the prices franchisees paid for those items. We may, at our option, either retain these commissions, or other volume discounts, rebates or incentives received as a result of your purchases or use them for advertising or other expenses.

Other than certain of our officer's indirect ownership in our affiliate Harvest Roasting, our officers do not own a material interest in any supplier.

We estimate that the purchase or lease of the building, site development costs, equipment, signs, fixtures, vehicles, furnishings, supplies, inventory and advertising and sales promotions materials which meet our specifications will represent approximately 75% to 85% of the total cost to develop the Store. We estimate that the purchase or lease of supplies, inventory and advertising and sales promotions materials which meet our specifications will represent approximately 28% to 36% of the total cost to operate your Store.

ITEM 9. FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

Obligation	Section in agreement	Disclosure document item
a. Site selection and acquisition/lease	Sections 3.1, 3.2, 5.1 and 5.2 of Franchise Agreement; Section 3.3 of MSD Agreement	Items 7 and 11
b. Pre-opening purchase/leases	Sections 5.2 through 5.6 of Franchise Agreement	Item 8
c. Site development and other pre-opening requirements	Sections 5.2 through 5.6 of Franchise Agreement	Items 6, 7 and 11
d. Initial and ongoing training	Sections 6.1, 6.2 and 6.3 of Franchise Agreement; and Section 3.5 of MSD Agreement	Item 11
e. Opening	Section 5.8 of Franchise Agreement	Item 11
f. Fees	Sections 4.1, 4.2, 5.6, 11.1, 12.3, 12.4 and 12.5 of Franchise Agreement; Section 2.1 of MSD Agreement; and Section 4 of the Software Access Agreement	Items 5, 6 and 7
g. Compliance with standards and policies/operating manual	Sections 5.1-5.6, 8.1, 10.1, 12.1 and 13.1-13.7 of Franchise Agreement	Item 11
h. Trademarks and proprietary information	Sections 14.1, 14.6 and 20.3 of Franchise Agreement	Items 13 and 14
i. Restrictions on products/services offered	Sections 2.2 and 10.1 of Franchise Agreement	Items 11 and 16
j. Warranty and customer service requirements	Section 13.5 of Franchise Agreement	Items 8 and 16
k. Territorial development and sales quotas	Section 2.2 of Franchise Agreement, and Section 3.1 of MSD Agreement	Item 12
l. Ongoing product/service purchases	Sections 10.1 and 13.6 of Franchise Agreement	Item 8
m. Maintenance, appearance, and remodeling requirements	Section 10.1 of Franchise Agreement	Item 11
n. Insurance	Sections 21.1-21.4 of Franchise Agreement	Items 7 and 8
o. Advertising	Sections 4.2 and 12.1-12.6 of Franchise Agreement	Items 6, 7 and 11
p. Indemnification	Section 19.3 of Franchise Agreement	Item 6
q. Owner's participation/management/staffing	Section 10.1 of Franchise Agreement	Items 11 and 15
r. Records and reports	Sections 15.1-15.5 of Franchise Agreement	Item 11
s. Inspections and audits	Section 15.4 of Franchise Agreement	Item 6
t. Transfer	Article 16 of Franchise Agreement; and Article 5 of MSD Agreement	Item 17
u. Renewal	Article 17 of Franchise Agreement	Item 17
v. Post-termination obligations	Sections 18.4 and 20.2 of Franchise Agreement; Section 6.1 of MSD Agreement; and Section 11 of Software Access Agreement	Item 17
w. Non-competition covenants	Sections 20.1-20.2 of Franchise Agreement; and Section 6.1 of MSD Agreement	Item 17
x. Dispute resolution	Article 22 of Franchise Agreement; and Section 8.1 of MSD Agreement	Item 17

ITEM 10. FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or obligations.

ITEM 11. FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

Except as listed below, we are not required to provide you with any assistance.

Pre-Opening Assistance: Before you open a Store, we will:

1. Provide you with Immersion Training and Operations Training described below. (Section 7.1(A) of Franchise Agreement.)
2. Provide you with our site selection criteria and requirements. We may, but are not required to, provide site selection assistance, although site selection acquisition and development of the Store is your sole responsibility. (Section 7.1(B) of Franchise Agreement.)
3. Provide you with the standards and specifications for the leasehold improvements, interior design, layout, floor plan, signs, designs, products, inventory, uniforms, equipment, POS System, color and decor of the Store. (Section 7.1(C) of Franchise Agreement.)
4. Provide you with the standards and specifications for the equipment, supplies and materials used in, and the menu items offered for sale by, the Store, including the Approved Suppliers List and the Approved Supplies List and, if available, a description of any regional or central purchase and supply agreements offered by such Approved Suppliers. (Section 7.1(D) of Franchise Agreement.)
5. Loan to you, or provide electronic access to, the current Operations Manual. (Section 7.1(E) of Franchise Agreement.)
6. Provide opening assistance consisting of one representative on site at the Franchised Location. The representative will be on site for 7 days total, as outlined in the Operations Manual. We will use the New Store Opening Training Fee or possibly the Initial Opening Support Fee to offset the costs and expenses related to providing this opening assistance. We are obligated to provide this assistance only for your initial Store and may not offer this assistance for any second or subsequent Stores you operate. (Section 7.1(F) of Franchise Agreement.)
7. Provide assistance in planning and implementing your grand opening campaign. (Section 7.1(G) of Franchise Agreement.)

Ongoing Assistance: During the operation of your Store, we will:

1. Provide access to any advertising and promotional materials that we may develop. We reserve the right to charge you a fee for the cost of copying or providing any advertising or promotional materials to you. (Section 9.1(A) of Franchise Agreement.)
2. Provide such on-going support and assistance as we deem appropriate. (Section 9.1(B) of the Franchise Agreement.)
3. Provide any on-going training programs as we deem appropriate. (Section 9.1(C) of Franchise Agreement.)

4. Provide any updates or changes to the Operations Manual or System (Section 9.1(D) of the Franchise Agreement.)
5. Manage the Marketing Fund (Section 12.3 of the Franchise Agreement.).
6. Periodically may set minimum and maximum prices for all menu items sold at your Store (subject to applicable law) (Section 10.1(L) of the Franchise Agreement).

Site Selection

We do not generally own the premises (the “Franchised Location”) on which you will locate your Store. You are solely responsible for selecting and acquiring or leasing the Franchised Location for your Store. We will not select the Franchised Location, but we will identify an area in which you may select the Franchised Location for the Store (the “Non-Exclusive Search Area”) and may provide assistance in connection with the site selection process. We also will recommend an approved broker who is familiar with our System and specializes in the geographic area to assist you with site selection in the Non-Exclusive Search Area. The Franchised Location must be located inside the Non-Exclusive Search Area. You must obtain our consent for any site you may choose for your Store. You must not, without our prior written approval of the LOI and site package you have submitted to us, enter into any contract to purchase or lease any premises you intend to use as a Franchised Location for your Store. We base our consent respecting your site on a variety of factors including the viability of the location and demographics of the proposed site. We are not required to, but may, assist you in negotiating the purchase or lease of the Franchised Location. You must obtain our approval of the LOI and lease for the premises of your Store and sign a Lease Addendum in the form attached as an Exhibit to the Franchise Agreement. If you (or your affiliate) desire to own the premises of the Franchised Location, you may do so only through a separate business entity (either a limited liability company, corporation or limited partnership) and will be required to enter into a lease agreement, as the tenant of the Franchised Location, with your affiliate (as the landowner). In most cases, we will send a representative to your proposed site for approval. We will consent or not consent to your proposed location within a reasonable time. Once we have all of the necessary documentation for review, however, we typically take no more than 30 days to consent or not consent to your proposed location, and we may extend your development deadlines when circumstances beyond your reasonable control delay the site selection and approval process. Our consent to your proposed site as the Franchised Location does not infer or guarantee the success or profitability of a Franchised Location in any manner. We may terminate the Franchise Agreement if you fail to locate a Franchised Location (that we consent to) within 90 days of the date of the Franchise Agreement or you fail to sign a lease for the Franchised Location within 180 days of the date of the Franchise Agreement.

Time To Open

The typical length of time it takes to open a Store after signing the Franchise Agreement or making your first payment for the franchise is 180 to 545 days. The factors which may affect this time period are your ability to locate a site, secure financing, obtain a lease, obtain permits, the delivery schedule for equipment, inventory and supplies, and completion of your training.

Unless we otherwise agree in writing, you must open your Store within 18 months after you sign the Franchise Agreement or we may terminate the Franchise Agreement.

If you sign an MSD Agreement, you must sign a franchise agreement for the second and each subsequent Store at the earlier of (i) when you submit permits, or (ii) no later than 9 months before you are required to open and commence operations of the Store. All development and opening deadlines stated in an MSD Agreement will override any inconsistent development and opening deadlines described in a Franchise Agreement that is signed under the MSD Agreement. If you fail to open any Store by the opening deadline date stated in the development schedule in the MSD Agreement, we have the right to terminate the Franchise Agreement.

Marketing, Advertising and Promotion

Grand Opening Advertising

We and you will decide on a grand opening promotional advertising campaign for your Store, to be conducted at or around the time your Store opens for business. The grand opening promotion will typically consist of direct mail or print advertising campaigns and discounts, along with local newspaper advertisements, trade area or local marketing and special celebrations. You must pay us an Initial Opening Support Fee of \$15,000 when you sign the Franchise Agreement. We will match the first \$5,000 of the Initial Opening Support Fee if you satisfy our initial opening support requirements. We will use the Initial Opening Support Fee primarily to directly pay or reimburse you for qualified expenses related to your grand opening promotional advertising campaign, although we may also use that Fee to offset the costs and expenses related to providing on site opening assistance at your Store. You may spend additional amounts (in addition to the \$15,000 Initial Opening Support Fee you pay to us) on grand opening advertising. Any remaining funds for the Initial Opening Support Fee must be used within 12 months following the Store opening.

Marketing Fund

We operate a marketing fund (the “Marketing Fund”) to advertise and promote the SCOOTER’S COFFEE Stores in the System. You will pay us a weekly marketing contribution in an amount of up to 2% of Net Sales (the “Marketing Contribution”). We collect the Marketing Contribution via electronic funds transfer. We also will contribute to the Marketing Fund for each SCOOTER’S COFFEE Store that we or our affiliates operate in the United States at the same percentage rate as a majority of SCOOTER’S COFFEE franchisees must pay to the Marketing Fund. We will deposit all Marketing Contributions into our general bank account. We do not have a separate account for the Marketing Fund but may establish one in the future. We may use the Marketing Fund to conduct national, regional and local advertising, marketing, promotional and public relations campaigns, including the cost of preparing and conducting print, point of purchase, radio, television, Internet, electronic, digital and billboard advertising, and employing advertising agencies. We also may use the Marketing Fund to develop advertising and promotional materials for regional and local advertising cooperatives and for use in each franchisee’s local market, and for administering gift card programs, gift card incentives and other advertising and marketing activities. Currently, we anticipate that the Marketing Fund will be

used primarily to pay for creative design costs to produce marketing materials and templates. In the future, we may develop an in-house advertising staff to assist in advertising. We also contract with various outside advertising agencies and third party vendors to produce certain advertising production and promotional materials and to create and implement public relations campaigns. We will determine the use of monies in the Marketing Fund. We are reimbursed for reasonable administrative costs, employee salaries and benefits and overhead incurred in administering the Marketing Fund for the preceding year.

We are not required to spend any particular amount on marketing, advertising or production in the area in which your Store is located. Marketing Contributions not spent in any fiscal year will be carried over for future use. We may make loans to the Marketing Fund bearing reasonable interest to cover any deficit of the Marketing Fund and cause the Marketing Fund to invest in a surplus for future use by the Marketing Fund. Marketing Contributions will not be used for advertising principally directed at the sale of franchises. At your request, we will provide you with an annual unaudited statement of the receipts and disbursements of the Marketing Fund for the most recent calendar year.

During our last fiscal year ending December 31, 2023, the Marketing Fund was used as follows: 27.5% on production and point of sale materials, 39% on media placement, 28.5% on labor and benefits, and 5% on administrative and other expenses.

We do not have an advertising council composed of franchisees that advises us on advertising policies, but we reserve the right to create one in the future.

Local Marketing and Advertising

You currently are not required to spend any minimum amount on local marketing and advertising, but we may require you, on 60 days' notice, to begin spending up to 2% of quarterly Net Sales on local marketing and advertising (the "Local Marketing and Advertising Commitment"). We may require this expenditure in any or all of the calendar quarters during the term of the Franchise Agreement.

You may create your own advertising and promotional materials, at your expense, although all of your marketing, advertising and promotion must be in such media and of such type and format as we may approve, must be conducted in a dignified manner, and must conform to the standards and requirements as we may specify. You may not use any marketing, advertising or promotional plans or materials unless and until you have received written approval from us.

Advertising Cooperative

You will participate in, support and contribute a proportionate share of the cost of any regional cooperative marketing and advertising programs we designate. The amount of your contribution will be determined by the regional cooperative (up to 3% of Net Sales), although we may designate the contribution amount if the regional cooperative is unable or unwilling to do so. We reserve the right to designate regional and local advertising or marketing markets, to establish regional marketing and advertising cooperatives and to establish the bylaws and other rules under which such councils will operate. SCOOTER'S COFFEE Stores owned and operated by

us or our affiliates will have the same voting power as franchised Stores within that local or regional marketing and advertising cooperative. The marketing and advertising cooperative will use contributions to fund local and regional advertising and promotional campaigns and activities that we recommend or approve for use by the cooperative. Each cooperative will determine its own voting procedures so long as those procedures are consistent with the general operating rules we have established. We may reallocate some or all of the Marketing Contributions back to a region for the purpose of cooperative expenditures for regional marketing and advertising for the Stores in a particular geographic region. We can form, change or dissolve the cooperative, or merge it with another cooperative.

POS and other Technology Systems

You are required to obtain your Point-Of-Sale and other Technology Systems, along with the associated licensing, from an Approved Supplier. Network equipment must reside exclusively on the Scooters Dashboard, with Scooters having sole administrative control. Additionally, all back-office computer hardware must be purchased from an Approved Supplier and comply with our standards and specifications. The cost of the Technology Systems includes the items below and is generally around \$34,500 to \$41,000.

We reserve the right to stipulate the use of specific brands, types, makes, and/or models of communication, technology system within the Stores, and in accordance with our established standards, which include:

1. Back-office systems, encompassing data, audio, video (including managed video security surveillance, subject to lawful monitoring rights), telephone, voice messaging, retrieval, and transmission systems for Store use, between or among Stores, and between the Stores and you and us.
2. Point-of-sale (POS) systems, not included in the above cost range. See below for cost range.
3. Physical, electronic, and other security systems and measures.
4. Printers and other peripheral devices.
5. Archival backup systems.
6. Internet access mode (telecommunications connection type) and speed. You must have a high-speed Internet connection that meets our standards and specifications to facilitate communication between you and us and among our franchisees; a minimum of 5G wireless backup internet service; and front-of-the-house Wi-Fi and other customer connectivity services. These are not included in the above cost range.
7. Technology employed to enhance and assess the customer experience.
8. Digital and virtual menu boards, along with related technology, hardware, software, and firmware.

9. Required drive through system equipment and hardware.
10. Cloud-based back-end management systems and storage sites.
11. In-shop music systems. We may require you to have commercially licensed internet radio at your Store.
12. We may require you to install surveillance cameras in and around your Store. You will bear the cost of these items.
13. Consumer-marketing-oriented technology, including affinity and rewards hardware and software, facial and other customer recognition technology, and approved social media/networking sites.
14. Any other computer software programs or accounting system software developed by or for us, which you must install and maintain in accordance with our standards.

You must use an Approved Supplier to install, maintain, update, and replace (as necessary) the Technology Systems and required software at your own cost. Initial and ongoing fees must be paid to us or third-party vendors to install, maintain, and continue using the necessary software, hardware, and other elements of the Technology Systems. You must implement upgrades and other changes at your expense, in a timely manner, as reasonably requested by us, and there are no contractual limitations to such upgrades and changes. These may coincide with minor refurbishments or as otherwise needed.

The annual estimated cost of computer maintenance, support, and upgrades is \$1,000 to \$10,000, though opting for more expensive equipment or higher levels of support and training may increase costs. We and our affiliates are not obligated to provide ongoing maintenance, repairs, upgrades, or updates to your computer hardware or software.

You must comply with all specifications we issue regarding the Technology Systems and required software, as well as any upgrades, at your own expense. Under the Franchise Agreement, you must grant us independent, unimpeded access to your Technology Systems and required software, including all information and data stored thereon, as requested. We retain the right to approve or disapprove of your use of any alternative technology solutions, including beacons and other tracking methodologies.

You must also purchase or lease a POS System (see Operations Manual for equipment, hardware and software and any online applications we require) that meets our standards and specifications from our Designated Supplier. Currently, the Designated Supplier is a third party, but in the future, it may be us or our affiliate. The POS System must be installed by a certified, reputable technician that we approve. The cost of the POS system is determined by our Designated Supplier and generally ranges between \$12,000 - \$16,600.

We reserve the right to review and receive all information contained in the POS System databases, including sales, product trending, cost of goods sold, inventory levels and hours of

operation, through on-line communication contact with your POS System. The process to allow this communication must be set up within 30 days of opening your location. We have no contractual limitation on our right to receive information through your POS System.

Operations Manual

During the term of the Franchise Agreement, we will loan to you one copy of, or allow electronic access to, our Operations Manual, which contains mandatory and recommended specifications, standards, and procedures. The Operations Manual is confidential and remains our property. The current Table of Contents of the Operations Manual, as of the date of this Disclosure Document, is as follows:

Operations Manual Table of Contents

Subject	Number of Pages
Let's Get Started!	6
Franchise Agreement & Compliance	2
Operational Requirements	5
Store Equipment & Set Up	3
Leading Your Team	4
Additional Operational Resources	4
Training and Execution	3
Amazing Service	3
Support Resources	2
Total Number of Pages	32

Training Program

Approximately 4 to 5 months prior to opening your Store, and subject to the Operations Manual, you or one of your Principal Owners must attend a 3-day franchise ownership training session in Omaha, Nebraska or another training facility we designate, which we refer to as immersion training ("**Immersion Training**"). This workshop, designed specifically for you, will take a deep dive into the business management principles of a SCOOTER'S COFFEE franchise. The instructional materials for the Immersion Training program include the Operations Manual, handouts and visual aids, and will include lecture, classroom discussion, and hands-on demonstration.

In addition, approximately 8 to 10 weeks before you open your Store, you or one of your Principal Owners, and your Designated Manager (as defined in Item 15), and any additional individuals we require must attend and complete to our satisfaction our operations training program ("**Operations Training**"). Operations Training lasts approximately 16 days. 4 days of Operations Training will take place at a corporate training kiosk (currently located in Omaha and Dallas); 5 days will consist of Designated Manager training to be held in Omaha or Dallas; and 7 days will consist of new store opening experience to be held in the Store prior to opening. A \$150 fee will be charged if you or a Designated Manager register but fail to attend the Designated Manager training. The instructional materials for the Operations Training program include the Operations Manual, handouts and visual aids, and will include lecture, classroom

discussion, and hands-on demonstration and practice training at a SCOOTER'S COFFEE Store we designate.

We schedule our Operations Training program as often as needed.

We require all new store managers to be fully trained as outlined in the Operations Manual, which typically includes successfully completing the Operations Training program described above.

In addition, for each new Store opened after your initial store and prior to each new Store opening, your Designated Manager for that Store must be fully trained as outlined in the Operations Manual, which typically includes successfully completing the Operations Training program described above and typically is delivered in Omaha, Nebraska, or at our discretion, in a designated training Store, which is subject to regular reviews. See Operations Manual for more detail.

If you (including any affiliates) own or operate multiple Stores, we may require that your Multi-Unit Leader (if any) attends both Immersion and Operations Training, as well as any Multiple Store Owner Training, which is described below.

During all training, you are responsible for all travel, living expenses, and wages for you and all employees who attend the training session. We may, at our option, conduct any training at another location that we designate, or virtually over the Internet.

As of the issuance date of this disclosure document, the training programs consist of the following:

IMMERSION TRAINING PROGRAM

Subject	Hours of Classroom Training - Estimated	Hours of On-the-Job Training - Estimated	Location*
Orientation	1	0	Omaha, NE Training Facility
The Scooter's Coffee Business Model	3	0	Omaha, NE Training Facility
Success Factors	4.5	0	Omaha, NE Training Facility
Training and Development	1	0	Omaha, NE Training Facility
Human Resources	2	0	Omaha, NE Training Facility
Accounting	2	0	Omaha, NE Training Facility
Franchisee Panel	2	0	Omaha, NE Training Facility
Executive Panel	1.5	0	Omaha, NE Training Facility
Go See (Store Visits)	3	0	Omaha, NE Training Facility
Marketing	1	0	Omaha, NE Training Facility
Total	21	0	

* - Alternatively, the location of the training program may be one or more regional Scooter's training facilities we establish.

OPERATIONS TRAINING PROGRAM

Subject	Hours of Classroom Training - Estimated	Hours of On-the-Job Training - Estimated	Location*
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Orientation	3.5	0	Corporate Training Kiosks and Selected System Stores
Customer Service	16.5	23	Corporate Training Kiosks and Selected System Stores
Daily Operations	16	24	Corporate Training Kiosks and Selected System Stores
Marketing	1.5	0	Corporate Training Kiosks and Selected System Stores
Scooter's Accounting and Reporting	3	1	Corporate Training Kiosks and Selected System Stores
Inventory Management	2	6	Corporate Training Kiosks and Selected System Stores
Staffing Recommendations	1.5	3.5	Corporate Training Kiosks and Selected System Stores
Station Deployment	2	10	Corporate Training Kiosks and Selected System Stores
Beverage Recipes/Drink Preparation and Practice	8.5	26	Corporate Training Kiosks and Selected System Stores
Culture and Engagement	1.5	10.5	Corporate Training Kiosks and Selected System Stores
Total	56	104	

* Corporate Training Kiosks are currently located in Omaha, NE and Dallas, TX. Designated Training Stores are located at various sites across the U.S.

We periodically may modify the content of the training programs.

John Owen will oversee the training programs. John is our Chief Operating Officer and has been with us since January 2024. Mr. Owen has over 40 years of experience in training, operations and development. Prior to working for us, Mr. Owen worked for ACRELEC and has over 40 years of experience in the food and beverage industry.

We will send a representative to provide opening assistance for 7 days total, as outlined in the Operations Manual. We will use the Initial Opening Support Fee to offset the costs and expenses related to providing this opening assistance.

If it becomes necessary to provide the Operations Training program to any replacement manager during the term of the Franchise Agreement, we will provide the Operations Training program, but you must pay us our then-current training fee (currently, \$500 per person). You will be responsible for all travel and living expenses incurred by your personnel during the Operations Training program. The availability of the Operations Training program will be subject to space considerations and prior commitments to new franchisees.

In the future, we intend to offer a Multiple Store Owner Training program. If you have opened and commenced operations at multiple stores, a Principal Owner, your Multi-Unit Leader (if any), and your Designated Managers may be required to attend the Multiple Store Owner Training program in the future. You will be responsible for all travel and living expenses incurred during Multiple Store Owner Training. The availability of the Multiple Store Owner Training program will be subject to space considerations and prior commitments to existing franchisees. During all training, you are responsible for all travel, living expenses, and wages for

you and all employees who attend the training session. We may, at our option, conduct any training at another location that we designate, or virtually over the Internet.

Between one and four times per year, a Principal Owner or your Designated Manager (and your Multi-Unit Leader, if any) may be required to attend, at your expense, a national, regional or local meeting, seminar or conference which we present for the purpose of discussing a topic such as advertising programs, new operations methods, training, management, sales, or sales promotion. You must attend our franchisee conference each year. We reserve the right to charge you our then-current registration fee for the franchisee conference (currently \$499) and can charge you that fee even if you fail to attend the franchisee conference.

If you agree to open multiple Stores pursuant to a MSD Agreement, following the opening of your third Store, you must complete the process for one of your Stores to serve as a designated training store at which training for subsequent Stores will be held. The selected Store and Designated Manager must meet our designation requirements to serve as a designated training store.

ITEM 12. TERRITORY

Franchise Agreement

Under the Franchise Agreement, you may operate your Store and use the Marks and the System only at a Franchised Location to which we have consented. We base our consent to your proposed Franchised Location on a variety of factors including the viability of the location and demographics of the proposed Franchised Location. If, on the date you sign your Franchise Agreement, you do not have a Franchised Location that we have consented to, we will designate, by Addendum to the Franchise Agreement, a “Non-Exclusive Search Area” within which you are to find a Franchised Location. The designation of a Non-Exclusive Search Area does not grant you any territorial rights in that Non-Exclusive Search Area, but does limit the area in which you may locate your store.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. Under the Franchise Agreement, you must operate your Store at a specific location identified in the Franchise Agreement.

You will be granted two requests for a shift in the Non-Exclusive Search Area at no cost to you; provided the requests are in writing and the proposed area meets our required standards and specifications. You must pay us \$3,000 for each additional request.

You acknowledge that the franchise rights granted under the Franchise Agreement are non-exclusive. We (for ourselves and our affiliates) retain all rights not expressly granted to you in the Franchise Agreement, including the right to:

- (1) operate and grant others the right to open and operate a SCOOTER’S COFFEE Store at any location;

- (2) promote, sell and distribute products and services authorized for sale at SCOOTER'S COFFEE Stores under trademarks and service marks other than the Marks through similar or dissimilar channels of distribution;
- (3) promote, sell and distribute products and services authorized for sale at SCOOTER'S COFFEE Stores under the Marks through dissimilar channels of distribution, including by electronic means such as the Internet, by mail order, catalog, retail store display, through the wholesale sale of products to unrelated retail outlets or to distributors, or to grocery stores, convenience stores, or other locations; and
- (4) promote the System and SCOOTER'S COFFEE Stores generally, including on the Internet (or any other existing or future form of one or more electronic commerce), and to create, operate, maintain and modify or discontinue the use of websites using the Marks.

We are not required to pay you any compensation if we exercise any of these rights.

You may not conduct business from any site other than the Franchised Location, whether by relocating, establishing additional outlets, or using alternative distribution channels. You may not relocate the Franchised Location without our advance written approval. We condition relocation of the Franchised Location on the following: (1) the proposed site meets our requirements for the development of a Store, (2) you are in compliance with your obligations under the terms of the Franchise Agreement, and (3) you pay us the Relocation Fee. There is no minimum sales quota. Continuation of your Franchised Location does not depend on the achievement of any specified sales volume, market penetration or other contingency. You are not granted any options, rights of first refusal, or similar rights to acquire additional franchises under the Franchise Agreement.

Neither we nor any affiliate operates, franchises, or has any current plans to operate or franchise any business selling the products and services authorized for sale at SCOOTER'S COFFEE Stores under any other trademark or service mark.

MSD Agreement

If you sign an MSD Agreement, then under the terms of that Agreement, we grant to you the right to establish, according to a schedule, a minimum number of Stores within a larger geographical territory specified in the MSD Agreement ("Development Area"). A Development Area is usually defined by political boundaries such as street boundaries, a city, county or state limits or by other reasonable boundaries. The number of Stores to be developed may be adjusted depending on demographics and other characteristics of a Development Area, including population density, income and other characteristics of the surrounding area, natural boundaries, extent of competition and whether the proposed Development Area is urban, suburban or rural in nature. You have no option, right of first refusal or similar contractual right to acquire additional SCOOTER'S COFFEE Store franchises within your Development Area or anywhere else.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

You will be granted two requests for a shift in Development Area at no cost to you; provided the requests are in writing and the proposed development area meets our required standards and specifications. You must pay us \$3,000 for each additional request.

Provided you are in full compliance with the terms of the MSD Agreement and all obligations under each Franchise Agreement entered into under the MSD Agreement, we will not (except as expressly provided below) grant a third-party franchisee the right to operate a franchised SCOOTER'S COFFEE Store inside the Development Area. We (for ourselves and our affiliates) retain all rights not expressly granted to you in the MSD Agreement, including the right to:

- (1) operate (directly or through an affiliate) Stores at locations inside or outside the Development Area and grant third party franchisees the right to operate Stores at locations anywhere outside the Development Area;
- (2) promote, sell and distribute products and services authorized for sale at Stores under trademarks and service marks other than the Marks through similar or dissimilar channels of distribution;
- (3) promote, sell and distribute products and services authorized for sale at Stores under the Marks through dissimilar channels of distribution, including by electronic means such as the Internet, by mail order, catalog, retail store display, through the wholesale sale of products to unrelated retail outlets or distributors, or to grocery stores, convenience stores, or locations other than through SCOOTER'S COFFEE Stores;
- (4) directly operate, or to grant other persons the right to operate Stores at non-traditional locations (as that term is defined below) located inside or outside the Development Area, if you are unable to secure the right to operate a Store at the non-traditional location; and
- (5) promote the System and Stores generally, including on the Internet (or any other existing or future form of one or more electronic commerce), and to create, operate, maintain and modify or discontinue the use of websites using the Marks.




We are not required to pay you any compensation if we exercise any of these rights.

The continuation of your right to your Development Area during the term of the MSD Agreement depends on meeting the Development Schedule described in the MSD Agreement. If you fail to meet the requirements of the Development Schedule, we may, among other things, terminate your MSD Agreement, in which case you would lose your rights to the Development Area.

ITEM 13. TRADEMARKS

We grant you the right to operate your Store under the name “SCOOTER’S COFFEE.” You also may use our other Marks to operate your Store.

The following table lists only the principal Marks that you are licensed to use. We have filed all required affidavits and renewal registrations for the registered Marks listed below.

Trademark	Registration Date	Registration Number	Register
SCOOTERS	February 13, 2007	3,207,069	Principal
SCOOTER’S	October 4, 2016	5053643	Principal
	November 11, 2014	4,636,672	Principal
	December 3, 2019	5,928,262	Principal
	September 18, 2012	4,209,045	Principal

There are no presently effective materials determinations by the U.S. Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, or any pending infringement, opposition or cancellation proceedings or any pending material litigation, involving the Marks that are relevant to your use in any state. There are currently no agreements in effect that significantly limit our right to use or license the use of the Marks.

You must follow our rules when you use the Marks. You must use the Marks as the sole service marks identifying your Store. You must identify yourself as the independent owner of the Store in the manner we require. You may not use any Mark: (i) as part of any corporate or other business name or trade name; (ii) with any prefix, suffix, or other modifying words, terms, designs or symbols (other than logos licensed to you); (iii) or in any modified form. You may not use any Mark to advertise unauthorized services or products or in any other manner not expressly authorized in writing by us. We retain the sole right to advertise the System on the Internet and to create, operate, maintain and modify, or discontinue the use of, a website using the Marks. You have the right to access our website. Except as we may authorize in writing, however, you will not: (1) link or frame our website; (2) conduct any business or offer to sell or advertise any products or services on the Internet (or any other existing or future form of electronic communication); (3) create or register any Internet domain name in any connection with your Store; and (4) use any e-mail address which we have not authorized for use in operating the Store. You will not register, as Internet domain names, any of the Marks or any abbreviation, acronym or variation of the Marks, or any other name that could be deemed confusingly similar.

Further, you may not market, advertise or promote your Store or conduct any business on the Internet, including using social and professional networking sites to promote your Store, except as provided in our written social media policy (if any) or with our prior written approval.

You must modify or discontinue your use of a Mark if we require modification or discontinuance of it, at your own expense and without recourse against us.

You must immediately notify us of any apparent infringement of or challenge to your use of any Mark and you may not communicate with any person other than us or our counsel regarding this matter. You may not settle any claim without our written consent. We have no obligation to take any affirmative action when notified of such uses or claims, but rather have the right to take actions we deem appropriate and the exclusive right to control any litigation or any other administrative proceeding arising out of any infringement, challenge or claim against any Mark.

We are not contractually obligated by the Franchise Agreement to protect your right to use the Marks or to protect you against claims of infringement or unfair competition regarding your use of the Marks and have no obligation to participate in your defense or to indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving one or more of the Marks. We pay all litigation costs, including attorneys' fees and court costs, if we elect to defend or protect your authorized use of the Marks. We will not pay any of your attorneys' fees if you hire your own attorney. You must cooperate with us in any litigation.

Our nationwide rights in our mark SCOOTER'S date back to June 24, 2004. We are aware of restaurants throughout the United States that use the word SCOOTER'S or a similar mark as part of their restaurant names and/or marks, including in Illinois, Pennsylvania, Ohio, Maryland, Missouri, Oklahoma and Colorado. There also may be others. If these or any other restaurants used the word SCOOTER'S or a similar mark prior to June 24, 2004, it is possible that you may be precluded from operating a SCOOTER'S COFFEE Store in the same market as these restaurants. If our right to use our trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

We also are aware of restaurants that use the mark SCOOTER'S or a similar mark as part of their restaurant names and/or marks in other parts of the country that may have junior rights to us. We may take enforcement action against junior users but are not obligated to do so.

ITEM 14. PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

You will not receive the right to use any item covered by a patent, pending patent application or registered copyright, but you can use the proprietary information in our Operations Manual and other proprietary information we may disclose to you. Our Operations Manual, recipes, and all related materials are considered proprietary and confidential and are considered to be our property, which you may use only as described in the Franchise Agreement. You must maintain the confidentiality of our information and adopt reasonable procedures to prevent unauthorized disclosure of these trade secrets and information.

You must promptly notify us if you learn about any unauthorized use of our proprietary information. We are not obligated to take any action, but we will respond to your notification as we deem appropriate.

ITEM 15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Under the Franchise Agreement, your Principal Owners are not required to manage and operate your Store personally. However, one of your Principal Owners, and a person you designate (“Designated Manager”), must successfully complete our mandatory initial training programs for franchisees. A Principal Owner is not required to serve as the on-premises manager. All Designated Managers and associated shift supervisors (if applicable) must successfully complete our initial training program. You must notify us within 10 days whenever you experience a change in the Designated Manager and associated shift supervisors. Any new Designated Manager or associated shift supervisor must successfully complete our initial training program within 15 days after assuming the role of Designated Manager or associated shift supervisor.

We currently will only permit a franchised Store to be operated by a franchisee that is a corporation, limited liability company or partnership. Although we may enter into a Franchise Agreement with you in your individual capacity as the franchisee, you must form a legal entity and transfer the franchise to that legal entity within 90 days of the effective date of the Franchise Agreement, which must be prior to entering into a lease or purchase agreement for the site for the Store. We do not require that your Designated Manager own an equity interest in such entity. However, your Designated Manager and each of your officers, directors, partners, shareholders or members (including the Principal Owners) must agree to be bound by the nondisclosure provisions of the Franchise Agreement under a confidentiality agreement and, at our request, sign a noncompetition agreement. Other than the above, we make no other recommendations regarding your owners’ direct participation in the operation or on-premises supervision of your SCOOTER’S COFFEE Store, and we have no other requirements regarding employment or other written agreements between you and your employees.

Each person or entity who directly or indirectly owns a 20% or greater interest in you (if you are an entity) (referred to as a “Principal Owner”), together with any of your affiliates that may own the land or building on which the Store is located and serve as your landlord, must sign a Guaranty and Assumption of Franchisee Obligations in the form attached to the Franchise Agreement (“Guaranty”) in which those individuals or entities personally assuming and agreeing to perform all obligations of the Franchisee under the Franchise Agreement. In addition, we may require any other person or entity having any ownership interest in you to sign a Guaranty. We do not require the spouse of a Principal Owner to sign a Guaranty unless that spouse is also a Principal Owner himself or herself. We require any new or replacement Principal Owner(s) to sign a Guaranty.

If you (including any affiliates) own or operate multiple Stores, you may be required to employ one or more Multi-Unit Leaders to supervise the day-to-day operations of those Stores, so that all Stores operate consistent with the System and present a consistent brand image and customer experience consistent with System standards. We may require any Multi-Unit Leader(s) to attend and successfully complete (to our reasonable satisfaction) all training that we require

(including both Operations Training and Immersion Training). At our option, we may permit one of your Principal Owners to serve as the Multi-Unit Leader, provided that you satisfy the additional training requirements that are applicable to Multi-Unit Leaders.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may sell only those products and services approved by us and may not use the Store or the Franchised Location for any purposes other than the operation of a SCOOTER'S COFFEE Store. You must sell all of the products and services we have approved, including SCOOTER'S COFFEE gift cards, and promotional items such as caps, T-shirts, jackets and similar sportswear. You must comply with our standards and specifications. We have the right to approve all items on your menu. We have the right to change or supplement the types of authorized products and services, and there are no limits on our right to do so.

ITEM 17. RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

Provision	Section in Franchise Agreement	Summary
a. Length of the franchise term	Section 17.1	10 years.
b. Renewal or extension of the term	Section 17.2	One option to renew for an additional 10 year term if you meet requirements.
c. Requirements for franchisee to renew or extend	Sections 17.2 and 17.3	Provide advance notice, sign then current form of Franchise Agreement (which may include terms and conditions materially different from the existing Franchise Agreement), must be in compliance with Franchise Agreement, sign release, pay fee and renovate Store if applicable.
d. Termination by franchisee	None	The franchisee may terminate the agreement on any grounds available by law.
e. Termination by franchisor without cause	None	N/A
f. Termination by franchisor with cause	Section 18.1	We can terminate only if you default.
g. "Cause" defined —curable defaults	Section 18.2	Violation of health, safety or sanitation laws after 72 hours' notice; 10 days for failure to pay amounts owed; misuse of Marks after 10 days (or sooner); 30 days for all other curable defaults.
h. "Cause" defined —non-curable defaults	Section 18.1	Material misrepresentation or omission in application; abandonment; deceptive practices; felony conviction or other serious conduct; unauthorized assignment; unauthorized use of Confidential Information; failure to pay taxes; assignment for benefit of creditors; bankruptcy; insolvency; repeated violations; failure to pay us or our affiliates; lease or other related agreement is terminated.
i. Franchisee's obligations on termination/ nonrenewal	Section 18.4	Cease operating franchised business, cease use of confidential information, proprietary software and

Provision	Section in Franchise Agreement	Summary
		Marks, deliver property containing the Marks, cancel assumed or similar name registrations, assign lease or de-identify, pay outstanding amounts and damages, deliver manuals, assign phone numbers, comply with covenants, discontinue use of Proprietary Software. The above must be completed within 5 business days after effective date of termination, unless you receive our prior written consent for a longer period.
j. Assignment of contract by franchisor	Section 16.6	No restriction on our right to transfer.
k. “Transfer” by franchisee — defined	Section 16.1	Includes transfer, in one or more transactions, of your business, your Store, substantially all or all of the assets of your business, the Franchise Agreement or any controlling interest in you (as defined in the Franchise Agreement).
l. Franchisor approval of transfer by franchisee	Section 16.3	We have the right to approve or disapprove all transfers.
m. Conditions for franchisor approval of transfer	Section 16.2	Full compliance, transferee qualifies, all amounts due are paid in full, completion of training, transfer fee paid, transferee signs our then-current form of Franchise Agreement, franchisee executes or delivers other required documents including release.
n. Franchisor’s right of first refusal to acquire franchisee’s business	Section 16.4	30 day period, we have right to match offer.
o. Franchisor’s option to purchase franchisee’s business	Section 18.3	We may offer to buy your Store or just your Store’s assets.
p. Death or disability of franchisee	Section 16.5	Franchise interest must be assigned to an approved buyer within 120 days of death or disability of a Principal Owner.
q. Non-competition covenants during the term of the franchise	Section 20.1	No involvement in any competing business wherever located or operating.
r. Non-competition covenants after the franchise is terminated or expires	Section 20.2	No interest in competing business for 2 years within 10 miles of the former Franchised Location, or 10 miles of any Store.
s. Modification of the agreement	Section 23.1	No modifications generally but Operations Manual subject to change.
t. Integration/merger clause	Section 23.2	Only terms of Franchise Agreement are binding (subject to state law and federal law), provided that this provision does not disclaim representations made in the FDD. Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 22.1 and 22.2	Except for actions we bring for monies owed or injunctive relief, all disputes first will be subject to non-binding mediation in the county where our headquarters is located, then (if not resolved) to binding arbitration in Omaha, Nebraska (subject to state law).
v. Choice of forum	Section 22.3	Omaha, Nebraska (subject to state law).
w. Choice of law	Section 22.3	Nebraska law (subject to state law).

MSD AGREEMENT

This table lists certain important provisions in the MSD Agreement and related agreements. You should read these provisions in the agreements attached to this disclosure document.

Provision	Section in MSD Agreement	Summary
a. Length of the franchise term	Section 4.1	Varies
b. Renewal or extension of the term	N/A	N/A
c. Requirements for franchisee to renew or extend	N/A	N/A
d. Termination by franchisee	N/A	N/A
e. Termination by franchisor without cause	N/A	N/A
f. Termination by franchisor with cause	Section 4.3	We can terminate only if you default under Franchise Agreement or MSD Agreement
g. “Cause” defined—curable defaults	Section 4.3	30 days to cure defaults under MSD Agreement
h. “Cause” defined—non-curable defaults	Section 4.2	Repeated noncompliance, bankruptcy, conviction that relates to the operation of the Store, subfranchising.
i. Franchisee’s obligations on termination/nonrenewal	Section 6.1	All obligations in Franchise Agreement apply to MSD Agreement
j. Assignment of contract by franchisor	Section 5.1	No restriction on our right to transfer.
k. “Transfer” by franchisee—defined	Section 5.2	May transfer to assignee of Franchise Agreement rights with our approval
l. Franchisor approval of transfer by franchisee	Section 5.2	We have the right to approve all transfers.
m. Conditions for franchisor approval of transfer	Section 5.2	Fulfill conditions in Franchise Agreement
n. Franchisor’s right of first refusal to acquire franchisee’s business	Section 5.4	We may match any offer
o. Franchisor’s option to purchase franchisee’s business	Section 18.3	We may purchase your Store, including your interest in the real estate, at fair market value, less goodwill associated with the Marks and System and any amounts owed to us.
p. Death or disability of franchisee	Section 16.7	Same as Franchise Agreement.
q. Non-competition covenants during the term of the franchise	Section 6.1	No involvement in competing Store
r. Non-competition covenants after the franchise is terminated or expires	Section 6.1	Same as Franchise Agreement
s. Modification of the agreement	Section 8.7	No modifications generally
t. Integration/merger clause	Section 8.8	Only terms of MSD Agreement and Franchise Agreement are binding (subject to state and federal law), provided that this provision does not disclaim representations made in the FDD. Any representations or promises outside of the disclosure document, MSD Agreement, and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 8.1	Same as Franchise Agreement
v. Choice of forum	Section 8.1	Omaha, Nebraska (subject to state law).
w. Choice of law	Section 8.3	Nebraska law (subject to state law).

ITEM 18. PUBLIC FIGURES

We currently do not use any public figure to promote our franchise.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

The following table summarizes the ownership of Stores in operation as of December 31, 2023:

Store Type	Franchised Stores	Affiliate-Owned Stores	Total Stores
Kiosk	618	12	630
Coffeehouse	37	5	42
End cap Store	53	2	55
Non-Traditional	21	2	23
Total	729	21	750

This Item 19 does not include financial performance information for any of our franchised non-traditional Stores as we currently are not actively marketing non-traditional Stores and they operate differently from Kiosk Stores. Non-traditional Stores are carts or small spaces located in specialty locations (e.g., airports, hospitals, stadiums, train stations, malls, military bases, amusement parks and business atriums), or within other businesses such as large office buildings. As a result, non-traditional Stores operate differently from Kiosk Stores, as they generally do not have a drive-thru, may not have standard hours of operation, and typically are not located in free-standing locations that are visible to the public from outside. In addition, this Item 19 does not include financial performance information for any of our "Coffeehouse Stores" (as defined below) as we currently are not actively marketing Coffeehouse Stores. A "Coffeehouse Store" generally is located in a strip center that does not allow the option for a drive-up window, although these Stores occasionally may be a free-standing building. As a result, financial performance information for Coffeehouse Stores likely differs from Kiosk Stores, as they offer inside seating to accommodate walk-in customers. In addition, this Item 19 does not include financial performance information for any of our End cap Stores as ~~we currently permit such Stores only in limited markets and~~ they differ from Kiosk Stores in that they generally are located in a strip center as "end cap space," and ~~offers~~offer indoor ordering and a drive-up window. Finally, this Item 19 also does not include any financial performance information for any of our affiliate-owned Stores.

This Item 19 is separated into five sections. In each Section, the franchised Kiosk Stores that meet the criteria in this Item 19 are referred to as "Participating Kiosk Stores." Section A identifies the Average Gross Sales of Participating Kiosk Stores. Section B identifies the Average Customer Ticket Sale of Participating Kiosk Stores. Section C identifies the average Sales, Expenses, and Earning of Participating Kiosk Stores. Section D identifies the historic same-Store Net Sales growth for those Participating Kiosk Stores that were open for at least 13

months during each of the six measured periods noted in Section D below. Section E identifies the Average Gross Sales of all franchised Kiosk Stores during the first full calendar month that those Stores were open during the calendar year in question.

A. STATEMENT OF AVERAGE GROSS SALES

This statement includes average Gross Sales (as described in Item 6) of Participating Kiosk Stores only for each of calendar years 2014 to 2023. For each year, we only included Kiosk Stores that were open and operating during the entire time 12-month period ending December 31 of the calendar year identified (each a “Measurement Period”). The following chart describes for each relevant year the total number of franchised Kiosk Stores open and operating at the end of the calendar year and the number of franchised Stores (the Participating Kiosk Stores) for which information was included in this statement. The remaining franchised Kiosk Stores open as of the end of each such Measurement Period are not included in the statement below because they were not open during the entire Measurement Period. In addition, as noted above, we have not included the results of any Coffeehouse Stores. The information presented in this Section A is based on information Participating Kiosk Stores provided to us. We have not verified or audited this information.

Participating Kiosk Stores During Each Measurement Period

Measurement Period	Total Franchised Kiosk Stores Operating at Year End	Participating Kiosk Stores
2023	618	424
2022	421	275
2021	275	186
2020	187	140
2019	139	101
2018	103	84
2017	85	70
2016	67	51
2015	56	41
2014	46	37

Average Gross Sales – Participating Kiosk Stores

Calendar Year	Store Type	Average Gross Sales	Number and Percentage that Attained or Exceeded the Average	Median Gross Sales	Low / High Range
2023	Kiosk	\$877,495	206 / 49%	\$869,610	\$204,124 / \$1,902,593
2022	Kiosk	\$876,519	131 / 48%	\$855,908	\$193,807 / \$1,763,134
2021	Kiosk	\$796,655	90 / 48%	\$776,635	\$209,923 / \$1,569,308
2020	Kiosk	\$637,104	59 / 42%	\$587,723	\$161,902 / \$1,299,039
2019	Kiosk	\$473,012	44 / 44%	\$453,470	\$129,969 / \$1,045,297
2018	Kiosk	\$429,289	42 / 50%	\$428,577	\$92,100 / \$989,614
2017	Kiosk	\$404,761	39 / 56%	\$426,610	\$73,217 / \$878,061
2016	Kiosk	\$397,895	28 / 55%	\$404,480	\$72,563 / \$881,732
2015	Kiosk	\$384,208	23 / 56%	\$396,639	\$79,793 / \$807,320
2014	Kiosk	\$327,341	18 / 49%	\$325,004	\$111,635 / \$626,438

B. STATEMENT OF AVERAGE CUSTOMER TICKET

This statement includes the average customer ticket for franchised Kiosk Stores that were open during the entire time 12-month period ending December 31, 2023 (the “Measurement Period”) and that provided complete information we requested respecting such costs. There were 618 franchised Kiosk Stores open and operating as of December 31, 2023. The following charts are based on information for only 424 franchised Kiosk Stores that were open and operating during the entire Measurement Period for 2023, and that provided complete information (the Participating Kiosk Stores). The information presented in this Section B is based on information Participating Kiosk Stores. We have not verified or audited this information.

Statement of Average Customer Ticket – Participating Kiosk Stores

Calendar Year	Store Type	Average Customer Ticket	Number and Percentage that Attained or Exceeded (or did better than) the Average	Median
2023	Kiosk	\$9.32	207 / 49%	\$9.30
2022	Kiosk	\$9.11	127 / 52%	\$9.07
2021	Kiosk	\$8.56	96 / 52%	\$8.56
2020	Kiosk	\$7.98	66 / 47%	\$7.95
2019	Kiosk	\$7.19	50 / 50%	\$7.18
2018	Kiosk	\$6.56	43 / 51%	\$6.56

Notes:

1. For purposes of the table above, the term “Average Customer Ticket” means the total amount of Gross Sales during the Measurement Period, divided by the total amount of customer transactions.

C. STATEMENT OF SALES, EXPENSES AND EARNINGS

The following are statements of Sales, Expenses and Earnings for Participating Kiosk Stores based upon reported results and actual and estimated expenses as defined in the Notes in this Section C.

There were 618 Kiosk franchised Stores open and operating as of December 31, 2023. Of the franchised Kiosk Stores, 413 Kiosk Stores were open and operating during the entire 12-month period ending December 31, 2023 (the “Measurement Period”). The following statement is based on information for the franchised Kiosk Stores that were open and operating during the entire Measurement Period and that provided complete information (the Participating Kiosk Stores). The remaining franchised Kiosk Stores open as of December 31, 2023, are not included in the statement below because they were not open during the entire Measurement Period or did not provide complete information requested.

The Gross Sales, Discounts, Cost of Goods Sold, Labor Costs and Rental Expenses are based upon the reported results for the Participating Kiosk Stores during the Measurement Period. The reported results for Participating Kiosk Stores were segregated into quartiles based upon Gross

Sales, and then the average was obtained for each category within each respective quartile. The Royalty (including Marketing Contribution), Card Processing and Overhead Expenses are estimated expenses as defined in the Notes in this Section C. We have not verified or audited this information.

The following chart contains information for franchised Kiosk Stores that were open and operating through the entire Measurement Period and provided complete information to us (Participating Kiosk Stores).

Statement of Sales, Expenses and Earnings – Participating Kiosk Stores

Kiosk	All Participating Kiosk Stores	Top 1/4 of Participating Kiosk Stores	Second 1/4 of Participating Kiosk Stores	Third 1/4 of Participating Kiosk Stores	Bottom 1/4 of Participating Kiosk Stores
Number of Stores	413	103	103	104	103
Gross Sales¹	\$879,725	\$1,268,540	\$955,382	\$762,891	\$533,220
Discounts ²	\$71,012	\$104,879	\$76,292	\$61,787	\$41,179
Net Sales⁴	\$808,713	\$1,163,661	\$879,090	\$701,104	\$492,041
Cost of Goods Sold ³	\$271,696	\$386,168	\$298,040	\$233,972	\$168,969
Gross Margin⁵	\$537,017	\$777,493	\$581,050	\$467,132	\$323,073
Labor Costs ⁶	\$232,063	\$306,423	\$243,259	\$211,798	\$166,970
Rental Expense ⁷	\$39,089	\$37,533	\$41,785	\$38,448	\$38,283
Royalty ⁸	\$64,697	\$93,093	\$70,327	\$56,088	\$39,363
Card Processing ⁹	\$22,873	\$32,982	\$24,840	\$19,835	\$13,864
Overhead ¹⁰	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000
Total Expenses	\$406,722	\$518,031	\$428,210	\$374,170	\$306,480
EBITDA¹¹	\$130,295	\$259,462	\$152,839	\$92,963	\$16,592
Net Profit Margin	14.81%	20.45%	16.00%	12.19%	3.11%
Gross Sales:					
Median	\$870,441	\$1,228,603	\$949,717	\$757,516	\$549,173
High	\$1,902,593	\$1,902,593	\$1,056,065	\$870,441	\$656,107
Low	\$204,124	\$1,056,927	\$870,730	\$656,445	\$204,124
Stores/% exceeded avg.	198 / 48%	42 / 41%	47 / 46%	48 / 46%	59 / 57%
Gross Margin:					
Median	\$522,950	\$746,351	\$578,412	\$464,168	\$332,510
High	\$1,210,901	\$1,210,901	\$677,474	\$677,152	\$436,540
Low	\$119,856	\$626,349	\$404,290	\$382,462	\$119,856
Stores/% exceeded avg.	190 / 46%	42 / 41%	48 / 47%	49 / 47%	60 / 58%
EBITDA					
Median	\$118,462	\$240,827	\$160,386	\$97,389	\$11,666
High	\$571,733	\$571,733	\$354,029	\$387,281	\$217,381
Low	(\$108,489)	\$14,864	(\$51,952)	(\$84,834)	(\$108,489)
Stores/% exceeded avg.	192 / 46%	43 / 42%	56 / 54%	53 / 51%	48 / 47%

Notes: Except as otherwise noted, the following notes only relate to this Section C:

- The term “Gross Sales” means Net Sales (as defined in Item 6) plus Discounts.

2. The term “Discounts” includes the face value of coupons, free or reduced drink promotions, gift card promotions, mobile app promotions, waste and employee free drinks. In calculating the average Discount Expense, we determined the average total annual or annualized Discount Expenses for the Stores within each quartile and divided the result by average total annual or annualized Gross Sales for such Stores.
3. The term “Cost of Goods Sold” includes amounts for coffee beans, dairy, food items, syrups, tea, smoothies, cups, lids, paper products, and other direct products associated with serving food and beverage products. In calculating the average Cost of Goods Sold, we determined the average total annual or annualized Cost of Goods Sold for the Stores within each respective quartile and divided the result by the average total annual or annualized Gross Sales for such Stores.
4. The term “Net Sales” has the meaning defined in Item 6.
5. The term “Gross Margin” means the Net Sales minus the Cost of Goods Sold.
6. The term “Labor Costs” includes wages for in-store employees including the manager and payroll taxes, but does not include employee benefits. Overhead employees are not included in the labor calculations above. In calculating the average Labor Costs, we determined the average total annual Labor Costs for the Stores within each respective quartile and divided the result by average total annual or annualized Gross Sales for such Stores.
7. The term “Rental Expense” includes the total amount of payments to the franchisee’s landlord, including base rent, common area maintenance, real estate taxes and insurance. In calculating the average Rental Expense, we determined the average total annual Rental Expenses for the Stores within each respective quartile and divided the result by average total annual or annualized Gross Sales for such Stores. During 2023, the range of monthly rent paid for Kiosks was \$3,500 to \$10,000.
8. The term “Royalty” is described in Item 6. In addition, in this chart, “Royalty” also includes the 2% Marketing Contribution. The amount included in the Tables assumes that each Participating Kiosk Store will comply with the requirements in the Franchise Agreement.
9. The term “Card Processing” is the estimated cost of processing debit card, credit card and gift card payments on store sales. In our experience, Card Processing costs an average 2.6% of Gross Sales, and we have used this figure in calculating the Estimated Card Processing expenses in the above charts.
10. The term “Overhead” is the estimated costs of other expenses including business insurance, licenses, accounting fees, franchisor technology fees, banking fees, store supplies, service contracts, repairs, maintenance, uniforms and other miscellaneous costs. In our experience, Overhead expense is an average of \$48,000 for Kiosk Stores and we

have used these figures in calculating the Estimated Overhead expenses in the above charts.

11. The term “EBITDA” is the estimated earnings before deductions for payments and costs of borrowing to finance the Initial Fees in Item 5, Initial Investment in Item 7 and ongoing Investments in the Store and before deductions for depreciation on the Initial Fees in Item 5, Initial Investment in Item 7 and ongoing investments in the Store.

D. HISTORIC SAME-STORE NET SALES GROWTH

The same-store sales growth figures below compare the “Net Sales” (as defined below) earned by Participating Kiosk Stores over the course of a calendar year with the Net Sales earned by the same Stores during the prior calendar year. “Net Sales” are measured by taking Gross Sales and subtracting customer discounts and refunds to customers. We used information from sales reports submitted by the Participating Kiosk Stores in calculating royalties, and data obtained from approved point-of-sale register systems. Same store sales for locations open for at least 13 months is measured each year. Over the last seven years, Participating Kiosk Stores in the Scooter’s Coffee System has experienced same store sales growth that breaks down as follows:

Historic Same-Store Net Sales Growth Over Prior Year – Participating Kiosk Stores

Period	Franchised Same-Store Sales Growth Over Prior Year	Total No. of Open Franchised Kiosk Stores Whose Data Were Used	Total No. of Franchised Kiosk Stores Existing During Period	No. and Percentage of Participating Kiosk Stores that Attained or Exceeded Avg.
2022-2023	+0.74%	272	618	131 / 48.16%
2021-2022	+5.92	185	421	110 / 59.46%
2020-2021	+23.83%	145	275	75 / 51.72%
2019-2020	+31.70%	102	187	46 / 45.10%
2018-2019	+11.87%	94	139	50 / 53.19%
2017-2018	+8.99%	81	103	37 / 45.68%
2016-2017	+4.69%	71	85	32 / 45.07%
2015-2016	+10.44%	52	67	22 / 42.31%

Additional Information:

1. All of the Stores whose data were used in the tables above were open for at least thirteen months during the measured period. The Stores that were excluded from the tables above were not open for at least thirteen months during the measured period or were not Kiosk Stores. There is no guarantee you will stay in business that long or that you will achieve the stated levels of same-store sales growth within that time period.
2. If a Store was transferred between affiliate and franchisee during any measurement period in the representation above, its classification as affiliate-owned or franchisee-owned was based upon the majority of time owned and operated by affiliate or franchisee during the measurement period.

E. AVERAGE GROSS SALES DURING FIRST FULL CALENDAR MONTH IN OPERATION

This statement includes average Gross Sales (as described in Item 6) for the first full calendar month of operations for all franchised Kiosk Stores that opened for operation in each of calendar years 2018 to 2023. For each year, we only included franchised Kiosk Stores that remained open and operating as of December 31, 2023. The following chart describes for each relevant year the total number of franchised Kiosk Stores that opened during each calendar year and the average Gross Sales during the first full calendar month of operations by year, as well as the number and percentage of Stores that exceeded the average and the median, high and low numbers in the range. If a Store first opened mid-month, that partial month of initial operations is not included in the data below. The information presented in this Section E is based on information franchised Kiosk Stores provided to us. We have not verified or audited this information.

Average Gross Sales During First Full Calendar Month in Operation – ~~Kesk~~Kiosk Stores

Calendar Year	Total Number of New Kiosk Stores that Opened During the Calendar Year	Average Gross Sales During the First Full Month of Operations	Number and Percentage that Attained or Exceeded the Average	Median Gross Sales During the First Full Month of Operations	Low/High Gross Sales During the First Full Month of Operations
2023	193	\$82,752	95 / 49.2%	\$80,758	\$28,388 / \$145,364
2022	146	\$88,240	73 / 50.0%	\$87,760	\$34,915 / \$170,286
2021	90	\$85,680	42 / 46.7%	\$83,110	\$35,521 / \$162,422
2020	35	\$65,880	20 / 57.1%	\$65,536	\$27,221 / \$102,739
2019	33	\$46,323	14 / 42.4%	\$42,443	\$18,462 / \$111,917
2018	18	\$35,331	13 / 72.2%	\$34,962	\$13,336 / \$51,457

Notes:

1. The chart and table above exclude franchised Kiosk Stores that were initially opened as corporate stores by our affiliate and then transferred to a franchisee.

ADDITIONAL NOTES APPLICABLE TO THIS ITEM 19

1. **Some outlets have earned this amount. Your individual results may differ. There is no assurance you will earn as much.**
2. The financial performance figures do not reflect all of the costs of sales, operating expenses, or other costs or expenses that must be deducted from net revenue or net sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your SCOOTER'S COFFEE® Store.
3. Written substantiation for the financial performance representations included in this Item 19 will be made available to the prospective franchisee upon reasonable request.

4. Other than the preceding financial performance representations, Scooter's Coffee, LLC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Dave Anderson at Scooter's Coffee, LLC, 11808 Miracle Hills Drive, Suite #400, Omaha, Nebraska 68154; Telephone: (402) 614-1723, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

**TABLE NO. 1
SYSTEMWIDE OUTLET SUMMARY
FOR YEARS 2021 TO 2023**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Stores	2021	289	379	+90
	2022	379	525	+146
	2023	525	729	+204
Company-Owned*	2021	19	21	+2
	2022	21	30	+9
	2023	30	21	-9
Total Outlets	2021	308	400	+92
	2022	400	555	+155
	2023	555	750	+195

Note: (*) For purposes of Item 20, company-owned stores are those owned by our affiliate, Boundless Operations. We do not own any Stores. In addition, total Franchised Stores includes both Kiosk Stores, End cap Stores and Coffeehouse Stores.

**TABLE NO. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
FOR YEARS 2021 TO 2023**

State	Year	Number of Transfers
Arizona	2021	0
	2022	1
	2023	0
Florida	2021	0
	2022	0
	2023	4
Georgia	2021	0
	2022	0
	2023	2
Iowa	2021	1
	2022	0
	2023	5

State	Year	Number of Transfers
Kansas	2021	13*
	2022	4
	2023	0
Minnesota	2021	0
	2022	1
	2023	1
Missouri	2021	1*
	2022	0
	2023	0
Nebraska	2021	2
	2022	1
	2023	2
South Dakota	2021	0
	2022	0
	2023	3
Texas	2021	1
	2022	0
	2023	1
Wisconsin	2021	0
	2022	0
	2023	1
Wyoming	2021	0
	2022	0
	2023	1
Total	2021	18
	2022	7
	2023	20

Note: This table does not include transfers of Stores from our affiliate, Boundless Operations, to other parties. Those Stores are considered sales of company-owned Stores for purposes of Item 20. (*) In 2021, 8 stores in Kansas and 1 store in Missouri were part of a single asset transfer between Franchisees with the same Principal Owner.

TABLE NO. 3
STATUS OF FRANCHISED OUTLETS
FOR YEARS 2021 TO 2023

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Alabama	2021	0	2	0	0	0	0	2
	2022	2	5	0	0	0	0	7
	2023	7	7	0	0	0	0	14
Arizona	2021	5	0	0	0	0	0	5
	2022	5	1	0	0	0	0	6
	2023	6	1	0	0	0	0	7
Arkansas	2021	3	1	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	10	0	0	0	0	14

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
California	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	1	0	0	0	0
Colorado	2021	3	3	0	0	1	0	5
	2022	5	3	0	0	0	0	8
	2023	8	1	0	0	2	0	7
Florida	2021	6	0	0	0	0	0	6
	2022	6	4	0	0	0	0	10
	2023	10	8	0	0	0	0	18
Georgia	2021	2	0	0	0	0	0	2
	2022	2	2	0	0	0	0	4
	2023	4	2	0	0	0	0	6
Illinois	2021	0	6	0	0	0	0	6
	2022	6	18	0	0	0	0	24
	2023	24	13	0	0	0	0	37
Indiana	2021	0	0	0	0	0	0	0
	2022	0	2	0	0	0	0	2
	2023	2	12	0	0	0	0	14
Iowa	2021	41	20	1	0	0	0	60
	2022	60	19	0	0	0	0	79
	2023	79	11	0	0	0	0	90
Kansas	2021	47	11	1	0	0	0	57
	2022	57	9	0	0	0	0	66
	2023	66	10	0	0	0	0	76
Kentucky	2021	0	1	0	0	0	0	1
	2022	1	4	0	0	0	0	5
	2023	5	8	0	0	0	0	13
Louisiana	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Michigan	2021	0	0	0	0	0	0	0
	2022	0	2	0	0	0	0	2
	2023	2	7	0	0	0	0	9
Minnesota	2021	2	4	0	0	0	0	6
	2022	6	10	0	0	0	0	16
	2023	16	10	0	0	0	0	26
Missouri	2021	29	15	0	0	0	0	44
	2022	44	15	1	0	0	0	58
	2023	58	15	0	0	0	1	72
Nebraska	2021	101	4	2	0	2	0	101
	2022	101	5	1	0	0	0	105
	2023	105	6	0	0	0	0	111
Nevada	2021	1	1	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
New Mexico	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
North Carolina	2023	1	3	0	0	0	0	4
	2021	1	3	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	4	0	0	0	0	8
North Dakota	2021	0	1	0	0	0	0	1
	2022	1	1	0	0	0	0	2
	2023	2	1	0	0	0	0	3
Ohio	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	5	0	0	0	0	5
Oklahoma	2021	13	12	0	0	0	0	25
	2022	25	8	0	0	0	0	33
	2023	33	12	0	0	0	0	45
South Carolina	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	9	0	0	0	0	9
South Dakota	2021	17	3	0	0	0	0	20
	2022	20	2	0	0	0	0	22
	2023	22	2	0	0	0	0	24
Tennessee	2021	1	2	0	0	0	0	3
	2022	3	8	0	0	0	0	11
	2023	11	6	0	0	0	0	17
Texas	2021	13	5	0	0	0	0	18
	2022	18	20	0	0	0	0	38
	2023	38	31	0	0	0	1	68
Utah	2021	2	0	0	0	0	0	2
	2022	2	1	0	0	0	0	3
	2023	3	4	0	0	0	0	7
Wisconsin	2021	1	3	0	0	0	0	4
	2022	4	7	0	0	0	0	11
	2023	11	8	0	0	0	0	19
Wyoming	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	2	0	0	0	0	3
Total	2021	289	97	4	0	3	0	379
	2022	379	148	2	0	0	0	525
	2023	525	209	1	0	2*	2	729

*Two stores in Colorado were reacquired by Boundless Operations under a Management Service Agreement.

TABLE NO. 4
STATUS OF COMPANY-OWNED OUTLETS
FOR YEARS 2021 TO 2023

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
California	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
	2023	2	0	0	2	0	0
Colorado	2021	2	0	1	0	0	3
	2022	3	0	0	0	0	3
	2023	3	0	2	0	0	5
Illinois	2021	0	1	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	1	0
Indiana	2021	0	0	0	0	0	0
	2022	0	6	0	0	2	4
	2023	4	1	0	0	4	1
Michigan	2021	0	0	0	0	0	0
	2022	0	2	0	0	0	2
	2023	2	1	0	0	2	1
Nebraska	2021	15	0	2	1	1	15
	2022	15	0	0	1	1	13
	2023	13	0	0	0	2	11
Texas	2021	0	0	0	0	0	0
	2022	0	4	0	0	0	4
	2023	4	1	0	0	2	3
Wisconsin	2021	0	0	0	0	0	0
	2022	0	1	0	0	0	1
	2023	1	0	0	0	1	0
Total	2021	19	1	3	1	1	21
	2022	21	13	0	1	3	30
	2023	30	3	2*	2	12	21

*Two stores in Colorado we reacquired by Boundless Operations under a Management Service Agreement.

TABLE NO. 5
PROJECTED OPENINGS AS OF DECEMBER 31, 2023

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet In The Next Fiscal Year	Projected New Company-Owned Outlet In the Next Fiscal Year
Alabama	8	6	0
Arizona	16	11	0
Arkansas	5	2	0
Colorado	9	5	0
Florida	32	17	0
Georgia	18	8	0

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet In The Next Fiscal Year	Projected New Company-Owned Outlet In the Next Fiscal Year
Indiana	5	1	2
Illinois	29	12	0
Iowa	3	1	0
Kansas	0	0	0
Kentucky	10	9	0
Louisiana	8	5	0
Michigan	10	4	0
Minnesota	13	7	0
Mississippi	3	1	0
Missouri	8	6	0
Montana	2	2	0
Nebraska	3	3	3
Nevada	5	2	0
New Jersey	2	0	0
New Mexico	2	0	0
North Carolina	11	4	0
North Dakota	1	0	0
Ohio	6	3	0
Oklahoma	10	6	0
South Carolina	13	9	0
South Dakota	1	1	0
Tennessee	18	11	0
Texas	40	18	0
Utah	3	1	0
Washington	1	1	0
Wisconsin	10	5	0
Wyoming	1	0	0
Total	309	162	5

Current Franchisee Contact Information

Attached to this disclosure document as Exhibit D is a list, which identifies the names, addresses and telephone numbers of all of our Company-owned and franchisee-owned outlets, as of December 31, 2023.

Former Franchisee Contact Information

The franchisees who ceased to do business under the franchise agreement or who had an outlet terminated, canceled, not renewed, or transferred within the last fiscal year, or who have not communicated with the franchisor within 10 weeks of the application date are listed in Exhibit E.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Some franchisees have signed confidentiality clauses during the last three years. In some instances, current and former franchisees sign provisions restricting their ability to speak openly

about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all of those franchisees will be able to communicate with you.

We are not aware of any trademark-specific franchisee organizations associated with the franchise system which we have created, sponsored or endorsed, or any independent franchisee organizations that have asked to be included in this Disclosure Document.

ITEM 21. FINANCIAL STATEMENTS

Our audited financial statements as of December 31, 2023, December 31, 2022, and December 31, 2021 are attached as Exhibit F to this Franchise Disclosure Document. Our fiscal year end is December 31.

ITEM 22. CONTRACTS

The following agreements are attached as exhibits to this Franchise Disclosure Document:

Exhibit B	Franchise Agreement
Exhibit C	Multiple Store Development Agreement
Exhibit G	State Addenda
Exhibit H	Sample Release
Exhibit I	Acknowledgement Addendum

ITEM 23. RECEIPTS

The last two pages of the Franchise Disclosure Document (Exhibit J) are two copies of a receipt acknowledging that you have received the Franchise Disclosure Document. Please fill out and sign both copies, return one to us, and keep one for your records.

EXHIBIT A
(TO FRANCHISE DISCLOSURE DOCUMENT)

List of State Agencies/Agents for Service of Process

STATE	STATE ADMINISTRATOR/AGENT	ADDRESS
California	Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation	320 West 4 th Street, Suite 750 Los Angeles, CA 90013-2344 1-866-275-2677
Hawaii (State Administrator)	Commissioner of Securities Dept. of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch	335 Merchant Street Room 203 Honolulu, HI 96813
Illinois	Illinois Attorney General	500 South Second Street Springfield, IL 62706
Indiana (State Administrator)	Indiana Securities Commissioner Securities Division	302 West Washington Street, Room E111 Indianapolis, IN 46204
Indiana (Agent)	Indiana Secretary of State	302 West Washington Street, Room E018 Indianapolis, IN 46204
Maryland (State Administrator)	Office of the Attorney General Division of Securities	200 St. Paul Place Baltimore, MD 21202-2020
Maryland (Agent)	Maryland Securities Commissioner	200 St. Paul Place Baltimore, MD 21202-2020
Michigan	Michigan Department of Attorney General Consumer Protection Division	G. Mennen Williams Building, 1 st Floor 525 West Ottawa Street Lansing, MI 48933
Minnesota	Commissioner of Commerce Minnesota Department of Commerce	85 7 th Place East, Suite 280 St. Paul, MN 55101-2198
New York (State Administrator)	NYS Department of Law Investor Protection Bureau	28 Liberty Street, 21 st Floor New York, NY 10005 212-416-8236
New York (Agent)	New York Department of State	One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 518-473-2492
North Dakota	Securities Commissioner North Dakota Securities Department	600 East Boulevard Avenue State Capitol, 14th Floor, Dept. 414 Bismarck, ND 58505-0510
Rhode Island	Director, Department of Business Regulation, Securities Division	1511 Pontiac Avenue John O. Pastore Complex – Building 68-2 Cranston, RI 02920
South Dakota	Department of Labor and Regulation Division of Insurance – Securities Regulation	124 S. Euclid, Suite 104 Pierre, SD 57501
Virginia (State Administrator)	Virginia State Corporation Commission Division of Securities and Retail	1300 East Main Street, 9 th Floor Richmond, VA 23219-3630
Virginia (Agent)	Clerk of the State Corporation Commission	1300 East Main Street, 1st Floor Richmond, VA 23219-3630
Washington	Department of Financial Institutions Securities Division	150 Israel Road SW Tumwater, WA 98501 360-902-8760
Wisconsin	Commissioner of Securities	Department of Financial Institutions Division of Securities 4822 Madison Yards Way, North Tower Madison, WI 53705

EXHIBIT B
(TO FRANCHISE DISCLOSURE DOCUMENT)

Franchise Agreement

SCOOTER’S COFFEE, LLC
FRANCHISE AGREEMENT

Franchisee:

Date: _____

Franchised Location:

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EXHIBITS

- 1 – Addendum to Franchise Agreement
- 1-A – Rider to Exhibit 1 of Franchise Agreement
- 1-A-2 Non-Exclusive Search Area
- 2 – Statement of Ownership
- 3 – Guaranty and Assumption of Franchisee's Obligations
- 4 – Authorization Agreement for Preauthorized Payments
- 5 – Lease Addendum
- 6 – Software Access Agreement

SCOOTER'S COFFEE, LLC FRANCHISE AGREEMENT

THIS AGREEMENT (the “**Agreement**”) is made this _____ day of _____, 20____ (the “**Effective Date**”), by and between Scooter’s Coffee, LLC, a Nebraska limited liability company, located at 11808 Miracle Hills Drive, Suite #400, Omaha, Nebraska 68154 (“**Franchisor**”) and _____, with a business address at _____ (“**Franchisee**”), who, on the basis of the following understandings and in consideration of the following promises, agree as follows:

1. PURPOSE

1.1. The Franchisor has developed methods for establishing, operating and promoting quick service coffee stores offering drive-through service of espresso drinks, smoothies, baked goods, and other related products and services (“**SCOOTER’S COFFEE Stores**” or “**Stores**”) under certain valuable trade names, service marks and trademarks, including the service mark “SCOOTER’S COFFEE” (the “**Marks**”), and the Franchisor’s proprietary system for doing business (the “**System**”).

1.2. The Franchisor grants the right to others to establish and operate SCOOTER’S COFFEE Stores, under the Marks and pursuant to the System.

1.3. The Franchisee desires to establish a SCOOTER’S COFFEE Store at a location identified herein, and the Franchisor desires to grant the Franchisee the right to operate a SCOOTER’S COFFEE Store under the terms and conditions contained in this Agreement.

2. GRANT OF FRANCHISE

2.1 **Grant of Franchise.** The Franchisor grants to the Franchisee, and the Franchisee accepts from the Franchisor, the right to use the Marks and System in connection with the establishment and operation of a SCOOTER’S COFFEE Store identified in Exhibit 1 to this Agreement, at the location described in Article 3 of this Agreement. The Franchisee agrees to use the Marks and System, as they may be changed, improved, and further developed by the Franchisor from time to time, only in accordance with the terms and conditions of this Agreement. If the Franchisee enters into this Agreement as an individual, the Franchisee (as an individual) must assign this Agreement to a corporation or a limited liability company (as described under Section 16.1) within 90 days of the Effective Date or before the Franchisee enters into a lease agreement or purchase agreement for the Franchised Location, whichever occurs first.

2.2 **Scope of Franchise Operations.** The Franchisee agrees at all times to faithfully, honestly and diligently perform its obligations hereunder, and to use best efforts to promote its SCOOTER’S COFFEE Store. The Franchisee agrees to utilize the Marks and System to operate all aspects of the business franchised hereunder in accordance with the required standards and specifications developed and prescribed from time to time by the Franchisor, all of which are a part of the System. The Franchisee’s SCOOTER’S COFFEE Store shall offer all, and only the products and services the Franchisor shall designate which may include drive-through services offered in conjunction with a distinctive theme and decor and a uniform menu offering espresso drinks, smoothies, baked goods, and other related products and services. The Franchisee shall implement any additions and changes to the products and services offered by its Store as required by the Franchisor. The Franchisee shall be restricted from offering or selling any products or services not previously approved by the Franchisor in writing and shall further be restricted from producing or distributing the authorized products and services for non-retail or off-site sale except as specifically permitted under the terms of this Agreement.

3. FRANCHISED LOCATION AND TERRITORIAL RIGHTS

3.1 Franchised Location. The Franchisee is granted the right to own and operate one SCOOTER'S COFFEE Store at the address and location stated in the Addendum attached as Exhibit 1 ("**Franchised Location**"). If, at the time of execution of this Agreement, the Franchised Location cannot be designated as a specific address because a location has not been selected by the Franchisee and approved by the Franchisor, then the Franchisee, within 90 days of the date of this Agreement, must select and acquire a location for its SCOOTER'S COFFEE Store within the nonexclusive "Non-Exclusive Search Area," stated in Exhibit 1. In such circumstances, the Franchisee shall select and propose to the Franchisor for consent a specific site for the Franchised Location in the Non-Exclusive Search Area which, when approved by the Franchisor, shall then be named in the Rider to Exhibit 1 attached as Exhibit 1-A. If a location has not been selected by Franchisee and approved by Franchisor within 90 days of the date of this Agreement, then Franchisor may terminate this Agreement. If the Franchisee elects to move or relocate the Franchised Location at any time during the term of this Agreement, the Franchisee shall submit information about the proposed site to the Franchisor for consent, which consent may be granted or withheld by the Franchisor in its sole discretion, and Franchisee shall simultaneously pay the Franchisor a \$500 "**Relocation Fee**." The Franchisor may charge the Franchisee up to an additional \$500, payable no later than the date the Store re-opens at the new location, if the Franchisor incurs costs in excess of \$500 in connection with the relocation. During the term of this Agreement, the Franchised Location shall be used exclusively to operate a SCOOTER'S COFFEE Store.

3.2 Limitation on Franchise Rights. The rights granted to the Franchisee are for the specific Franchised Location only, and may not be used at any other location, except with the prior written approval of the Franchisor. The Franchisee shall not operate another Store or offer services or goods using the Marks or the System at any site other than the Franchised Location without the Franchisor's prior written approval, which approval can be withheld for any reason.

3.3 Franchisor's Reservation of Rights. The Franchisee acknowledges that the franchise rights granted hereunder are non-exclusive and that the Franchisor, for itself and its affiliates and successors, retains all rights not expressly granted to Franchisee in this Agreement, including, among others: (1) the right to operate and grant others the right to open and operate a SCOOTER'S COFFEE Store at any location; (2) promote, sell and distribute products and services authorized for sale at SCOOTER'S COFFEE Stores under trademarks and service marks other than the Marks through similar or dissimilar channels of distribution; (3) promote, sell and distribute products and services authorized for sale at SCOOTER'S COFFEE Stores under the Marks through dissimilar channels of distribution, including by electronic means such as the Internet, by mail order, catalog, retail store display, through the wholesale sale of products to unrelated retail outlets or to distributors, or to grocery stores, convenience stores, or other locations; and (4) promote the System and SCOOTER'S COFFEE Stores generally, including on the Internet (or any other existing or future form of one or more electronic commerce), and to create, operate, maintain and modify or discontinue the use of websites using the Marks.

3.4 Search Area Modification Fee. Franchisee may request, for Franchisor's approval, up to two modifications to the Non-Exclusive Search Area at no cost to Franchisee. Each request for a modification must be in writing and meet Franchisor's then-current standards and specifications. Franchisee will pay Franchisor \$3,000 for each additional request.

4. INITIAL FRANCHISE FEE

4.1 Initial Franchise Fee. In consideration for the right to develop and operate one SCOOTER'S COFFEE Store, the Franchisee agrees to pay to the Franchisor, concurrently with the

execution of this Agreement, an initial franchise fee (“**Initial Franchise Fee**”) in the amount stated in Exhibit 1. The Initial Franchise Fee is paid by an Automated Clearing House network transfer (“**ACH**”) and earned upon receipt, and is not refundable.

4.2 Initial Opening Support Fee. The Franchisee agrees to pay to Franchisor, concurrently with the execution of the Agreement, an “**Initial Opening Support Fee**” equal to \$15,000. The Initial Opening Support Fee is paid by ACH and earned upon receipt, and is not refundable. The Franchisor will match the first \$5,000 of the Franchisee’s Initial Opening Support Fee if Franchisee complies with Franchisor’s initial grand opening and marketing program requirements. The Franchisor will use the Initial Opening Support Fee primarily to directly pay or reimburse the Franchisee for qualified expenses related to the Franchisee’s grand opening promotional advertising campaign, although Franchisor may also use such Fee to help offset the costs and expenses related to providing on site opening assistance at the SCOOTER’S COFFEE Store. The Initial Opening Support Fee must be used within twelve months following the Store opening.

4.3 New Store Opening Training Fee. If the Franchisee is opening its first SCOOTER’S COFFEE Store or Franchisor otherwise determines in its sole discretion that new Store opening training assistance is necessary, the Franchisee agrees to pay to Franchisor a “**New Store Opening Training Fee**” equal to \$5,000. The New Store Opening Training Fee is paid by ACH concurrently with the execution of the Agreement or at another time Franchisor directs before Store opening, is earned upon receipt, and is not refundable. The Franchisor will use the New Store Opening Training Fee to offset the costs and expenses related to providing on site opening assistance at the SCOOTER’S COFFEE Store.

5. DEVELOPMENT OF FRANCHISED LOCATION

5.1 Consent to Franchised Location. As further described in Section 3.1 above, if Franchisee has not selected, and received Franchisor’s written consent, to a specific address for the Franchised Location at the time of execution of this Agreement, Franchisee will be solely responsible for selecting and acquiring a location for its SCOOTER’S COFFEE Store within the Non-Exclusive Search Area. Franchisor will identify the Non-Exclusive Search Area and may provide assistance in connection with the site selection process, but Franchisee remains solely responsible for selecting the Franchised Location for the Store. Franchisor will recommend an approved broker who is familiar with the System and specializes in the geographic area to assist Franchisee with site selection in the Non-Exclusive Search Area. Before entering into a letter of intent (LOI) or lease or purchasing property, the Franchisee must obtain the Franchisor’s written consent to any site proposed as a Franchised Location by submitting a complete site-submittal package, including demographics, information regarding drive-through access, and other materials requested by the Franchisor, containing all information reasonably required by the Franchisor to assess a proposed Franchised Location. The Franchisor will not unreasonably withhold its consent of a proposed site that meets all of the Franchisor’s site-selection criteria. The Franchisee acknowledges and agrees that the Franchisee is solely responsible for identifying a site for the Franchised Location which satisfies the Franchisor’s requirements and that the Franchisor’s consent to a site and any information provided by the Franchisor regarding the site does not constitute a representation or warranty of any kind, express or implied, as to the suitability or profitability of the site for a SCOOTER’S COFFEE Store. If Franchisee fails to locate a Franchised Location (that meets Franchisor’s approval) within 90 days of the Effective Date or Franchisee fails to sign a lease for the Franchised Location within 180 days of the Effective Date, then Franchisor may terminate this Agreement.

5.2 Consent to Lease or Site Acquisition. The Franchisee shall provide the Franchisor with a copy of, and obtain the Franchisor’s prior written consent before executing, any LOI, lease or purchase agreement for the Franchised Location. The Franchisee shall also provide the Franchisor with a copy of the fully executed LOI, lease or purchase agreement for the Franchised Location within 14 days of

execution. The Franchisee shall execute a LOI, lease or purchase agreement to which Franchisor has consented no later than 120 days from the date of full execution of this Agreement. Any lease for the Franchised Location shall contain: (1) provisions establishing an initial term, or an initial term together with any renewal terms (for which rent must be specified in the lease) of at least 10 years; (2) provisions expressing the landlord's consent to the Franchisee's use of the Marks and all required signage for the Store; and (3) such other provisions which the Franchisor may identify in the Operations Manual or otherwise in writing. Franchisee, Franchisor and the landlord of the Franchised Location must sign the "**Lease Addendum**" attached hereto as Exhibit 5 and the Franchisee shall obtain the landlord's consent to the Lease Addendum. If Franchisee (or Franchisee's affiliate) desires to own the premises of the Franchised Location, Franchisee may do so only through a separate business entity (either a limited liability company, corporation or limited partnership) and will be required to enter into a lease agreement, as the tenant of the Franchised Location, with Franchisee's affiliate (as the landowner), and the lease must reflect current market rates and other terms and conditions acceptable to Franchisor. If the Franchised Location is purchased or owned by an affiliate of the Franchisee, Franchisor: (i) will require such affiliate to sign a Guaranty and Assumption of the Franchisee's Obligations attached hereto as Exhibit 3; and (ii) may, at any time and in its sole discretion, require Franchisee to promptly obtain from its affiliate and deliver to Franchisor a signed notice of interest in real property in the form Franchisor requires for filing with the appropriate governmental unit. Franchisee acknowledges that Franchisor's consent to a lease or purchase agreement for the Franchised Location does not constitute a recommendation, endorsement or guarantee by the Franchisor of the suitability or profitability of the location, the lease or purchase agreement. The Franchisee should take all steps necessary to ascertain whether the lease or purchase agreement is acceptable to the Franchisee. The Franchisor's review and consent to the lease or purchase agreement shall be for the Franchisor's benefit only and the Franchisee should not rely on such review and consent for any purpose.

5.3 Construction, Conversion and Design. The Franchisee acknowledges that the improvements, layout, fixtures, equipment, design, decoration and color scheme of SCOOTER'S COFFEE Stores are an integral part of the Franchisor's proprietary System and accordingly, the Franchisee shall construct, convert, improve, design and decorate the Franchised Location, in accordance with the Franchisor's plans and specifications and with the assistance of contractors, architects and suppliers designated by or otherwise approved by the Franchisor. In addition, as further stated in Section 13.6, Franchisor reserves the right to designate one or more approved suppliers for materials (including modules and prefabricated kiosks) used in the construction of all or part of the SCOOTER'S COFFEE Store. The Franchisee shall obtain the Franchisor's written consent to any conversion, improvements, design or decoration of the premises before construction, remodeling or decorating begins, recognizing that all such costs are the Franchisee's sole responsibility. It shall be the Franchisee's responsibility to have prepared all required site plans, blueprints and construction plans and specifications to suit the shape and dimensions of the Franchised Location, including drive-through access, and to ensure compliance with any lease and applicable laws, including the Americans with Disabilities Act. At Franchisor's request, the Franchisee must provide Franchisor with a summary of development costs incurred to construct and open the SCOOTER'S COFFEE Store in a format acceptable to Franchisor, including construction plans, bids, specifications, and any other documentation or forms Franchisor requires.

5.4 Signs. The Franchisee shall purchase or otherwise obtain for use at the Franchised Location and in connection with the SCOOTER'S COFFEE Store the maximum number and size of signs allowed by applicable building codes, which signs must comply with the Franchisor's required standards and specifications as stated in the Operations Manual, as that term is defined in Section 8.1. It is the Franchisee's sole responsibility to ensure that all signs comply with applicable local ordinances, building codes and zoning regulations. Any modifications to the Franchisor's required standards and specifications for signs which must be made due to local ordinances, codes or regulations shall be

submitted to the Franchisor for prior written approval. The Franchisee acknowledges that the Marks, or any other name, symbol or identifying marks on any signs shall only be used in accordance with the Franchisor's standards and specifications and only with the prior written approval of the Franchisor.

5.5 Equipment and Inventory. The Franchisee shall purchase or otherwise obtain for use or sale at the Franchised Location and in connection with the SCOOTER'S COFFEE Store, all equipment and inventory of a type and in an amount that complies with the Franchisor's required standards and specifications. The Franchisee acknowledges that the type, quality, configuration, capability and/or performance of the equipment, inventory and other products and services used or offered through the SCOOTER'S COFFEE Store are all required standards and specifications which are a part of the System and therefore such equipment, inventory, products and other items must be purchased, leased or otherwise obtained in accordance with the Franchisor's standards and specifications and only from the Franchisor, its affiliates or suppliers or other sources designated or approved by the Franchisor.

5.6 Point-of-Sale System and Computers. The Franchisee shall equip the Store with a point-of-sale system, computer hardware, software and other designated equipment (collectively, the "**POS System**") that satisfy the Franchisor's required standards and specifications. The Franchisor reserves the right to require the Franchisee to purchase and utilize POS System hardware and software obtained from the Franchisor, or a supplier designated by the Franchisor. The POS System must be installed by a certified, reputable technician approved by Franchisor. The POS System developed for use in Franchisee's business includes one or more proprietary software programs developed for Franchisor (the "**Proprietary Software**"). Franchisee must use the Proprietary Software from Franchisor or its designated third-party supplier. The Proprietary Software will remain the confidential property of Franchisor or its third-party supplier. Franchisee and Franchisor will enter into Franchisor's standard form computer software access agreement attached hereto as Exhibit 6 (the "**Software Access Agreement**") in connection with Franchisee's use of the Proprietary Software. Franchisee will pay Franchisor the then-current monthly "**Technology Fee**" related to Franchisee's use of the Proprietary Software and for support Franchisor or its designee provides to Franchisee respecting the POS System (the Proprietary Software). Franchisor reserves the right to assign its rights, title and interest in the Proprietary Software to a third party designated by Franchisor or to replace the Proprietary Software. In such event, Franchisee may be required to enter into a separate computer software license agreement specified by Franchisor or the third-party supplier of the Proprietary Software. The Franchisee shall be responsible for all maintenance costs associated with the POS System. If required to do so by the Franchisor, the Franchisee, at the Franchisee's sole cost, shall subscribe to an electronic network connection service to facilitate communication between the Franchisor and the Franchisee and/or among SCOOTER'S COFFEE franchisees. The Franchisee shall install and maintain a high-speed Internet connection at the Store to allow the Franchisor access to data and other information concerning the Store. The Franchisor reserves the right to require the Franchisee, upon 30 days' notice, to purchase, install and implement such computer software and hardware as Franchisor may designate, including updates and revisions to the POS System, a new POS System, or new financial-reporting software. Franchisee must use an approved supplier to maintain a secure technology infrastructure that meets Franchisor's then-current requirements. All technology used to support the POS System must comply with the then-current regulations of the Payment Card Industry Data Security Standards (PCI-DSS) council or its successor and other regulations and industry standards applicable to the protection of customer privacy and credit card information, including the Fair and Accurate Credit Transaction Act (FACTA).

5.7 Permits and Licenses. The Franchisee agrees to obtain all such permits and licenses as may be required for the lawful construction and operation of the SCOOTER'S COFFEE Store, together with all certifications from government authorities having jurisdiction over the site, that all requirements for construction and operation have been met, including zoning, access, sign, health, menu labeling, fire and safety requirements, building and other required construction permits, licenses to do business and

fictional name registrations, sales tax permits, health and sanitation permits and ratings and fire clearances. The Franchisee agrees to obtain all customary contractors' sworn statements and partial and final lien waivers for construction, remodeling, decorating and installation of equipment at the Franchised Location. The Franchisee shall keep copies of all health department, fire department, building department and other similar state and local agency and entity certifications, licenses, and reports of inspections on file and available for review by the Franchisor. Copies of all subsequent inspection reports, warnings, certificates and ratings issued by any governmental entity during the term of this Agreement in connection with the conduct of the SCOOTER'S COFFEE Store which indicates the Franchisee's failure to meet or maintain the highest governmental standards, or less than full compliance by the Franchisee with any applicable law, rule or regulation, shall be forwarded to the Franchisor within five days of the Franchisee's receipt thereof.

5.8 Commencement of Operations. Unless Franchisor otherwise agrees to in writing, the Franchisee must commence operation of the SCOOTER'S COFFEE Store within eighteen (18) months from the Effective Date. The Franchisee must obtain the Franchisor's approval prior to opening the Store for business.

6. TRAINING AND MEETINGS

6.1 Immersion Training. At least one Principal Owner of the Franchisee is required to attend the initial immersion training program ("**Immersion Training**") which the Franchisor, at its option, will offer at a designated training facility or other location that the Franchisor designates, or online. Immersion Training is approximately three days long. No tuition or fee is charged for Immersion Training. The Franchisee or Principal Owner, as applicable, must successfully complete Immersion Training approximately four to five months prior to opening its SCOOTER'S COFFEE Store. If it becomes necessary to provide Immersion Training to any replacement or additional trainees during the term of this Agreement, the Franchisee must pay the Franchisor its then-current additional per person training fee prior to attending Immersion Training.

6.2 Operations Training Program. At least one Principal Owner of the Franchisee, together with the person designated by the Franchisee to assume primary responsibility for the management of the SCOOTER'S COFFEE Store (the "**Designated Manager**"), and any additional individuals Franchisor may require, must attend the initial operations training program ("**Operations Training**"). Operations Training lasts approximately 16 days. Four days of Operations Training will take place at one of Franchisor's corporate training kiosks (currently located in Omaha and Dallas); five days will consist of Designated Manager training to be held in Omaha or Dallas; and seven days will consist of new store opening experience to be held in the Store prior to opening. A \$150 fee will be charged if Franchisee or its Designated Manager register but fail to attend the Designated Manager training. If this is Franchisee's second or subsequent Store, the Franchisor may allow someone other than the Franchisee or a Principal Owner, as applicable, to attend Operations Training. Up to four individuals are eligible to participate in the Franchisor's Operations Training program without charge of a tuition or fee. The individuals described above in this Section 6.2 must successfully complete the Operations Training program approximately 8 to 10 weeks before the Franchisee commences operating its SCOOTER'S COFFEE Store. If it becomes necessary to provide the Operations Training program to any replacement or additional Designated Managers or Principal Owners during the term of this Agreement, or if Franchisee sends more than four individuals to the Operations Training program, the Franchisee must pay the Franchisor its then-current additional per person training fee prior to attending the Operations Training program. Franchisee shall also notify Franchisor within 10 days whenever it experiences a change in the Designated Manager and associated shift supervisors (if applicable). Any new Designated Manager and associated shift supervisor shall successfully complete the Operations Training Program within 15 days after assuming the role of Designated Manager or associated shift supervisor. Franchisee

must pay Franchisor's then-current additional training fee and bear all related costs of training additional Designated Managers and associated shift supervisors. In all cases, Franchisee shall be solely responsible for any salaries, compensation, benefits and living and travel expenses of employees attending training.

6.3 Additional Training Programs. From time to time, the Franchisor may present or hold seminars, conventions or continuing development programs or meetings ("**Programs**"). One of the Franchisee's Principal Owners or its Designated Manager must attend all Programs as Franchisor designates. Both a Principal Owner and the Designated Manager of Franchisee must attend the Franchisor's annual franchise conference. Franchisor reserves the right to charge Franchisee Franchisor's then-current registration fee in connection with the annual franchise conference. If a Principal Owner or a Designated Manager of Franchisee fails to register for Franchisor's annual franchise conference, Franchisor reserves the right to charge Franchisee the registration fee(s) for a Principal Owner and/or a Designated Manager.

6.4 Expenses During Training. The Franchisee shall be responsible for all traveling expenses, living expenses and wages incurred by the Franchisee, the Franchisee's Principal Owners, and the Franchisee's employees or other trainees in connection with attendance all of the Franchisor's training programs, including Operations Training, Immersion Training, and any additional training. Training participants will not receive any compensation from the Franchisor while attending the Franchisor's training programs. The availability of the training programs shall be subject to space considerations and prior commitments to new franchisees. If Franchisee fails to cancel a scheduled training at least 14 days prior to such training or if Franchisee is not prepared to successfully complete the training, Franchisor may charge Franchisee a training cancellation fee equal to \$500 per person including any training fees and any travel and living expenses incurred by Franchisor's representatives. In addition, Franchisor may require Franchisee to pay an additional fee for rescheduled training.

6.5 Additional Meetings. From time to time, the Franchisor may request a mandatory meeting with a Principal Owner (and, in some cases, the Franchisee's Designated Manager) at a time and place designated by the Franchisor. One Principal Owner shall be required to attend any such meeting. The Franchisor shall give the Franchisee at least 15 days' prior written notice of any meeting that is deemed mandatory. The Franchisee will be responsible for all traveling and living expenses associated with its Principal Owner's or Designated Manager's attendance at all mandatory meetings.

7. DEVELOPMENT ASSISTANCE

7.1 Franchisor's Development Assistance. To assist the Franchisee in the initial establishment of the SCOOTER'S COFFEE Store, the Franchisor shall provide the following:

A. The Immersion Training and Operations Training programs to be conducted at the Franchisor's designated training facilities or at another location designated by the Franchisor, as described in Article 6 above.

B. The Franchisor will provide Franchisee with its site selection criteria and requirements. The Franchisor may, but is not required to, provide site selection assistance, provided, site selection acquisition and development of the Store is the sole obligation of the Franchisee.

C. Standards and specifications for the leasehold improvements, interior design, layout, floor plan, signs, designs, products, inventory, uniforms, equipment, POS System, color and decor of the SCOOTER'S COFFEE Store.

D. Standards and specifications for the equipment, supplies and materials used in, and the menu items offered for sale by, the SCOOTER'S COFFEE Store, including a list of Franchisor's designated or approved suppliers of such items and, if available, a description of any regional or central purchase and supply agreements offered by such designated or approved suppliers.

E. One copy of, or electronic access to, the Operations Manual, as defined and described in Article 8 below, which shall be loaned to the Franchisee during the term of this Agreement.

F. Opening assistance consisting of a representative of the Franchisor on site at the Franchised Location for 7 days total, as outlined in the Operations Manual; provided, however, that the Franchisee shall hire and be exclusively responsible for the hiring, firing, training, scheduling, compensation and control of its employees. The Franchisor will use the New Store Opening Training Fee to offset the costs and expenses related to providing this opening assistance. The Franchisor reserves the right to waive the provision of onsite opening assistance for second and subsequent Stores operated by the Franchisee.

G. Assistance in planning and implementing the Franchisee's grand opening campaign.

8. OPERATIONS MANUAL

8.1 Operations Manual. The Franchisor agrees to loan to, or provide electronic access to, the Franchisee the franchise operations manual, (the "**Operations Manual**") covering the required standards and specifications for operating a SCOOTER'S COFFEE Store. The Operations Manual also will include recommended practices, policies and guidelines that Franchisee may, but is not required to, follow in connection with the operation of the SCOOTER'S COFFEE Store.

8.2 Confidentiality of Operations Manual Contents. The Operations Manual is the sole property of the Franchisor and shall be used by the Franchisee only during the term of this Agreement and in strict accordance with the terms and conditions hereof. The Franchisee shall not duplicate the Operations Manual nor disclose its contents to persons other than its employees or officers who need the information to perform their jobs. All individuals referenced in Section 20.4 below must sign a non-disclosure and noncompetition agreement provided by the Franchisor. The Franchisee shall return the Operations Manual to the Franchisor upon the expiration, termination or transfer of this Agreement.

8.3 Changes to Operations Manual. The Franchisor reserves the right to revise the Operations Manual from time to time as it deems necessary to update operating and marketing techniques or standards and specifications in any manner. The Franchisee, within 30 days of receiving any update (or such earlier time period as the Franchisor designates), must update its copy of the Operations Manual as instructed by the Franchisor and conform its operations to the updated provisions. The Franchisee acknowledges that the master copy of the Operations Manual maintained by the Franchisor at its principal office shall be controlling in the event of a dispute relative to the content of any Operations Manual.

9. OPERATING ASSISTANCE

9.1 Franchisor's Assistance. The Franchisor agrees that, during the Franchisee's operation of the SCOOTER'S COFFEE Store, the Franchisor, or its designated representatives, shall make available to the Franchisee the following assistance:

- A. Access to any advertising and promotional materials as may be developed by the Franchisor. The Franchisor reserves the right to charge the Franchisee a fee for the cost of copying or providing advertising and promotional materials to Franchisee.
- B. Such ongoing support and assistance as the Franchisor deems appropriate.
- C. Any ongoing training programs as the Franchisor deems appropriate.
- D. Any updates or changes to the Operations Manual or System.

10. FRANCHISEE'S OPERATIONAL COVENANTS

10.1 Business Operations. The Franchisee acknowledges that it is solely responsible for the successful operation of its SCOOTER'S COFFEE Store. In addition to all other obligations contained herein and in the Operations Manual, the Franchisee covenants that:

A. The Franchisee will maintain a clean, safe, and high quality SCOOTER'S COFFEE Store operations and shall promote and operate the business in accordance with the requirements of the Operations Manual and in such a manner as not to detract from or adversely reflect upon the name and reputation of the Franchisor and the goodwill associated with the SCOOTER'S COFFEE name and Marks.

B. The Franchisee will conduct itself and operate its SCOOTER'S COFFEE Store in compliance with all applicable laws, health department regulations, menu labeling requirements and other ordinances and in such a manner to promote a good public image in the business community. In connection therewith, the Franchisee will be solely and fully responsible for obtaining all licenses to operate the SCOOTER'S COFFEE Store. Franchisee shall keep copies of all health department, fire department, building department and other similar reports of inspections by governmental authorities on file and available for inspection by Franchisor. The Franchisee shall promptly forward to the Franchisor copies of all health department, fire department, building department and other similar reports of inspections as and when they become available.

C. The Franchisee acknowledges that proper management of the SCOOTER'S COFFEE Store is important to the SCOOTER'S COFFEE brand. The Franchisee agrees that it shall ensure that the Principal Owner or Designated Manager be responsible for the management of the SCOOTER'S COFFEE Store after commencement of operations, and that a Principal Owner, a Designated Manager or an associated shift supervisor of the Store who has completed the Franchisor's Operations Training program be available at the Franchised Location at all times during operation of the SCOOTER'S COFFEE Store. If the Franchisee (and/or an affiliate of the Franchisee) owns or operates multiple SCOOTER'S COFFEE Stores, the Franchisor shall have the right to require the Franchisee (and/or its affiliate) to employ one or more multi-unit leaders (each a "**Multi-Unit Leader**") to supervise the day-to-day operations of such SCOOTER'S COFFEE Stores, so that all SCOOTER'S COFFEE Stores operate in accordance with the System and present a consistent brand image and customer experience in accordance with System standards. Each Multi-Unit Leader may be required to attend and successfully complete (to Franchisor's reasonable satisfaction) such training courses as the Franchisor may reasonably require. The Franchisee also agrees that, upon the Franchisor's request, the Franchisee shall retain and implement additional services or other support for the business that the Franchisor designates including, but not limited to, accounting services.

D. The Franchisee acknowledges that the franchise granted hereunder requires and authorizes the Franchisee to offer only authorized products and services as are more fully described in the Operations Manual, which may include espresso drinks, smoothies, baked goods and related products and services. The Franchisee shall maintain at all times a sufficient supply of all menu items and related food and paper products to prevent any items, insofar as possible, from being unavailable to its customers. The Franchisee agrees to prepare all menu items in accordance with Franchisor's standards and specifications and to obtain all products and services from suppliers the Franchisor designates (if applicable). The Franchisee shall offer all types of services and products as from time to time may be prescribed by the Franchisor and shall refrain from offering any other types of services or products, or operating or engaging in any other type of business or profession, from or through the SCOOTER'S COFFEE Store, unless the Franchisor's advance written consent is first obtained. The Franchisee shall engage in all types of advertising, marketing and promotional activities as from time to time may be prescribed by Franchisor and shall not engage in any advertising, marketing or promotional activities unless Franchisor's written consent is first obtained.

E. The Franchisee shall promptly pay when due all taxes and other obligations owed to third parties in connection with the development, construction, and operation of the SCOOTER'S COFFEE Store, including all federal, state and local taxes, and all accounts or other indebtedness of every kind incurred by the Franchisee in the conduct of the SCOOTER'S COFFEE Store. In the event of a bona fide dispute as to the liability for taxes assessed or other indebtedness, the Franchisee may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law; however, in no event shall the Franchisee permit a tax sale or seizure by levy or execution or similar writ or warrant, or attachment by a creditor to occur against the premises of the Franchised Location, or any improvement thereon.

Franchisee must also pay all state and local taxes, including taxes denominated as income or franchise taxes, that may be imposed on Franchisor as a result of its receipt or accrual of the Initial Franchise Fee, the Royalty Fee, or other fees referenced in this Agreement, whether assessed against Franchisee through withholding or other means or whether paid by Franchisor directly

F. The Franchisee shall comply with all agreements with third parties related to the SCOOTER'S COFFEE Store including, in particular, all provisions of any premises lease or equipment lease. The Franchisee shall promptly notify Franchisor in writing of any notices of default or non-compliance under its lease or any other third-party contracts related to the operation of the Store, by sending copies of all such notices to the Franchisor. If the term of the lease for the Franchised Location ends before the term of this Agreement expires, the Franchisee shall negotiate a renewal of the lease term in good faith. If the Franchisee is unable to renew the lease at the Franchised Location, the Franchisee may find a different site reasonably proximate to the Franchised Location, submit it to the Franchisor for approval together with payment of the Relocation Fee and, if Franchisor should approve of the proposed site, move the Franchisee's Store to the new location, at the Franchisee's sole cost. Nothing shall obligate the Franchisor to approve any such proposed site, and approval may be granted or denied in Franchisor's sole business judgment.

G. The Franchisee agrees to maintain the condition and appearance of the Store, and refurbish and modify its layout, decor and general theme, as the Franchisor will require Franchisee to maintain periodically throughout the term of this Agreement, the condition, appearance, efficient operation, ambience and overall image of SCOOTER'S COFFEE Stores (as

the Franchisor may modify). Franchisor will require Franchisee to periodically update its Store throughout the term of this Agreement to maintain current standards. After the Store is operational, Franchisor recommends that Franchisee put aside a portion of its annual revenue for such improvements. The Franchisee will replace worn out or obsolete fixtures, equipment, furniture, or signs, repair the interior and exterior of the Store and adjacent parking areas, and periodically clean and redecorate the Store. If at any time in the Franchisor's reasonable judgment, the general state of repair, appearance or cleanliness of the Store premises (including parking areas) or its fixtures, equipment, furniture or signs does not meet the Franchisor's then-current standards, the Franchisor will so notify the Franchisee, specifying the action to be taken by the Franchisee to correct the deficiency. If the Franchisee fails, within 10 days after receipt of notice, to commence action and continue in good faith and with due diligence, to undertake and complete any required maintenance or refurbishing, the Franchisor may (in addition to its rights under Article 18 below) enter the Store premises and correct the deficiencies on the Franchisee's behalf, and at the Franchisee's expense.

The Franchisee will, at its expense, make such reasonable capital expenditures necessary to remodel, modernize and redecorate the Store premises and to replace and modernize the supplies, fixtures, signs, and equipment used in its Store so that the Franchisee's business reflects the then current physical appearance of new SCOOTER'S COFFEE Stores. The Franchisor may require the Franchisee to take such action: (i) five years after the Effective Date; (ii) as a condition to the transfer of any interest as further described in Section 16.2; and (iii) as a condition of renewal. The Franchisee acknowledges and agrees that the requirements of this Section 10.1(G) are both reasonable and necessary to ensure continued public acceptance and patronage of SCOOTER'S COFFEE Stores and to avoid deterioration or obsolescence in connection with the operation of the Store.

If the Store is damaged or destroyed by fire or any other casualty, the Franchisee will, within 30 days, initiate repairs or reconstruction, and thereafter in good faith and with due diligence continue (until completion) repairs or reconstruction, to restore the Store premises to its original condition before the casualty. If, in the Franchisor's reasonable judgment, the damage or destruction is of a nature or to an extent that the Franchisee can repair or reconstruct the premises of the Store consistent with the then-current decor and specifications of a new SCOOTER'S COFFEE Store without incurring substantial additional costs, the Franchisor may require the Franchisee, by giving written notice, that the Franchisee repair or reconstruct the Store premises in compliance with the then-current decor and specifications.

H. The Franchisee shall at all times during the term of this Agreement own and control the SCOOTER'S COFFEE Store authorized hereunder. Upon request of the Franchisor, the Franchisee shall promptly provide satisfactory proof of such ownership to the Franchisor. The Franchisee represents that the Statement of Ownership, attached hereto as Exhibit 2 is true, complete, and accurate statement respecting the equity ownership of the Franchisee. The Franchisee shall promptly provide the Franchisor with a written notification if the information contained in the Statement of Ownership changes at any time during the term of this Agreement and shall comply with the applicable transfer provisions contained in Article 16 herein. The Franchisee acknowledges that each "**Principal Owner**" (as defined below), as well as any other person or entity with a direct or indirect ownership interest in Franchisee that Franchisor determines, must guarantee the performance of the Franchisee hereunder and sign the Guaranty and Assumption of the Franchisee's Obligations which is attached to this Agreement as Exhibit 3 (the "**Guaranty**"). The term "**Principal Owner**" means any person or entity who directly or indirectly owns a twenty percent (20%) or greater interest in the Franchisee. The term "**Guarantor**" means any person or entity who is required above to sign the Guaranty. Any person

or entity that at any time after the Effective Date becomes a Principal Owner of Franchisee as well as any other person or entity acquiring a direct or indirect ownership interest in Franchisee that Franchisor determines will, as a condition of becoming a Principal Owner or otherwise acquiring a direct or indirect ownership interest in Franchisee, sign the Guaranty. All Principal Owners must also provide all personal financial information that the Franchisor reasonably designates from time to time within 15 days of the Franchisor's request.

I. The Franchisee shall at all times during the term of this Agreement keep its SCOOTER'S COFFEE Store open during the business hours as may be designated by the Franchisor from time to time in the Operations Manual. Any deviations from the required hours must be approved in writing by the Franchisor.

J. The Franchisor may require the Franchisee to install surveillance cameras in and around the Store. The Franchisee will bear the cost of such system.

K. Franchisee shall be solely responsible for all employment decisions and functions of the SCOOTER'S COFFEE Store including those related to hiring, firing, training, compliance with wage and hour requirements, personnel policies, benefits, recordkeeping, scheduling, supervision, and discipline of employees, regardless of whether Franchisee receives advice from Franchisor on these subjects. Franchisee acknowledges and agrees that all personnel decisions shall be made by Franchisee, without any influence or advice from Franchisor, and such decisions and actions shall not be, nor be deemed to be, a decision or action of Franchisor.

L. Franchisee acknowledges and agrees that Franchisor, subject to applicable law, may set minimum and maximum prices for all menu items.

M. The Franchisee agrees that it must comply with all applicable laws relating to the privacy of consumer, employee and transactional information ("**Privacy Laws**"). The Franchisee further agrees that it must comply with the Franchisor's standards and policies pertaining to Privacy Laws. If there is a conflict between the Franchisor's standards and policies relating to Privacy Laws and actual applicable law, the Franchisee must: (i) comply with the requirements of applicable law; (ii) immediately give the Franchisor written notice of such conflict; and (iii) promptly and fully cooperate with the Franchisor and the Franchisor's counsel in determining the most effective way, if any, to meet the Franchisor's standards and policies pertaining to Privacy Laws within the bounds of applicable law. The Franchisee agrees not to publish, disseminate, implement, revise or rescind a data privacy policy without the Franchisor's prior written consent.

10.2 Anti-Terrorism Representation. The Franchisee represents to the Franchisor that it and all persons or entities holding any legal or beneficial interest in the Franchisee are not included in, owned by, controlled by, acting for or on behalf of, providing assistance, support, sponsorship, or services of any kind to, or otherwise associated with any of the persons or entities referred to or described in Executive Order 13224-Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended.

11. ROYALTIES

11.1 Royalty. The Franchisee agrees to pay the Franchisor a weekly royalty ("**Royalty**") equal to 6% of the Franchisee's Net Sales, defined in Section 11.2 below, generated during the Reporting Period (defined in Section 11.3, below).

11.2 Net Sales. “Net Sales” means sales of any and all services or products from or through the SCOOTER’S COFFEE Store, including any such sale of services or products made for cash or upon credit, or partly for cash and partly for credit, regardless of collection of charges for which credit is given, regardless of whether such sale is conducted in compliance with or in violation of the terms of this Agreement and regardless of whether such sale is at the Franchised Location or off-site, but exclusive of discounts. “Net Sales” also includes the fair market value of any services or products received by the Franchisee in barter or exchange for its services and products.

11.3 Royalty Payments. The Franchisee agrees that the Royalty shall be paid weekly by electronic transfer of funds on every Tuesday of each week (the “Due Date”) for the preceding Reporting Period. Reporting Period means the period of Saturday to Friday (unless Franchisor designates otherwise). The Franchisee must make its periodic Royalty payments by ACH and must execute an Authorization Agreement for preauthorized payment of the Royalty by ACH from the Franchisee’s bank account, in the form attached hereto as Exhibit 4 (“Authorization Agreement”). The Franchisor reserves the right to update this authorization periodically and/or upon any change or transfer of the Franchisee’s banking relationship. The Franchisee agrees to provide 30 days’ notice to the Franchisor of any banking change that may alter the Franchisor’s ability to access payment of Royalties by ACH. On the Due Date, the Franchisee shall report to the Franchisor by telephone, electronic means or in written form, as may be reasonably directed by the Franchisor, in a manner more fully described in Article 15 hereof, with such information and pursuant to such standard transmittal procedures regarding the Franchisee’s Net Sales and such additional information as may be requested by the Franchisor. The Franchisor shall have the right to verify such Royalty payments from time to time as it deems necessary, in any reasonable manner, including by means of electronic access to Franchisee’s POS System. In the event the Franchisee fails to have sufficient funds in its account or otherwise to pay any Royalties due as of the Due Date, the Franchisee shall owe, in addition to such Royalties, a late charge equivalent to \$25, plus interest of 1½ % per month (subject to applicable law) on all outstanding amounts due, which interest shall begin to accrue the day following the Due Date for such payment; provided, however, in no event shall the Franchisee be required to pay a late payment at a rate greater than the maximum interest rate permitted by applicable law. In the event the Franchisee fails to report Net Sales for the Store on or before the Due Date, the Franchisor may debit the Franchisee’s bank account in an amount equal to the Franchisee’s Royalty Payment for the preceding Reporting Period or based upon Net Sales for the current Reporting Period as determined by the Franchisor’s polling of the Franchisee’s computerized cash registers.

11.4 Application of Payments. The Franchisor may apply any payments made by the Franchisee to any of the Franchisee’s past due indebtedness to the Franchisor or its affiliates. The Franchisee acknowledges that the Franchisor has the right to set-off any amounts the Franchisee may owe to the Franchisor or its affiliates against any amounts the Franchisor or its affiliates might owe to the Franchisee.

12. MARKETING

12.1 Approval of Advertising. The Franchisee shall obtain the Franchisor’s prior written approval of all written advertising or other marketing or promotional programs and materials not previously approved by the Franchisor regarding the SCOOTER’S COFFEE Store. The Franchisee shall also obtain the Franchisor’s prior written approval before using any promotional materials as may be provided by vendors. Any proposed written advertising or a description of a marketing or promotional program not previously approved by the Franchisor shall be submitted to the Franchisor at least 15 days prior to publication, broadcast or use. The Franchisee acknowledges that advertising and promoting the SCOOTER’S COFFEE Store in accordance with the Franchisor’s standards and specifications is an essential aspect of the System, and the Franchisee agrees to comply with all advertising and marketing

standards and specifications. The Franchisee shall display all required promotional materials, signs, point of purchase displays and other marketing materials in its SCOOTER'S COFFEE Store and in the manner prescribed by the Franchisor.

12.2 Grand Opening. The Franchisor and Franchisee will develop, and the Franchisee agrees to conduct, a grand opening advertising and promotional program for the Store. All or a portion of the Initial Opening Support Fee will be used for the grand opening advertising and promotional campaign. Franchisee may, but is not required to, spend additional amounts on grand opening advertising and marketing.

12.3. Marketing Contribution. The Franchisee agrees to pay to the Franchisor for deposit in a marketing fund (the "**Marketing Fund**") a weekly marketing contribution fee in the amount of 2% of Net Sales ("**Marketing Contribution**"). The Marketing Contribution shall be paid to the Franchisor in addition to Royalties and in addition to and not in lieu of amounts spent on local and regional advertising and marketing activity, and the following terms and conditions shall apply:

A. The Marketing Contribution shall be payable concurrently with, and in the same manner as, the payment of the Royalties as described in Section 11.3 above. The Marketing Contributions will be subject to the same late charges as the Royalties, in an amount and manner stated in Section 11.3 above.

B. The Franchisor (or its designee) will have the right to direct all advertising and marketing programs, with sole discretion over the concepts, materials and media used in such programs, and the scope, placement, allocation and the administration thereof. Reasonable disbursements from the Marketing Fund will be made exclusively to meet any and all costs of maintaining, administering, staffing, directing, conducting, preparing advertising, marketing, public relations and/or promotional programs and materials, and any other activities that Franchisor believes will enhance the image of the System, including, among other things, marketing research, direct mailings, the cost of formulating, developing and implementing advertising, marketing promotional materials, Electronic Advertising (as defined in Section 12.6 below), digital marketing programs (or future forms of electronic marketing such as Google pay per click ads), costs associated with administering gift card programs, and other advertising and marketing activities; and the reasonable costs of administering the Marketing Fund, including the cost of employing advertising agencies to assist Franchisor and providing promotional brochures and advertising materials to SCOOTER'S COFFEE Stores and to regional and local marketing cooperatives, as well as accounting expenses and the actual costs of salaries and fringe benefits paid to the Franchisor's employees engaged in administering the Marketing Fund.

C. The Franchisor will place all Marketing Contributions it receives in the Marketing Fund and will manage such Fund. The Franchisor does not have a separate account for the Marketing Fund but may establish one in the future. The Franchisor, or its affiliates, will contribute to the Marketing Fund for each SCOOTER'S COFFEE Store it or its affiliates operate in the United States at the same percentage rate as a majority of SCOOTER'S COFFEE franchisees must pay to the Marketing Fund. The Marketing Fund is not a trust or escrow account, and the Franchisor has no fiduciary obligations regarding the Marketing Fund. The Franchisor cannot ensure that any individual franchisee will benefit directly or on a pro rata basis from the future placement of any such advertising in its local market. The Franchisor may spend in any fiscal year an amount greater or less than the aggregate contributions of SCOOTER'S COFFEE Stores to the Marketing Fund in that year.

D. The Franchisor may, through the Marketing Fund, furnish Franchisee with approved local marketing plans and materials. Upon written request, we will provide you an annual unaudited statement of the receipts and disbursements of the Marketing Fund for the most recent calendar year.

12.4. Local Marketing and Advertising. The Franchisor reserves the right, upon 60 days' written notice, to require the Franchisee to spend up to an additional 2% of Net Sales on local marketing and advertising ("**Local Advertising Allocation**") each calendar quarter. If required, the Franchisee shall prepare and submit a quarterly report to the Franchisor which accounts for the use of these funds no later than 15 days following the end of each calendar quarter. If the Franchisee's lease requires it to advertise locally, the Franchisor may count such expenditures toward the Franchisee's local marketing and advertising expenditure required by this Section 12.4. The Franchisee shall obtain the Franchisor's prior written approval of all written advertising and promotional materials before publication.

12.5. Cooperative Advertising Programs. The Franchisor reserves the right, upon 60 days' prior written notice to the Franchisee, to create a cooperative marketing and advertising association ("**Co-op**") for the benefit of SCOOTER'S COFFEE franchisees located within a particular geographic area. If a Co-op is established for the area where the Franchisee is located, the Franchisee will be required to participate in the Co-op for the purpose of selecting and participating in regional marketing and promotion programs for SCOOTER'S COFFEE Stores. The Franchisee will be required to remain a member of and will be bound by the decisions of the majority of the members of the Co-op regarding expenditures, assessments and dues of the Co-op, to the extent that they are approved by the Franchisor. The Franchisor reserves the right to designate regional and local advertising or marketing markets, to establish regional advertising or marketing councils and to establish the bylaws and other rules under which each Co-op will operate. The Franchisor may allocate all or a portion of the Franchisee's Marketing Contribution to the Co-op. The Franchisor may require the Franchisee to allocate all or a portion of the Local Advertising Allocation under Section 12.4 as a required marketing and advertising contribution to the Co-op.

12.6. Electronic Advertising. The Franchisee shall not develop, create, distribute, disseminate or use any Internet advertising or website, or any multimedia, telecommunication, mass electronic mail, facsimile or audio/visual advertising, promotional or marketing materials, directly or indirectly related to the SCOOTER'S COFFEE Store, the Marks or the System ("**Electronic Advertising**"), without the Franchisor's prior written consent. The Franchisor shall retain the exclusive right to develop and control the content of all Electronic Advertising for the SCOOTER'S COFFEE Stores. The Franchisor reserves the right, upon 30 days' prior written notice, to require the Franchisee to participate in any Electronic Advertising of SCOOTER'S COFFEE Stores sponsored by the Franchisor. Except as the Franchisor authorizes in writing, the Franchisee will not: (1) link or frame the Franchisor's website; (2) conduct any business or offer to sell or advertise any products or services on the Internet (or any other existing or future form of electronic communication); (3) create or register any Internet domain name in any connection with the Franchisee's Store; or (4) use any e-mail address which the Franchisor has not authorized for use in operating the Store. The Franchisee will not register, as Internet domain names, any of the Marks or any abbreviation, acronym or variation of the Marks, or any other name that could be deemed confusingly similar. Further, the Franchisee may not engage in any Electronic Advertising or otherwise market, advertise or promote its SCOOTER'S COFFEE Store or conduct any business on the Internet, including using social and professional networking sites to promote the Store, except as provided in the Franchisor's written social media policy (if any) or with the Franchisor's prior written approval. Any amounts that the Franchisee spends to participate in Electronic Advertising shall be credited toward the Franchisee's local marketing and advertising obligations.

13. QUALITY CONTROL

13.1 Compliance with Operations Manual. The Franchisee agrees to maintain and operate the SCOOTER'S COFFEE Store in compliance with this Agreement and the required standards and specifications contained in the Operations Manual, as the same may be modified from time to time by the Franchisor.

13.2 Standards and Specifications. The Franchisor will make available to the Franchisee required and recommended standards and specifications for services and products offered at or through the SCOOTER'S COFFEE Store and for equipment, furniture, fixtures, inventory, recipes, beverages, food, beverage and food preparation, paper products, employee attire, supplies, forms, advertising material and other items used in connection with the Store. The Franchisor reserves the right to change standards and specifications for services and products offered at or through the SCOOTER'S COFFEE Store and for the equipment, furniture, fixtures, inventory, recipes, beverages, food, beverage and food preparation, paper products, employee attire, supplies, forms, advertising material and other items used in connection with the Store, upon 30 days' prior written notice to the Franchisee. The Franchisee shall, throughout the term of this Agreement, remain in compliance and strictly adhere to all of the Franchisor's required standards and specifications for the SCOOTER'S COFFEE Store as prescribed from time to time.

13.3 Inspections. The Franchisor shall have the right to examine the Franchised Location, including the inventory, products, equipment, materials or supplies, to ensure compliance with all standards and specifications set by the Franchisor. The Franchisor shall conduct such inspections during regular business hours without prior notice to the Franchisee and such inspections may include the photographing or videotaping of the operations of the Store, the removal of reasonable samples of any products, materials or supplies for testing and analysis, the interviewing of personnel and customers and the inspection and copy of any books, records and documents relating to the operation of the Store. If Franchisor determines that, based on the inspection, Franchisor must re-inspect the Franchise Location due to Franchisee's failure to comply with all standards and specifications set by the Franchisor, Franchisee shall reimburse Franchisor for its travel and inspection expenses.

13.4 Restrictions on Services and Products. The Franchisee is prohibited from offering or selling any services or products from or through the Store that have not been previously authorized by the Franchisor. If the Franchisee desires to offer or sell any services or products (including menu items), at the SCOOTER'S COFFEE Store which have not been approved by the Franchisor, the Franchisee shall first submit to Franchisor a written request for approval. The Franchisor may, in its sole discretion, grant or deny Franchisee's request for approval. In making such determination, the Franchisor may require submission of specifications, information, or samples of such services or products, and may charge Franchisee a reasonable fee to test the proposed service or product. The Franchisor will advise the Franchisee within a reasonable time whether such products or services meet its specifications.

13.5 Standards of Service. Franchisee must at all times give prompt, courteous and efficient service to its SCOOTER'S COFFEE Store customers. You must, in all dealings with your customers, suppliers and the public, satisfy the highest standards of honesty, integrity and fair dealing and fully comply with Franchisor's then-current customer service standards described in the Operations Manual or as Franchisor otherwise may provide in writing.

13.6 Designated and Approved Suppliers. The Franchisee shall purchase all equipment, products, services, supplies and materials required for the construction and operation of the SCOOTER'S COFFEE Store licensed herein from manufacturers, suppliers, contractors, consultants, installers, or distributors designated by the Franchisor or, if there is no designated supplier for a particular product, service, supply or material, from such other suppliers who meet all of the Franchisor's specifications and

standards as to quality, composition, finish, appearance and service, and who shall adequately demonstrate their capacity and facilities to supply the Franchisee's needs in the quantities, at the times, and with the reliability requisite to an efficient operation. The Franchisor reserves the right to designate, from time to time, a single supplier for any services, products, equipment, supplies or materials, which single supplier may be Franchisor or an affiliate of Franchisor. The Franchisor periodically may modify its lists of designated and approved supplies and suppliers, and the Franchisee agrees to comply with such modified lists. The Franchisor also reserves the right to derive revenue from purchases by the Franchisee from the Franchisor's designated and approved suppliers. THE FRANCHISOR AND ITS AFFILIATES MAKE NO WARRANTY AND EXPRESSLY DISCLAIM ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE, RESPECTING PRODUCTS, EQUIPMENT (INCLUDING ANY REQUIRED COMPUTER SYSTEMS), SUPPLIES, FIXTURES, FURNISHINGS OR OTHER ITEMS THAT FRANCHISOR MAY DISTRIBUTE OR THAT THIRD PARTIES APPROVED OR DESIGNATED BY THE FRANCHISOR MANUFACTURE OR DISTRIBUTE FOR USE IN THE SYSTEM.

13.7 Request for Approval of Supplier. If the Franchisee desires to purchase or lease any products, services, supplies or materials from manufacturers, suppliers, contractors, consultants, installers, or distributors other than those previously approved by the Franchisor, the Franchisee shall, prior to purchasing any such products, services, supplies or materials, give the Franchisor a written request for approval of an additional supplier. The Franchisor shall notify the Franchisee in writing of its approval or rejection of the proposed supplier within 30 days after Franchisor's receipt of Franchisee's written request. The Franchisor may from time to time inspect any manufacturer's, supplier's, contractor's, consultant's, installer's, or distributor's facilities and products to assure proper production, processing, storing and transportation of products, services, supplies or materials to be purchased from the manufacturer, supplier or distributor by the Franchisee. Permission for such inspection shall be a condition of the continued approval of such manufacturer, supplier, contractor, consultant, installer, or distributor. The Franchisor may, for any reason, elect to withhold approval of the manufacturer, supplier, contractor, consultant, installer, or distributor, and the Franchisor may require that samples from a proposed new supplier be delivered to the Franchisor for testing prior to approval and use. Franchisor may charge Franchisee a \$2,500 fee per additional supplier plus the actual cost of any testing and the reasonable cost of Franchisor's investigation.

14. MARKS, TRADE NAMES AND PROPRIETARY INTERESTS

14.1 Marks. The Franchisee hereby acknowledges that the Franchisor has the sole right to license and control the Franchisee's use of the "SCOOTER'S COFFEE" Mark and other of the Marks, and that such Marks shall remain under the sole and exclusive ownership and control of the Franchisor and its affiliates. The Franchisee acknowledges that it has not acquired any right, title or interest in the Marks except for the right to use the Marks in the operation of its SCOOTER'S COFFEE Store as it is governed by this Agreement. The Franchisee shall display the Marks prominently at the SCOOTER'S COFFEE Store and on packaging and serving materials and in connection with forms, advertising and marketing, all in a manner as the Franchisor shall reasonably prescribe. Except as may be permitted in the Operations Manual, the Franchisee agrees not to use any of the Marks as part of an electronic mail address or on any sites on the Internet or the World Wide Web and the Franchisee agrees not to use or register any of the Marks as a domain name on the Internet.

14.2 No Use of Other Marks. The Franchisee further agrees that no Mark other than "SCOOTER'S COFFEE" or such other Marks as may be specified by the Franchisor shall be used in the marketing, promotion, identification or operation of the SCOOTER'S COFFEE Store, except with the Franchisor's prior written consent.

14.3 System. The Franchisee hereby acknowledges that the Franchisor owns and controls the distinctive plan for the establishment, operation and promotion of SCOOTER'S COFFEE Stores and all related licensed methods of doing business, previously defined as the "**System**," which include recipes, menu items, beverage and food preparation methods, technical restaurant equipment standards, order and take-out fulfillment methods, including drive-through access, customer data, customer relations, marketing techniques, written promotional materials and Operations Manual contents, advertising, and accounting systems, all of which constitute confidential trade secrets of the Franchisor, and the Franchisee acknowledges that the Franchisor has valuable rights in and to such trade secrets. The Franchisee further acknowledges that it has not acquired any right, title or interest in the System, except for the right to use the System in the operation of the SCOOTER'S COFFEE Store as it is governed by this Agreement. Additionally, the Franchisee must fully and promptly disclose to Franchisor all ideas, concepts, methods, techniques, improvements, additions and customer data relating to the development and/or operation of the SCOOTER'S COFFEE Store or the System, or any new trade names, service marks or other commercial symbols, or associated logos relating to the operation of a SCOOTER'S COFFEE Store, or any advertising or promotion ideas related to the SCOOTER'S COFFEE Store (collectively the "**Improvements**") that Franchisee and/or its employees conceive or develop during the term of this Agreement. Franchisee agrees to assign to Franchisor all rights to the Improvements without any obligation to Franchisee for royalties or other fees. The Franchisee acknowledges that it is obligated to maintain the confidentiality of the System in accordance with Section 20.3 below.

14.4 Mark Infringement. The Franchisee agrees to notify the Franchisor in writing of any possible infringement or illegal use by others of a trademark the same as or confusingly similar to the Marks which may come to its attention. The Franchisee acknowledges that the Franchisor shall have the right to determine whether any action will be taken on account of any possible infringement or illegal use. The Franchisor may commence or prosecute such action in the Franchisor's own name and may join the Franchisee as a party thereto if the Franchisor determines it to be reasonably necessary for the continued protection and quality control of the Marks and System. The Franchisor shall bear the reasonable cost of any such action, including attorneys' fees; provided, however, that the Franchisor shall not be responsible for the Franchisee's attorneys' fees in the event the Franchisee elects to retain its own legal counsel. The Franchisee agrees to fully cooperate with the Franchisor in any such litigation.

14.5 Franchisee's Business Name. The Franchisee acknowledges that the Franchisor has a prior and superior claim to the SCOOTER'S COFFEE trade name. The Franchisee shall not use any of the Marks or any portion, combination, or variation thereof, in the Franchisees name or the legal name of its corporation, partnership or any other business entity used in conducting the business provided for in this Agreement or as the trade name or assumed name of any such entity. The Franchisee also agrees not to register or attempt to register any trade name using any of the Marks or any portions, combination, or variation thereof. The Franchisee shall not identify itself as being "**Scooter's Coffee, LLC**" or as being associated with the Franchisor in any manner other than a franchisee or licensee. The Franchisee further agrees that in all advertising and promotional materials it will display its business name only in obvious conjunction with the phrase a "**SCOOTER'S COFFEE Franchisee**" or with such other words and in such other phrases to identify itself as an independent owner of the SCOOTER'S COFFEE Store, as may from time to time be prescribed in the Operations Manual.

14.6 Change of Marks. In the event the Franchisor shall determine it necessary to modify or discontinue use of any proprietary Marks, or to develop additional or substitute marks, the Franchisee shall, after receipt of written notice of such a modification or discontinuation from the Franchisor, take such action, at the Franchisee's sole expense, as may be necessary to comply with such modification, discontinuation, addition or substitution.

15. REPORTS, RECORDS AND FINANCIAL STATEMENTS

15.1 Franchisee Reports. The Franchisee shall establish and maintain at its own expense a bookkeeping and accounting system that conforms to the required specifications that the Franchisor may prescribe from time to time. Each transaction of the Store shall be processed through the POS System in the manner prescribed by the Franchisor. The Franchisor shall at all times have the right of access to the POS System and all data processed thereon with respect to the Store. The Franchisee shall provide access to the Franchisor at any time by installing a high-speed Internet connection that meets the Franchisor's standards and specifications. The Franchisee shall supply to the Franchisor financial and accounting reports in a manner and form as the Franchisor may require, including:

A. Weekly summary reports, in a form as Franchisor may require, submitted no later than the Due Date each week (defined in Section 11.3 above) and containing information relative to the previous Reporting Period operations;

B. Within 20 days after the end of each month, an income statement of the Store for such month and for the fiscal year to date, prepared in accordance with United States generally accepted accounting principles ("GAAP") consistently applied, in the Franchisor's recommended or required format;

C. Within 30 days after the end of the Franchisee's fiscal year, which shall be the calendar year, an income statement and balance sheet of the Store for such fiscal year (reflecting all year-end adjustments), and a statement of changes in cash flow of the Store, prepared in accordance with GAAP, consistently applied, and in the Franchisor's recommended or required format. The Franchisor reserves the right to require that the Franchisee have reviewed financial statements prepared on an annual basis; and

D. Any other data, information and supporting records that Franchisor may request from time to time, including daily, weekly or monthly reports of inventory and sales by category in a format recommended or required by the Franchisor.

15.2 Financial Records Use. The Franchisor reserves the right to disclose data derived from all financial and accounting reports received from the Franchisee, without identifying the Franchisee by name or by Store. With respect to the operation and financial condition of the Store, the Franchisee agrees to furnish the Franchisor the financial and accounting reports required hereunder in a form that Franchisor requires.

15.3 Books and Records. The Franchisee shall maintain all books and records for its SCOOTER'S COFFEE Store in accordance with GAAP, consistently applied, and preserve these records, including cash register tapes, shift reports, weekly operating summaries and sales tax returns, for at least five years after the fiscal year to which they relate.

15.4 Audit of Books and Records. The Franchisee shall permit the Franchisor to inspect and audit the books and records of the SCOOTER'S COFFEE Store at any reasonable time, at the Franchisor's expense. If any audit discloses a deficiency in amounts for payments owed to the Franchisor pursuant to this Agreement, then such amounts shall become immediately payable to the Franchisor by the Franchisee, with interest from the date such payments were due at the lesser of 1½ % per month or the maximum rate allowed by law. In addition, if it is found by such audit that the Net Sales of the SCOOTER'S COFFEE Store have been understated by 3% or more during the period audited, the Franchisee shall pay all reasonable costs and expenses the Franchisor incurred in connection with such audit.

15.5 Failure to Comply with Reporting Requirements. If the Franchisee fails to prepare and submit any statement or report as required under this Article 15, then the Franchisor shall have the right to treat the Franchisee's failure as good cause for termination of this Agreement. In addition to all other remedies available to the Franchisor, in the event that the Franchisee fails to prepare and submit any statement or report required under this Article 15 for two consecutive Reporting Periods, the Franchisor shall be entitled to make an audit, at the expense of the Franchisee, of the Franchisee's books, records and accounts, including the Franchisee's bank accounts, which in any way pertain to the Net Sales of the SCOOTER'S COFFEE Store. The statements or reports not previously submitted shall be prepared by or under the direction and supervision of an independent certified public accountant selected by the Franchisor.

16. TRANSFER

16.1 Franchisee Transfer to Entity or Involving Minority Interest. If the Franchisee enters into this Agreement as an individual, the Franchisee (as an individual) must transfer this Agreement to a corporation or a limited liability company that conducts no business other than the Store (or other SCOOTER'S COFFEE® stores under franchise agreements with Franchisor) by the timeframe described in Section 2.1 and must ensure that: (1) the Store is actively managed by Franchisee or an operating manager approved by Franchisor; (2) Franchisee owns at least 70% of the ownership interest in the corporation or limited liability company; (3) Franchisee and all Principal Owners of the transferee entity sign the Guaranty attached hereto as Exhibit 3; (4) Franchisee provides Franchisor 15 days' written notice before the proposed date of transfer of this Agreement to the corporation or limited liability company; and (5) Franchisee provides to Franchisor a certified copy of the articles of incorporation, operation agreement, organizational documents, a list of all shareholders or members having beneficial ownership, reflecting their respective interest in the transferee entity. In addition, subject to Section 16.2 below (respecting related transactions), the Principal Owners and other owners may transfer less than a "**controlling interest**" in Franchisee, provided Franchisee and all Principal Owners comply with subsections (3) and (4) above and all other applicable individuals comply with Section 20.4 below. Franchisee will not pay a transfer fee for an assignment under this Section 16.1.

16.2 Franchisee Transfer or Sale of Substantially all of its Assets-Conditions to Franchisee's Transfer. Franchisee understands that Franchisor has granted the Franchise under this Agreement in reliance upon the individual or collective character, aptitude, attitude, business ability and financial capacity of Franchisee or Franchisee's Principal Owners. Franchisee (and its Principal Owners) will not transfer (whether voluntary or involuntary), assign or otherwise dispose of, in one or more transactions, Franchisee's business, the Store, substantially all or all of the assets of Franchisee's business, this Agreement or any controlling interest in Franchisee ("**controlling interest**" to include a proposed transfer of 50% or more of the common (voting) stock of a corporate Franchisee or of the ownership interest in a limited liability company or partnership) unless Franchisee obtains Franchisor's prior written consent (except as provided in Section 16.1 above). Franchisor will not unreasonably withhold its consent to a transfer, provided Franchisee complies with any or all of the following conditions which Franchisor may, in its discretion, deem necessary:

A. Payment of all amounts due and owing pursuant to this Agreement by the Franchisee to the Franchisor or its affiliates or to third parties holding a security interest in any asset of the Store;

B. Agreement by the proposed transferee to satisfactorily complete the Operations Training program described in this Agreement, which training may be completed by the transferee either prior to or immediately after the transfer occurs, at the Franchisor's option;

C. Execution of a franchise agreement in a form then currently offered by the Franchisor, which shall supersede this Agreement in all respects. If a new franchise agreement is signed, the terms thereof may differ from the terms of this Agreement; provided, however, the transferee will not be required to pay any additional initial franchise fee;

D. Franchisee must provide written notice to the Franchisor 30 days prior to the proposed effective date of the transfer, such notice to contain information reasonably detailed to enable the Franchisor to evaluate the terms and conditions of the proposed transfer;

E. The proposed transferee shall have provided information to the Franchisor sufficient for the Franchisor to assess the proposed transferee's business experience, aptitude and financial qualification, and the Franchisor shall have ascertained that the proposed transferee meets such qualifications;

F. The Franchisee and all Principal Owners shall execute a general release, in a form satisfactory to the Franchisor, of any and all claims against the Franchisor, its affiliates and their respective officers, directors, employees and agents;

G. If the Store which is the subject of the transfer is operated using any SCOOTERS JAVA EXPRESS signage, all such signage shall be removed and replaced with SCOOTER'S COFFEE signage meeting the Franchisor's then current standards and specifications;

H. The interior of the Store which is the subject of the transfer shall be updated or remodeled to meet the Franchisor's then current standards and specifications for Store interiors;

I. The Franchisee or the proposed transferee pays by ACH a transfer fee in an amount equal to \$10,000 for each SCOOTER'S COFFEE Store being transferred. If the proposed transferee is an existing SCOOTER'S COFFEE franchisee or immediate family member (i.e., spouse, son or daughter), no transfer fee will apply; and

J. The Franchisee agrees to abide by all post-termination obligations, including the post-termination covenant not to compete stated in Section 20.2 below.

16.3 Franchisor's Consent to Transfer. The Franchisor has 30 days from the later of the date of the written notice and receipt of all other information requested by Franchisor to approve or disapprove, in writing, the Franchisee's proposed transfer under Section 16.2 above. The Franchisee acknowledges that Franchisor shall evaluate the proposed transferee for approval based on the same criteria being used at the time of evaluation to assess new franchisees of the Franchisor, and that such proposed transferee shall be provided, if appropriate, with such disclosures as may be required by state or federal law. The Franchisor shall have the right to approve the material terms and conditions of the transfer, including the right to confirm that the price and terms of payment are not so burdensome as to affect adversely the transferee's operation of the Store. If the Franchisee (and/or the transferring owners) finances any part of the sale price of the transferred interest, if any, unless waived in writing by the Franchisor, the Franchisee and/or its owners must agree that all obligations of the transferee under or pursuant to any promissory notes, agreements or security interests reserved by the Franchisee or its owners in the assets of the Store or the Franchised Location shall be subordinate to the transferee's obligations to pay Royalties, Marketing Contributions, inventory payments or amounts due to the Franchisor and its affiliates and to otherwise comply with this Agreement.

16.4 Right of First Refusal. If Franchisee wishes to engage in a transfer otherwise subject to Section 16.2 above, the Franchisor first shall have a 30 day right of first refusal to purchase the rights, interest or assets proposed to be transferred on the same terms and conditions as are contained in the written offer to purchase submitted to the Franchisee by the proposed purchaser/transferee; provided, however, the following additional terms and conditions shall apply:

A. The Franchisee shall notify the Franchisor of such offer by sending a written notice to the Franchisor, enclosing a copy of the written offer from the proposed transferee;

B. Such right of first refusal will be effective for each proposed transfer and any material change in the terms or conditions of the proposed transfer shall be deemed a separate offer on which a new 30 day right of first refusal shall be given to the Franchisor;

C. If the consideration or manner of payment offered by a proposed transferee is such that the Franchisor may not reasonably be required to furnish the same, then the Franchisor may purchase the interest which is proposed to be sold for the reasonable cash equivalent. If the parties cannot agree within a reasonable time on the cash consideration, an independent appraiser shall be designated by the Franchisor, whose determination will be binding upon the parties. Franchisee shall pay all expenses of the appraiser; and

D. If the Franchisor chooses not to exercise its right of first refusal, the Franchisee shall be free to complete the transfer subject to compliance with Sections 16.2 and 16.3 above, provided the transfer must be completed within 180 days of Franchisor's decision to not exercise its right of first refusal. If the transfer is not completed within 180 days, then the proposed transfer will be deemed a new offer on which a new 30-day right of first refusal shall be given to the Franchisor. Franchisee's failure to reply to the Franchisee's notice of a proposed transfer within the 30-day period is deemed a waiver of such right of first refusal.

16.5 Death or Disability of the Franchisee or a Principal Owner. Upon the death or permanent disability of the Franchisee (if an individual) or a Principal Owner who directly or indirectly owns a controlling interest in the Franchisee or otherwise manages the day-to-day operations of its SCOOTER'S COFFEE Store, the executor, administrator, conservator, guardian or other personal representative of such person shall transfer the Franchisee's or Principal Owner's interest in this Agreement or such interest in the Franchisee entity to a third party approved by the Franchisor. Such disposition of this Agreement or such interest (including transfer by bequest or inheritance) shall be completed within a reasonable time, not to exceed 120 days from the date of death or permanent disability and shall be subject to all terms and conditions applicable to transfers contained in this Article 16. Failure to transfer the interest in this Agreement or such interest in the Franchisee entity within such period of time shall constitute a breach of this Agreement. For the purposes hereof, the term "**permanent disability**" shall mean a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent the Franchisee, or such Principal Owner as described above from supervising the management and operation of the SCOOTER'S COFFEE Store for a period of 120 days from the onset of such disability, impairment or condition.

16.6 Transfer by the Franchisor. This Agreement is fully transferable by the Franchisor and shall benefit any transferee or other legal successor in interest, and the Franchisor shall in such event be fully released from the same. Any such transfer will require the assignee to fulfill Franchisor's obligations under this Agreement. Franchisor reserves the right to outsource or transfer any of its obligations under this Agreement to an affiliate or third party without Franchisee's consent.

17. TERM AND RENEWAL

17.1 Term. The initial term of this Agreement is for a period of 10 years from the date of this Agreement, unless sooner terminated as provided herein.

17.2 Conditions to Renewal. At the end of the initial term hereof, the Franchisee shall have the option to renew its franchise rights for one additional 10-year term if the Franchisee satisfies each of the following conditions:

A. At least 30 days prior to expiration of the term, executes the form of franchise agreement then in use by the Franchisor;

B. Has complied with all provisions of this Agreement during the current term, including the payment on a timely basis of all Royalties and other fees due hereunder;

C. Is not, at the time it gives written notice to the Franchisor in accordance with Section 17.3 below, in default or under notification of breach of this Agreement;

D. Upgrades and/or remodels the SCOOTER'S COFFEE Store and its operations at the Franchisee's sole expense to conform with the then current Operations Manual;

E. Executes a general release, in a form satisfactory to the Franchisor, of any and all claims against the Franchisor and its affiliates, and their respective officers, directors, employees and agents arising out of or relating to this Agreement; and

F. Pays by ACH a successor franchise renewal fee of \$10,000 or 25% of the then-current Initial Franchise Fee, whichever is greater.

17.3 Exercise of Option for Successor Franchise. The Franchisee may exercise its option for a successor franchise by giving written notice of such exercise to the Franchisor not earlier than one year nor later than 180 days prior to the scheduled expiration of this Agreement, and such successor franchise rights shall become effective when the Franchisee and the Franchisor sign the then-current Franchise Agreement, which agreement may contain terms materially different from those in this Agreement.

17.4 Conditions of Refusal. The Franchisor shall not be obligated to offer the Franchisee a successor franchise upon the expiration of this Agreement if the Franchisee fails to comply with any of the above conditions of renewal. In such event (except for failure to execute the then current Franchise Agreement or pay the successor franchise fee), the Franchisor shall give notice of expiration at least 90 days prior to the expiration of the term (or such longer notice as required by applicable law), and such notice shall state the reasons for such refusal to offer successor franchise rights. Upon the expiration of this Agreement, the Franchisee shall comply with the provisions of Section 18.4 below.

18. DEFAULT AND TERMINATION

18.1 Termination by Franchisor - Effective upon Notice. Franchisee will be in default, Franchisor shall have the right, at its option, to immediately terminate this Agreement and all rights granted the Franchisee hereunder, without affording the Franchisee any opportunity to cure, effective upon Franchisee's receipt of notice of termination upon the occurrence of any of the following events:

A. **Unauthorized Disclosure.** If the Franchisee, a Principal Owner or any other person under the Franchisee's or Principal Owner's control intentionally or negligently discloses

to any unauthorized person, or copies or reproduces, the contents of or any part of the Franchisor's Operations Manual, any customer lists and data or any other trade secrets or confidential information of the Franchisor;

B. Abandonment. Subject to Section 23.11 below, if the Franchisee ceases to operate the SCOOTER'S COFFEE Store or otherwise abandons the SCOOTER'S COFFEE Store for a period of three consecutive days, or any shorter period that indicates an intent by the Franchisee to discontinue operation of the SCOOTER'S COFFEE Store;

C. Insolvency; Bankruptcy. If the Franchisee or any Guarantor becomes insolvent or is adjudicated a bankrupt; or any action is taken by the Franchisee or Guarantor, or by others against the Franchisee or Guarantor under any insolvency, bankruptcy or reorganization act, (this provision may not be enforceable under federal bankruptcy law, 11 U.S.C. §§ 101 et seq.), or if the Franchisee or Guarantor makes an assignment for the benefit of creditors, or a receiver is appointed by the Franchisee or Guarantor;

D. Unsatisfied Judgments; Levy; Foreclosure. If any material judgment (or several judgments which in the aggregate are material) is obtained against the Franchisee and remains unsatisfied or of record for 30 days or longer (unless a supersedeas or other appeal bond has been filed); or if execution is levied against the Franchisee's business or any of the property used in the operation of the SCOOTER'S COFFEE Store and is not discharged within five days; or if the real or personal property of the Franchisee's business shall be sold after levy thereupon by any sheriff, marshal or constable;

E. Criminal Offense or Other Conduct. If the Franchisee or any of the Franchisee's officers, directors, the Designated Manager or any Principal Owner is convicted of or pleads guilty to or no contest to a felony, a crime involving moral turpitude, or any other crime, offense or conduct that Franchisor reasonably believes will injure the System, Marks, or the associated goodwill and reputation thereof, or if Franchisor has proof that Franchisee or any such individual has committed such crime or offense or engaged in such conduct or other unacceptable behavior or disparagement of the SCOOTER'S COFFEE brand or management;

F. Failure to Make Payments. If the Franchisee fails to pay any amounts due the Franchisor or affiliates within 10 days after receiving notice that such fees or amounts are overdue;

G. Misuse of Marks. If the Franchisee misuses any of the Marks and fails to correct the misuse within 10 days after notification from the Franchisor, or such earlier period as Franchisor reasonably directs;

H. Repeated Noncompliance. If the Franchisee has received three notices of default from the Franchisor within a 12-month period, regardless of whether the defaults were cured by the Franchisee;

I. Unauthorized Transfer. If the Franchisee sells, transfers or otherwise assigns the franchise, an interest in the franchise or the Franchisee entity, this Agreement, the SCOOTER'S COFFEE Store or all or any of the assets of the SCOOTER'S COFFEE Store owned by the Franchisee without complying with the provisions of Article 16 above;

J. Health or Safety Violations. If Franchisee is found to be in violation of any applicable health, safety, sanitation or handicapped access laws, regulations or codes, by any

governmental official, and fails to cure any such violation within 72 hours after receiving notice thereof;

K. Deceptive Practices. The Franchisee engages in any unauthorized business or practice or sells any unauthorized products or services under the Franchisor's Marks or under a name or mark which is confusingly similar to the Franchisor's Marks;

L. Failure to Pay Taxes. The Franchisee fails to pay any taxes in accordance with Section 10.1(E) above;

M. Misrepresentations and Omissions. If Franchisee intentionally under-reports Net Sales, falsifies financial data, or otherwise commits an act of fraud with respect to the acquisition of a SCOOTER'S COFFEE franchise or its rights or obligations under this Agreement; or

N. Default of Other Material Agreements. If the Franchisee (i) loses the right to occupy the Store's premises because of a default under the Franchisee's lease, (ii) defaults under the terms of any other agreement related to use or operation of the Store and fails to cure such default under any applicable cure period, (iii) defaults under the terms of any other franchise agreement or other agreement between Franchisor and Franchisee (or an affiliate of Franchisee) and fails to cure such default under any applicable cure period, or (iv) defaults under the terms of any loan agreement, financing agreement, or similar instrument that Franchisee has entered into in connection with the Store and fails to cure such default under any applicable cure period.

18.2 Termination by Franchisor - 30 Days' Notice. The Franchisor shall have the right to terminate this Agreement (subject to any state laws to the contrary, where state law shall prevail), effective upon 30 days' written notice to the Franchisee, if the Franchisee breaches any other provision of this Agreement, including if the Franchisee fails to comply with the Operations Manual, and fails to cure the default during such 30-day period. In that event, this Agreement will terminate without further notice to the Franchisee. Notwithstanding the foregoing, if the breach is curable, but is of a nature which cannot be reasonably cured within such 30-day period and the Franchisee has commenced and is continuing to make good faith efforts to cure the breach during such 30-day period, as determined by Franchisor, the Franchisor may (but is not required to) give Franchisee an additional reasonable period of time to cure the same, and this Agreement shall not terminate.

18.3 Right to Purchase. If this Agreement expires or is terminated for any reason, the Franchisor has the option, upon 60 days' written notice from the date of expiration or termination, to purchase from the Franchisee any or all of the tangible and intangible assets relating to the Franchisee's SCOOTER'S COFFEE Store (excluding any unsalable inventory, cash, short-term investments and accounts receivable) as Franchisor determines (collectively, the "**Purchased Assets**") and to obtain an assignment of the Franchisee's lease for (1) the Franchised Location (or, if an assignment is prohibited, a sublease for the full remaining term under the same provisions as the Franchisee's lease) and (2) any other tangible leased assets used in operating the SCOOTER'S COFFEE Store. If the landlord of the Franchised Location is an affiliate of the Franchisee, the Franchisor will have the right to assume the lease for the Franchised Location on the following terms: (a) for a lease term equal to at least 10 years, with two five-year renewal options and (b) terms that are otherwise generally consistent with then-current market rates for space in the immediate area surrounding the Franchised Location. The Franchisor may assign this option to purchase and assignment of leases separate and apart from the remainder of this Agreement.

The purchase price for the SCOOTER'S COFFEE Store will be the "**Book Value**" (as defined below) of the Purchased Assets. "**Book Value**" means the net book value of the Purchased Assets, as

disclosed in the financial and accounting reports Franchisee provided to Franchisor under Section 15.1 before termination or expiration, provided, however, that: (1) each depreciable asset will be valued on a “**straight-line**” basis without provision for salvage value; (2) Franchisor may exclude from the Purchased Assets any products or other items that were not acquired in compliance with this Agreement; and Franchisor may exclude from Book Value any provision for goodwill or similar value attributable to intangible property. If Franchisor is not satisfied with the accuracy or fairness of any financial statements, or none has been submitted, an appraiser designated by Franchisor will determine the Book Value. Franchisor and Franchisee will equally bear the cost of the audit. The results of the audit will be final and binding on both parties.

The purchase price, as determined above, will be paid in cash at the closing of the purchase, which will occur no later than 60 days after the Franchisor delivers notice of its election to purchase the SCOOTER’S COFFEE Store, unless Book Value is determined by audit, in which case the closing will occur within a reasonable time, not to exceed 60 days, after the results of the audit are made available. At the closing, Franchisee will deliver documents transferring good and merchantable title to the assets purchased, free and clear of all liens, encumbrances and liabilities to Franchisor or its designee and such other documents Franchisor may reasonably request to permit it to operate the SCOOTER’S COFFEE Store without interruption. Franchisor may set off against and reduce the purchase price by all amounts Franchisee owes to Franchisor or any of its affiliates. If Franchisor exercises its option to purchase, Franchisor may, pending the closing, appoint a manager to maintain operation of the SCOOTER’S COFFEE Store.

The Franchisor and the Franchisee agree that the terms and conditions of this right and option to purchase may be recorded, if deemed appropriate by the Franchisor, in the real property records and the Franchisor and the Franchisee further agree to execute such additional documentation as may be necessary and appropriate to effectuate such recording.

If the Franchisor does not exercise the Franchisor’s right to purchase the Franchisee’s SCOOTER’S COFFEE Store as described above, the Franchisee will be free to keep or to sell, after such termination or expiration, to any third party, all of the physical assets of its SCOOTER’S COFFEE Store; provided, however, that all appearances of the Marks are first removed in a manner approved in writing by the Franchisor. The Franchisor will only be obligated to purchase any assets of the SCOOTER’S COFFEE Store in the event and to the extent it is required by applicable state or federal law.

18.4 Obligations of Franchisee upon Termination or Expiration. The Franchisee is obligated upon termination or expiration of this Agreement to immediately:

A. Pay to the Franchisor all Royalties, Marketing Contributions, other fees, and any and all amounts or accounts payable then owed the Franchisor or its affiliates pursuant to this Agreement, or pursuant to any other agreement between the parties;

B. Cease to identify itself as a SCOOTER’S COFFEE franchisee or publicly identify itself as a former Franchisee or use any Marks, trade secrets, signs, symbols, devices, trade names, or other materials of the Franchisor;

C. Cease to identify the Franchised Location as being, or having been, associated with the Franchisor, de-identify the premises of the Franchised Location within 5 days of termination or expiration of the Agreement, and immediately cease using any proprietary mark of the Franchisor or any mark in any way associated with the Marks and System;

D. Deliver to the Franchisor all signs, sign-faces, advertising materials, forms and other materials bearing any of the Marks or otherwise identified with the Franchisor and obtained by and in connection with this Agreement;

E. Deliver to the Franchisor the Operations Manual and all other information, documents and copies thereof which are proprietary to the Franchisor;

F. Promptly take such action as may be required to cancel all fictitious or assumed names or equivalent registrations relating to its use of any Marks which are under the exclusive control of the Franchisor or, at the option of the Franchisor, assign the same to the Franchisor;

G. Notify the telephone company and all telephone directory publishers of the termination or expiration of the Franchisee's right to use any telephone number and any regular, classified or other telephone directory listings associated with any Mark and to authorize the transfer thereof to the Franchisor or its designee. The Franchisee acknowledges that, as between the Franchisee and the Franchisor, the Franchisor has the sole rights to and interest in all telephone, telecopy or facsimile machine numbers and directory listings associated with any Mark. The Franchisee authorizes the Franchisor, and hereby appoints the Franchisor and any of its officers as the Franchisee's attorney-in-fact, to direct the telephone company and all telephone directory publishers to transfer any telephone, telecopy or facsimile machine numbers and directory listings relating to the SCOOTER'S COFFEE Store to the Franchisor or its designee, should the Franchisee fail or refuse to do so, and the telephone company and all telephone directory publishers may accept such direction or this Agreement as conclusive of the Franchisor's exclusive rights in such telephone numbers and directory listings and the Franchisor's authority to direct their transfer;

H. Comply with all post-termination obligations under the Software Access Agreement, including the return of all materials relating to the Proprietary Software; and

I. Abide by all restrictive covenants described in Article 20 of this Agreement.

All obligations of Franchisor and Franchisee which expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect following its expiration or termination and until they are satisfied or expire. Franchisee must complete all of the above items within five days of the termination effective date, unless Franchisee receives Franchisor's prior written consent for a longer period.

18.5 Acknowledgement. Franchisee acknowledges and agrees that, in addition to all other available remedies, Franchisor shall have the right to recover from Franchisee and Guarantor(s) all lost future Royalties and Marketing Contributions through and including the remainder of the then-current term of this Agreement if Franchisor terminates this Agreement as described in Sections 18.1 or 18.2 above due to Franchisee's breach of this Agreement.

18.6 State and Federal Law. The parties acknowledge that in the event that the terms of this Agreement regarding termination or expiration are inconsistent with applicable state or federal law, such law shall govern the Franchisee's rights regarding termination or expiration of this Agreement.

19. BUSINESS RELATIONSHIP

19.1 Independent Contractor. It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them; that Franchisee shall be an

independent contractor; and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venture, partner, employee, or servant of the other for any purpose. Further, neither party is liable or responsible for the other's debts or obligations, nor shall either party be obligated for any damages to any person or property directly or indirectly arising out of the operation of the other party's business authorized by or conducted pursuant to this Agreement. At all times during the term of this Agreement and any extensions hereof, Franchisee shall hold itself out to the public as an independent contractor operating the business pursuant to a franchise from Franchisor.

19.2 Payment of Third Party Obligations. The Franchisor shall have no liability for the Franchisee's obligations to pay any third parties, including any product vendors, or any sales, use, service, occupation, excise, gross receipts, income, property or other tax levied upon the Franchisee, the Franchisee's property, the SCOOTER'S COFFEE Store or upon the Franchisor in connection with the sales made or business conducted by the Franchisee (except any taxes the Franchisor is required by law to collect from the Franchisee with respect to purchases from the Franchisor).

19.3 Indemnification. The Franchisee shall at all times defend, indemnify, and hold harmless to the fullest extent permitted by law the Franchisor, its subsidiaries, affiliates, successors and assigns, and their respective shareholders, directors, officers, employees, agents, and representatives, and all others (the "**Indemnified Parties**") against, and to reimburse them for all losses, expenses and fines incurred in connection with any action, suit, proceeding, claim, demand, investigation or inquiry, or any settlement thereof which arises out of or is based upon or related to this Agreement, the operation of Franchisee's SCOOTER'S COFFEE Store, the activities conducted under this Agreement, the Franchisee's or Franchisee's employees' actions or inactions, or the Franchisee's failure to comply with any applicable laws or regulation, including all food safety and menu labeling laws. For purposes of this indemnification, claims shall mean and include all obligations, actual and consequential damages and costs reasonably incurred in the defense of any claim against the Indemnified Parties, including reasonable accountants', attorneys' and expert-witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses. The Franchisor shall have the right to defend any such claim against it. This indemnity shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

20. RESTRICTIVE COVENANTS

20.1 Non-Competition During Term. The Franchisee acknowledges that, in addition to the license of the Marks hereunder, the Franchisor has also licensed commercially valuable information which comprises and is a part of the System, including operations, marketing, advertising and related information and materials and that the value of this information derives not only from the time, effort and money which went into its compilation, but from the usage of the same by all the franchisees of the Franchisor using the Marks and System. The Franchisee therefore agrees that other than in connection with the SCOOTER'S COFFEE Store licensed herein, neither the Franchisee nor any of the Franchisee's Principal Owners, officers, directors, shareholders, members, or partners, nor any spouse of the Franchisee or any of these individuals shall, during the term of this Agreement:

- A. have any direct or indirect controlling interest as a disclosed or beneficial owner in a "**Competitive Business**" as defined below;
- B. perform services as a director, officer, manager, employee, consultant, representative, agent or otherwise for a Competitive Business; or
- C. divert or attempt to divert any business related to, or any customer or account of, the SCOOTER'S COFFEE Store, the Franchisor's business or any other SCOOTER'S

COFFEEHOUSE, SCOOTER'S COFFEE, SCOOTER'S COFFEE & YOGURT or SCOOTERS JAVA EXPRESS franchisee's business, by direct inducement or otherwise, or diverting or attempting to divert the employment of any employee of the Franchisor or another franchisee licensed by the Franchisor to use the Marks and System, to any Competitive Business by any direct inducement or otherwise. Franchisee shall be liable to Franchisor for any breach of this covenant by Franchisee, or its Principal Owners, officers, directors, shareholders, or partners, or any spouse of the Franchisee or any of the aforementioned individuals.

The term "**Competitive Business**" as used in this Agreement shall mean any business operating, or granting franchises or licenses to others to operate, a food service business deriving more than 20% of its gross receipts from the sale of espresso-based drinks, specialty coffee, or smoothies; provided, however, the Franchisee shall not be prohibited from owning securities in a Competitive Business if such securities are listed on a stock exchange or traded on the over-the-counter market and represent 5% or less of that class of securities issued and outstanding.

20.2 Post-Termination Covenant Not to Compete. Upon termination or expiration of this Agreement for any reason or the transfer by Franchisee of its rights under this Agreement, and for a period of 2 years commencing on the effective date of such termination, expiration or transfer, or the date on which the Franchisee or individual begins to comply with this Section, whichever is later, neither the Franchisee nor any of its Principal Owners, officers, directors, shareholders, partners or members shall have any direct or indirect interest (through a spouse of the Franchisee or any of these named individuals or otherwise), as an owner, investor, partner, director, officer, employee, consultant, representative or agent or in any other capacity in any Competitive Business located or operating within a 10 mile radius of the former Franchised Location or within a 10 mile radius of any other SCOOTER'S COFFEE Store in operation at the time of termination, expiration or transfer. The restrictions of this Section 20.2 shall not be applicable to the ownership of shares of a class of securities listed on a stock exchange or traded on the over-the-counter market that represent 5% or less of the number of shares of that class of securities issued and outstanding. The Franchisee and its Principal Owners, officers, directors, shareholders, partners and members expressly acknowledge that they possess skills and abilities of a general nature and have other opportunities for exploiting such skills. Consequently, the Franchisee acknowledges that enforcement of the covenants made in this Section 20.2 will not deprive them of their personal goodwill or ability to earn a living.

20.3 Confidentiality of Proprietary Information. The Franchisee shall treat all information it receives which comprises or is a part of the System licensed hereunder as proprietary and confidential and will not use such information in an unauthorized manner or disclose the same to any unauthorized person without first obtaining the Franchisor's written consent. Notwithstanding any other provision of this Agreement, there may be certain, limited circumstances where applicable law allows for the disclosure of certain confidential information in limited circumstances, as specified in the Operations Manual. The Franchisee acknowledges that the Marks and the System have valuable goodwill attached to them, that the protection and maintenance thereof is essential to the Franchisor and that any unauthorized use or disclosure of the Marks and System will result in irreparable harm to the Franchisor.

20.4 Confidentiality/Noncompete Agreement. The Franchisee agrees to cause each of its Principal Owners, officers, directors, partners, shareholders, members and Designated Manager, and, if applicable, the spouse of the Franchisee and any of the aforementioned individuals, to execute a confidentiality agreement or a nondisclosure and noncompetition agreement containing one or more of the above restrictions, in a form the Franchisor directs.

21. INSURANCE

21.1 Insurance Coverage. The Franchisee shall procure at least 30 days before opening the Store, and thereafter throughout the term of this Agreement, maintain and provide evidence of insurance for the Store and its equipment and operations, of the types, in the amounts, and with such terms and conditions as the Franchisor may from time to time reasonably prescribe. The insurance policy or policies must be written by an insurance company that Franchisor has approved in writing and that has an A.M. Best rating of A- or higher. Such insurance is in addition to any other insurance that may be required by applicable law, your landlord, or otherwise. The minimum initial insurance requirements for each Store owned by Franchisee (unless otherwise noted) are as follows:

A. Commercial general liability insurance (including bodily injury, property damage, products, completed operations', independent contractors', and advertising liability coverage) on an occurrence basis which provides minimum single limit protection of \$1,000,000 per occurrence and \$2,000,000 aggregate;

B. Property and casualty insurance coverage insuring Franchisee's inventory, equipment, construction of Franchisee's improvements, and Franchisee's completed Store for the full replacement value;

C. Workers' compensation, employer's liability and such other insurance to meet the greater of all applicable legal requirements of the state where Franchisee operates the SCOOTER'S COFFEE Store or the then-current minimum levels of coverage as the Franchisor periodically requires;

D. Automobile liability insurance to cover all owned, non-owned, and hired vehicles in the amount of \$1,000,000 combined single limit; and

E. Umbrella coverage with a minimum limit of \$1,000,000 per occurrence and \$1,000,000 aggregate (cumulative) for 4 or fewer Stores and a minimum limit of \$3,000,000 per occurrence and \$3,000,000 aggregate limit (cumulative) for five or more Stores.

All policies and certificates must name Franchisor and its officers, directors, partners, members, affiliates, subsidiaries and employees as additional insured parties of all of the policies. The Franchisor reserves the right to require the Franchisee to obtain insurance from a designated carrier.

21.2 Proof of Insurance Coverage. At least 30 days prior to the time Franchisee must obtain any insurance, and thereafter at least 30 days prior to the expiration of any such policy and at such other times as Franchisor may reasonably request, Franchisee shall deliver to Franchisor, certificates of insurance, endorsements, insurance declarations and/or other documents requested by Franchisor, evidencing the proper coverage with limits not less than those required by Franchisor. All certificates shall expressly provide that no less than 30 days' prior written notice shall be given Franchisor in the event of material alteration to, cancellation, or non-renewal of the coverages evidenced by such certificates. If Franchisee fails to obtain the required insurance or to provide evidence reasonably satisfactory to Franchisor of the insurance policies required by this Agreement, Franchisor shall obtain such required policies on Franchisee's behalf, and Franchisee agrees that it will promptly reimburse Franchisor for all costs related to obtaining such policies upon notice from Franchisor.

21.3 Modification of Insurance Requirements. The Franchisor has the right to change the minimum amount of insurance the Franchisee is required to maintain at any time.

21.4 Noncompliance. Noncompliance with the insurance provisions stated herein shall be deemed a material breach of this Agreement; and in the event of any lapse in insurance coverage, in addition to all other remedies, the Franchisor shall have the right to demand that the Franchisee cease operations of the SCOOTER'S COFFEE Store until coverage is reinstated, or, in the alternative, pay any delinquencies in premium payments and charge the same back to the Franchisee.

22. DISPUTE RESOLUTION

22.1 Mediation. Except as otherwise stated in this Section 22.1, the parties agree to submit any claim, controversy or dispute arising out of relating to this Agreement (and attachments) or the relationship created by this Agreement to non-binding mediation before bringing such claim, controversy or dispute to arbitration or to a court. The mediation will be conducted either through an individual mediator or a mediator appointed by a mediation services organization, experienced in the mediation of disputes between Franchisor and Franchisee, agreed upon by the parties. If the parties do not agree on a mediator or mediation services organization within 15 days after either party has notified the other of its desire to seek mediation, the dispute will be mediated by the American Arbitration Association pursuant to its rules governing mediation, in the county where Franchisor's headquarters is located. The costs and expenses of mediation, including compensation of the mediator, will be borne equally by the parties. If the parties cannot resolve the claim, controversy or dispute within 60 days after conferring with the mediator, either party may submit such claim, controversy for binding arbitration as described in Section 22.2 below. Franchisor may bring an action under the applicable provisions of this Section 22, without first submitting the action to mediation under this Section 22.1, for injunctive relief or for monies Franchisee owes Franchisor.

22.2 Arbitration. Except to the extent Franchisor elects to enforce the provisions of this Agreement by injunction as provided in Section 22.3 below, all controversies, disputes or claims between Franchisor, its subsidiaries and affiliated companies and their shareholders, officers, directors, agents, employees and attorneys (in their representative capacity) and the Franchisee (and its Principal Owners and other owners, if applicable) arising out of or related to this Agreement or the making, performance or interpretation thereof (including claims of fraud in the inducement and other claims of fraud and the arbitrability of any matter) or any other agreement between the parties or any provision of such agreements that have not been settled by or are not otherwise subject to mediation as described in Section 22.1 above, will be determined by an arbitrator in arbitration on an individual basis under the authority of the Federal Arbitration Act in Omaha, Nebraska. Such arbitration proceedings shall be heard by one arbitrator in accordance with the then-current Commercial Arbitration Rules of the American Arbitration Association, or the rule of such other arbitration services organization as the parties otherwise may agree upon in writing, to the extent such rules are not inconsistent with the provisions of this arbitration provision.

The arbitrator will have a minimum of five years' experience in franchising or distribution law and will have the right to award or include in the award any relief the arbitrator deems proper in the circumstances, including money damages (with interest on unpaid amounts from the date due), specific performance, and attorneys' fees and costs, consistent with Section 22.6 below, provided that the arbitrator shall not award exemplary or punitive damages. The decision of the arbitrator will be final and binding on all parties; provided, however, the arbitrator may not under any circumstances: (1) stay the effectiveness of any pending termination of this Agreement; (2) assess punitive or exemplary damages; or (3) make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business performance set by Franchisor. Each party waives any right to contest the validity or enforceability of such award. The parties shall be bound by the provisions of any applicable limitation on the period of time by which claims must be brought under applicable law or this Agreement, whichever is less. In connection with any such arbitration proceeding, each party shall file

any compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within 30 days after the date of the filing of the claim to which it relates. This provision shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

Arbitration shall be conducted on an individual, not a class wide, basis and an arbitration proceeding between the Franchisor and the Franchisee shall not be consolidated with any other arbitration proceeding involving the Franchisor and any other person, corporation or partnership.

22.3 Injunctive Relief. Notwithstanding Sections 22.1 and 22.2 above, the Franchisee recognizes that a single franchisee's failure to comply with the terms of its agreement could cause irreparable damage to Franchisor and/or to some or all other SCOOTER'S COFFEE® franchisees. Therefore, if the Franchisee breaches or threatens to breach any of the terms of this Agreement, the Franchisor will be entitled to an injunction restraining such breach and/or a decree of specific performance, without showing or proving any actual damage, together with recovery of reasonable attorneys' fees and other costs incurred in obtaining such equitable relief, until such time as a final and binding determination is made by the arbitrator.

22.4 Governing Law/Consent to Jurisdiction. All disputes to be arbitrated by Franchisor and Franchisee shall be governed by the Federal Arbitration Act and no procedural arbitration issues are to be resolved pursuant to any state statutes, regulations or common law. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.), the Federal Arbitration Act or other federal law, this Agreement shall be interpreted under the laws of the state of Nebraska and any dispute between the parties shall be governed by and determined in accordance with the substantive laws of the state of Nebraska, which laws shall prevail in the event of any conflict of law. The parties agree that the Nebraska Franchise Practices Act or any other state law or regulation applicable to the offer or sale of franchises or the franchise relationship, will not apply unless the jurisdictional provisions are independently met. The Franchisee and the Franchisor have negotiated regarding a forum in which to resolve any disputes which may arise between them and have agreed to select a forum in order to promote stability in their relationship. Therefore, if a claim is asserted in any arbitration or legal proceeding involving the Franchisee, its Principal Owners, employees, officers or directors (collectively, "**Franchisee Affiliates**") and the Franchisor, its employees, officers, or directors (collectively, "**Franchisor Affiliates**") the exclusive venue for disputes between them shall be in the state and federal courts of Nebraska or in Omaha, Nebraska (respecting any arbitration), and each party shall waive any objection either may have to the personal jurisdiction of or venue in such courts or location for arbitration. Franchisor, Franchisor Affiliates, Franchisee and Franchisee Affiliates each waive their rights to a trial by jury.

22.5 Waiver of Damages. FRANCHISEE, FRANCHISOR AND THEIR RESPECTIVE AFFILIATES AGREE TO WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO OR A CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF ANY DISPUTE BETWEEN US, EACH WILL BE LIMITED TO THE RECOVERY OF ACTUAL DAMAGES SUSTAINED BY IT.

22.6 Attorney Fees. The non-prevailing party will pay all costs and expenses, including reasonable attorneys' fees, the prevailing party incurs in any action brought to enforce any provision of this Agreement or to enjoin any violation of this Agreement.

23. MISCELLANEOUS PROVISIONS

23.1 Modification. The Franchisor and/or the Franchisee may modify this Agreement only upon execution of a written agreement between the two parties. The Franchisee acknowledges that the

Franchisor may modify its standards and specifications and operating and marketing techniques described in the Operations Manual unilaterally and to the extent to which the Franchisor, in its sole discretion, deems necessary to protect, promote, or improve the Marks and the quality of the System.

23.2 Entire Agreement; Construction. The exhibit(s) to this Agreement, and that certain Acknowledgment Agreement signed contemporaneously by the Franchisee are a part of this Agreement, which represents the entire agreement of the parties, and there are no other oral or written understandings or agreements between the Franchisee and the Franchisor relating to the subject matter of this Agreement. No modifications of this Agreement shall be effective except those in writing and signed by both parties. Nothing in this or in any related agreement, however, is intended to disclaim the representations the Franchisor made in the franchise disclosure document that it furnished to Franchisee. The word “including” will be construed to include the words “without limitation.” The word “will” shall have the same meaning as the word “shall.”

23.3 Delegation by the Franchisor. From time to time, the Franchisor shall have the right to delegate the performance of any portion or all of its obligations and duties hereunder to third parties, whether the same are agents of the Franchisor or independent contractors which the Franchisor has contracted with to provide such services. The Franchisee agrees in advance to any such delegation by the Franchisor of any portion or all of its obligations hereunder.

23.4 No Waiver. No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by the Franchisor or the Franchisee shall be considered to imply or constitute a further waiver by the Franchisor or the Franchisee of the same or any other condition, covenant, right, or remedy. Franchisor’s subsequent acceptance of any payments due to it hereunder shall not be deemed a waiver by Franchisor of any preceding or succeeding breach by Franchisee of any terms or conditions of this Agreement.

23.5 No Right to Set Off. The Franchisee shall not be allowed to set off amounts owed to Franchisor for Royalties, fees or other amounts due hereunder, against any monies owed to Franchisee, which right of set off is hereby expressly waived by the Franchisee.

23.6 Invalidity. If any provision of this Agreement is held invalid by any tribunal in a final decision from which no appeal is or can be taken, such provision shall be deemed modified to eliminate the invalid element and, as so modified, such provision shall be deemed a part of this Agreement as though originally included. The remaining provisions of this Agreement shall not be affected by such invalidity or modification.

23.7 Notices. All written notices and reports permitted or required to be delivered by the provisions of this Agreement will be delivered by hand, sent by a recognized overnight delivery service or by registered U.S. Mail, or by other means which provides the sender with evidence of delivery, or of rejected delivery, and addressed to the party to be notified at the address stated herein or at such other address as may have been designated in writing to the other party. Any notice by a means that provides the sender with evidence of delivery, or rejected delivery, will be deemed to have been given at the date and time of receipt or rejected delivery.

23.8 Franchisor Business Judgment. The following provisions will apply to and govern the interpretation of this Agreement, the parties’ rights under this Agreement and the relationship between the parties:

A. **Franchisor’s Rights.** Whenever this Agreement provides that the Franchisor has a certain right, that right is absolute and the parties intend that the Franchisor’s exercise of that

right will not be subject to any limitation or review. The Franchisor has the right to operate, administrate, develop and change the System in any manner that is not specifically precluded by the provisions of this Agreement.

B. Franchisor's Reasonable Business Judgment. Whenever the Franchisor reserves discretion in a particular area or where the Franchisor agrees or is required to exercise its rights reasonably or in good faith, the Franchisor will satisfy its obligations whenever it exercises “**reasonable business judgment**” in making its decision or exercising its rights. A decision or action by the Franchisor will be deemed to be the result of “**reasonable business judgment**,” even if other reasonable or even arguably preferable alternatives are available, if the Franchisor's decision or action is intended to promote or benefit the System generally even if the decision or action also promotes a financial or other of the Franchisor's individual interests. Examples of items that will promote or benefit the System include enhancing the value of the Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the System. Neither the Franchisee nor any third party (including a trier of fact) will substitute their judgment for the Franchisor's reasonable business judgment.

23.9 Notice of Potential Profits. The Franchisor advises Franchisee that Franchisor and/or its affiliates periodically may make available to Franchisee goods, products and/or services for use in the SCOOTER'S COFFEE Store, on the sale of which the Franchisor and/or its affiliates may make a profit. Franchisor further advises Franchisee that Franchisor and its affiliates periodically may receive consideration from suppliers and manufacturers respecting sales of goods, products or services to Franchisee or in consideration for services provided or rights licensed to such persons. Franchisee agrees that Franchisor and its affiliates will be entitled to such profits and consideration.

23.10 Force Majeure. If any party fails to perform any obligation under this Agreement due to a cause beyond the control of and without the negligence of such party, such failure will not be deemed a breach of this Agreement, provided such party uses its reasonable best efforts to perform such obligations within 30 days, or as soon as is reasonably possible under the circumstances, subject to the discretion and approval of Franchisor; provided, however, that if the breaching party believes that performance is still not possible after the 30-day period has expired, such party bears the burden of demonstrating why performance should continue to be excused. Such causes include strikes, wars, riots, civil commotion, and acts of government, except as may be specifically provided for elsewhere in this Agreement.

23.11 Acknowledgements.

A. Success of Franchised Business. The success of the business venture the Franchisee intends to undertake under this Agreement is speculative and depends, to a large extent, upon the Franchisee's (or the Principal Owner's) ability as an independent businessperson, and the Franchisee's active participation in the daily affairs of the Store as well as other factors. The Franchisor does not make any representation or warranty, express or implied, as to the potential success of the business venture.

B. Independent Investigation. The Franchisee acknowledges that he/she has entered into this Agreement after making an independent investigation of the Franchisor's operations and not upon any representation as to gross revenues, volume, potential earnings or profits which the Franchisee might be expected to realize, nor has anyone made any other representation, which is not expressly stated herein, to induce the Franchisee to accept this franchise and sign this Agreement.

C. Receipt of Documents. The Franchisee represents that he/she has read this Agreement in its entirety and that he/she has been given the opportunity to clarify any provisions that the Franchisee did not understand and to consult with any attorney or other professional advisor. The Franchisee further represents that he/she understands the provisions of this Agreement and agrees to be bound.

D. Review of Agreement. The Franchisee acknowledges that it had a copy of the Franchisor's Franchise Disclosure Document and this Agreement in its possession for a period of time not less than 14 calendar days, during which time the Franchisee has had the opportunity to submit it for professional review and advice of the Franchisee's choosing prior to freely executing this Agreement.

Each of the undersigned have signed this Agreement to be effective as of the Effective Date.

FRANCHISOR:

SCOOTER'S COFFEE, LLC
a Nebraska limited liability company

By: _____
Name: _____
Title: _____

FRANCHISEE:

(If Franchisee is a corporation or limited liability company)

a(n) _____

By: _____
Name: _____
Title: _____

(If Franchisee is an individual owner(s), Franchisee must sign below; if a partnership, all partners must sign below)

Franchisee

Franchisee

Franchisee

EXHIBIT 1
TO FRANCHISE AGREEMENT

ADDENDUM TO SCOOTER'S COFFEE, LLC FRANCHISE AGREEMENT

1. **Franchised Location.** The Franchised Location stated in Section 3.1 of the Agreement shall be: _____;

OR

If the Franchised Location is not determined as of the date of the Agreement, then the Non-Exclusive Search Area, referred to in Section 3.1 of the Agreement, within which the Franchisee shall, within 60 days from the date hereof, select and propose to the Franchisor for the Franchisor's consent a Franchised Location, is as follows: _____.

By execution hereof, the Franchisor consents to the above-stated Franchised Location, or the Non-Exclusive Search Area for the Franchised Location, and the Franchisee acknowledges and warrants that the Franchisor's consent does not constitute a guarantee, recommendation or endorsement of the Franchised Location or Non-Exclusive Search Area and that the success of the SCOOTER'S COFFEE Store to be operated from the Franchised Location is dependent upon the Franchisee's abilities as an independent businessperson; and, if the Franchised Location is designated.

2. **Initial Franchise Fee.** The Initial Franchise Fee in Section 4.1 of the Agreement is \$_____.

3. **Training.** The following individual(s) shall attend the Franchisor's Operations Training program, as described in Section 6.1 of the Agreement: _____, and, of these individual(s), the Designated Manager will be _____.

4. **Construction.** In all other respects, the Franchise Agreement will remain in full force and effect.

FRANCHISOR:

SCOOTER'S COFFEE, LLC
a Nebraska limited liability company

By: _____
Name: _____
Title: _____

FRANCHISEE:

(If Franchisee is a corporation or limited liability company)

a(n) _____

By: _____
Name: _____
Title: _____

(If Franchisee is an individual owner(s), Franchisee must sign below; if a partnership, all partners must sign below)

Franchisee

Franchisee

Franchisee

EXHIBIT 1-A
TO FRANCHISE AGREEMENT

**RIDER TO EXHIBIT 1
TO FRANCHISE AGREEMENT
FRANCHISED LOCATION CONSENT
DATED _____**

1. **Franchised Location.** The Franchised Location stated in Section 3.1 of the Agreement shall be _____. By execution hereof, the Franchisor consents to the above-stated Franchised Location and the Franchisee acknowledges and warrants that the Franchisor's consent does not constitute a guarantee, recommendation or endorsement of the Franchised Location and that the success of the SCOOTER'S COFFEE Store to be operated at the Franchised Location is dependent on the Franchisee's abilities as an independent businessperson.

2. **Notices.** The business address for any notices mailed pursuant to Section 23.8 of the Agreement shall be changed to read as follows: _____.

3. **Ratification.** To the extent not amended herein, all other terms and conditions of the Franchise Agreement and Addendum shall remain in full force and effect as stated.

FRANCHISOR:

SCOOTER'S COFFEE, LLC
a Nebraska limited liability company

By: _____

Name: _____

Title: _____

FRANCHISEE:

a(n) _____

By: _____

Name: _____

Title: _____

Exhibit 1-A-2
TO FRANCHISE AGREEMENT
NON-EXCLUSIVE SEARCH AREA

EXHIBIT 2
TO FRANCHISE AGREEMENT

STATEMENT OF OWNERSHIP

Franchisee: _____

Trade Name (if different from above): _____

Form of Ownership on the Effective Date (Check One)

<input type="checkbox"/> Individual	<input type="checkbox"/> Partnership	<input type="checkbox"/> Corporation	<input type="checkbox"/> Limited Liability Company
-------------------------------------	--------------------------------------	--------------------------------------	--

In the space below, provide the name and address of each partner, if Franchisee is a Partnership, and state (1) the percentage owned, (2) whether such partner is active in management, and (3) the state in which the partnership was formed.

If Franchisee is a Corporation or Limited Liability Company, (1) give the state and date of incorporation or organization, (2) state the names and addresses of each officer and director or manager, and (3) list the names and addresses of every shareholder or member, showing the percentage of stock or interest owned by each.

Also provide below the address where the Franchisee's financial records, and partnership, corporate or company records, as applicable, are maintained (Store location will be deemed the address unless otherwise stated below):

Franchisee is a _____ formed in the State of _____ on _____, with a business address of _____. It is owned by the following members:

<u>Name</u>	<u>Percentage Ownership</u>
_____	_____%
_____	_____%
_____	_____%
_____	_____%

Franchisee acknowledges that this Statement of Ownership applies to the SCOOTER'S COFFEE Store authorized under the Franchise Agreement.

Use additional sheets if necessary. Any and all changes to the above information during the term of the Franchise Agreement must be reported to the Franchisor in writing.

EXHIBIT 3
TO FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION OF FRANCHISEE'S OBLIGATIONS

In consideration of, and as an inducement to, the execution of the above Franchise Agreement between Scooter's Coffee, LLC ("**Franchisor**") and _____ ("**Franchisee**") by the Franchisor, each of the undersigned (jointly and severally referred to as "**Guarantor**") hereby personally and unconditionally agrees to be personally bound by, and personally liable for the breach of, each provision in such Franchise Agreement, any Multi-Store Development Agreement between the Franchisee or its affiliate and the Franchisor, and any other agreement between the Franchisee or its affiliate and the Franchisor, and all amendments thereto (the "**Agreements**"), including the restrictive covenants in Article 20 of the Franchise Agreement, the indemnification obligations in Section 19.3 of the Franchise Agreement, and the arbitration-related provisions in Section 22.2 of the Franchise Agreement.

Each Guarantor waives the following:

1. Acceptance and notice of acceptance by the Franchisor of the foregoing undertaking;
2. Notice of the creation, existence or maturity of any obligations contained in the Agreements;
3. Notice of demand for payment or performance of any obligations contained in the Agreements;
4. Notice of default, extension of time, protest, presentment, and notice of dishonor and diligence in collection with respect to the obligations contained in the Agreements;
5. Any right he or she may have to require that any action be brought against the Franchisee or any other person as a condition of liability; and
6. Any and all other notices and legal or equitable defenses to which he or she may be entitled.

Each Guarantor consents and agrees that:

1. His or her direct and immediate liability under this guaranty shall be joint and several;
2. He or she shall render any payment or performance required under the Agreements upon demand if the Franchisee fails or refuses punctually to do so;
3. Such liability shall not be contingent or conditioned upon pursuit by the Franchisor of any remedies against the Franchisee or any other person; and
4. Such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which the Franchisor may from time to time grant to the Franchisee or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims or security, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable during the term of the Agreement, including renewals thereof.

Notwithstanding anything to the contrary in this Guaranty, Guarantor hereby irrevocably waives all rights he may have at law or in equity (including any law subrogating the Guarantor to the rights of Franchisor) to seek contribution, indemnification, or any other form of reimbursement from the Franchisee, any other guarantor, or any other person now or hereafter primarily or secondarily liable for any obligations of the

Franchisee to the Franchisor, for any disbursement made by the Guarantor under or in connection with this Guaranty or otherwise.

This Guaranty is continuing and covers all Obligations, whether such Obligations now exists or arises hereafter, regardless of whether at any point in time the Obligations to the Franchisor may be paid in full or otherwise extinguished.

Guarantor acknowledges and agrees that this Guaranty may be revoked only by a writing signed by all parties hereto and that any such revocation shall be effective only as to any Obligations incurred after the effective date of the revocation.

Guarantor hereby agrees to indemnify and hold the Franchisor harmless from and against any liability asserted against Franchisor based upon any claim or legal action filed against Franchisor based in whole or part upon a claim under 11 U.S.C. §547(b) or 11 U.S.C. §550 resulting from or connected with this Guaranty.

The provisions of Articles 22 and 23 of the Agreement will apply as to any interpretation or enforcement of this Guaranty, and the provisions of Section 23.8 of the Agreement will apply to any notice to either party, except that notice to Guarantors will be provided at the following alternative address (if applicable):

_____. If no address is provided, any notice to Guarantors will be sent to the address designated in Section 23.8 of the Agreement.

IN WITNESS WHEREOF, each of the undersigned has affixed his or her signature effective on the same day and year as the Agreement was executed.

WITNESS

GUARANTOR(S)

Name: _____

Name: _____

Name: _____

Name: _____

EXHIBIT 4
TO FRANCHISE AGREEMENT

AUTHORIZATION AGREEMENT FOR PREAUTHORIZED PAYMENTS

The undersigned depositor hereby (1) authorizes Scooter's Coffee, LLC to initiate electronic debit and/or credit correction entries to undersigned checking or savings account indicated below, within two business days, or as soon as administratively possible (2) authorized the financial institution indicated below to debit such account pursuant to Scooter's Coffee, LLC's instruction.

Type of Account:

☐ Checking ☐ Savings Account

Financial Institution (Please Print) _____

Account Number at Financial Institution _____

Financial Institution Routing Number (ABA #) _____

Financial Institution City, State, and Zip Code _____

This authority is to remain in full force and effect until Scooter's Coffee, LLC has received written authorization from the depositor of its termination in such time and manner as to afford Company and Depository a reasonable opportunity to act on it.

[Organization]

[Authorized By]

[Title]

EXHIBIT 5
TO FRANCHISE AGREEMENT

**SCOOTER'S COFFEE, LLC
LEASE ADDENDUM**

This **LEASE ADDENDUM** ("**Addendum**") is made as of this _____ day of _____, 20____, by and between _____, a _____, ("**Tenant**"), and _____, ("**Landlord**").

Landlord and Tenant are parties to that certain Lease of even date (the "Lease") covering the premises located at _____ ("Premises"), which Tenant will construct, or have constructed by Landlord, and thereafter operate a SCOOTER'S COFFEE® store (the "Store") under a Franchise Agreement between Tenant and SCOOTER'S COFFEE, LLC ("Franchisor"). Landlord and Tenant desire to amend the Lease to protect the various interests of Franchisor.

In consideration of the foregoing and the promises contained in the Lease, the parties agree as follows:

1. Permitted Use. Landlord and Tenant agree that so long as the Franchise Agreement remains in effect, Tenant may use the Premises only for a SCOOTER'S COFFEE® store and Tenant may offer for sale and sell at the Premises only those espresso drinks, smoothies, baked goods, and other related products and services, which Franchisor approves.

2. Notice of Default. Landlord will provide Franchisor, by certified US mail or a recognized overnight delivery service at the address provided in Section 12 below, a minimum 30-day notice of any default under the Lease before Landlord initiates any action to terminate the Lease or exercise any remedy for such default.

3. Cure. Franchisor will have the right, after Tenant has extinguished its notice and cure period provided in the Lease, to cure defaults under the Lease and Landlord will accept performance of obligations due under the Lease, as specified in the Lease, by either Franchisor or Tenant. Franchisor will not, however, be under any obligation to cure any default and nothing herein will require Franchisor at any time to comply with or take any action under the provisions of the Lease.

4. Rights of Franchisor After Cure. If Franchisor commences cure of any default under the Lease within the 30-day notice period described in Section 2 above, and if Franchisor thereafter diligently completes the cure of such default, Franchisor (or affiliated entity) may, but will not be obligated to, give notice to Landlord and become the tenant under the Lease, in which event Landlord will not be entitled to terminate the Lease.

5. Assignment and Renewal. Landlord consents to an assignment or transfer of Tenant's rights under the Lease to Franchisor (or affiliated entity) at any time during the term of the Lease; provided that such assignment or transfer is subject to Franchisor's written agreement to accept such assignment or transfer. Landlord will give Franchisor notice of expiration of the term of the Lease at least three months in advance thereof and grant Franchisor the right, but not the obligation, to exercise any then-existing renewal rights under the Lease.

6. Right of Entry and Subordination. Landlord will give Franchisor access to the Store at reasonable times on not less than 24 hours' notice (or such shorter notice as may be reasonable when circumstances dictate) either to inspect the Store for compliance with Franchisor's requirements, to remove from the Store any items bearing Franchisor's marks or logos or to take other action permissible

under the Franchise Agreement between Tenant and Franchisor. Additionally, Landlord subordinates any lien it may have in such items to Franchisor's rights as licensor of the marks or logos displayed on items or elsewhere in or about the Store.

7. Franchisor Rights Following Assignment. In the event of an assignment of the Lease from Tenant to Franchisor (or affiliated entity), Landlord agrees that after such assignment Franchisor may (i) enter into a sublease or assignment with any SCOOTER'S COFFEE Store franchisee without Landlord's further consent, or (ii) further assign the Lease to a person, firm or corporation which is not a SCOOTER'S COFFEE Store franchisee, who agrees to assume Tenant's obligations under the Lease and who is reasonably acceptable to Landlord. Landlord further agrees that upon the occurrence of any such assignment, Franchisor will have no further liability or obligation under the Lease as, tenant or otherwise, and that concurrent with such assignment, Landlord will enter into a replacement Lease Addendum by and between Franchisor and the new tenant.

8. Surrender, Modification or Termination. Tenant and Landlord agree not to allow any surrender, modification or termination of the Lease without the prior written consent of Franchisor.

9. Vacating Premises. Upon vacating the Premises, or termination of the Franchise Agreement or Lease (whichever occurs first), Tenant will remove all signs and materials bearing any of the marks or logos of Franchisor.

10. Benefit. Landlord and Tenant acknowledge that they have entered into this Addendum for the express benefit of Landlord and Franchisor and that Landlord and Franchisor are intended beneficiaries hereof.

11. Supremacy. This Addendum shall control and supersede any inconsistent provision of the Lease.

12. Notices. All notices to Franchisor required hereunder will be made in writing (with an electronic copy to the email address listed below) and will be deemed to be given three business days following deposit in the U.S. certified mail, postage prepaid, return receipt requested or one business day following delivery to Federal Express or similar overnight courier for delivery to:

Scooter's Coffee, LLC

11808 Miracle Hills Drive, Suite #400

Omaha, Nebraska 68154

ATTN: Legal Department

Email: notices@scooterscoffee.com

The parties hereto have signed this Addendum on the day and year first above written.

LANDLORD:

TENANT:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

EXHIBIT 6
TO FRANCHISE AGREEMENT

SOFTWARE ACCESS AGREEMENT

THIS SOFTWARE ACCESS AGREEMENT (this “**Agreement**”), between Scooter’s Coffee, LLC (“**Franchisor**”), and _____ (“**Franchisee**”), is effective as of _____, 20____ (the “**Effective Date**”).

BACKGROUND

A. Franchisor and Franchisee have entered into a Scooter’s Coffee® franchise agreement (the “**Franchise Agreement**”) under which Franchisee will operate a Scooter’s Coffee® store at a designated site (the “**Franchised Business**”). Under the Franchise Agreement, Franchisee must use the software designated by Franchisor in operating the Franchised Business.

B. Franchisor owns or has licensed from third parties proprietary or customized software, including the proprietary “Power BI” dashboard reporting software (the “**Software**”), which Software is used in point-of-sale cash registers and back-office computers to track, analyze and report sales and inventory, and provide other operational information for franchisees to use in operating Scooter’s Coffee® franchised businesses.

C. Franchisor agrees to grant Franchisee a license to use the Software at the Franchised Business under the terms stated below.

AGREEMENT

In consideration of the foregoing and the agreements stated below, the parties agree as follows:

1. ACCESS TO SOFTWARE

Franchisor grants to Franchisee a non-transferable and non-exclusive right to use the Software solely in connection with the operation and management of the Franchised Business.

2. RESTRICTIONS ON USE

A. General Obligations. Franchisee agrees to fully comply with each of the provisions of this Agreement, including those additional obligations and restrictions described on Exhibit A attached hereto.

B. Limitations on Use. Franchisee may use the Software only as permitted under the terms of this Agreement. Franchisee cannot use the Software for any other use, including copying or reproduction; processing of data arising other than from the internal operations of the Franchised Business; disassembling, reverse engineering, or accessing the source code of the Software; publication or disclosure; license, sublicense or re-license; alteration; or unauthorized assignment or transfer. Franchisee will use its best efforts to protect the Software at all times from any unauthorized use.

C. Restriction on Multiple Locations. This Agreement applies only to the authorized Franchised Business location. If Franchisee operates more than one Scooter’s Coffee® franchised business, Franchisee and Franchisor must enter into a separate software license agreement for each franchised business location.

3. HOSTING SERVICE

A. Connectivity. Franchisee must provide connectivity, either Internet-based or private connection, from Franchisee's site with sufficient bandwidth to meet Franchisee's use demands. Franchisee will comply with Franchisor's minimum hardware and software requirements, as disclosed and periodically updated in Franchisor's confidential franchise operations manuals.

B. Security. Franchisor will administer the distribution and assignment of logon identities and passwords for each user in Franchisee's organization. Franchisee is responsible for keeping and maintaining the security of the passwords. Franchisee must comply with all then-current PCI requirements concerning payment card processing. Franchisee also must ensure the security, integrity and confidentiality of all of Franchisee's data. Franchisor will not be responsible for unauthorized access to Franchisee's data that results from Franchisee's failure to keep secure the assigned passwords.

4. PAYMENT

A. Monthly Support Fee. Franchisee will pay Franchisor a reasonable monthly software support fee (the "**Support Fee**") for the support and maintenance services described herein and for accessing the Software. Franchisor may automatically deduct the Support Fee from Franchisee's checking account through ACH on the first of each month or notify the Franchisee in writing of an alternative method of payment. Franchisee is responsible for any sales, excise, use or value-added taxes applicable to the Software or this Agreement. Franchisor reserves the right to periodically increase the Support Fee by a reasonable amount to reflect Franchisor's increased costs of providing services (including those provided by third parties) and Software access under this Agreement.

B. Hardware and Third-Party Software Fees. Franchisee is responsible for purchasing and obtaining all hardware as Franchisor designates for use with the Software.

5. SUPPORT AND MAINTENANCE

A. Franchisor Support Services. Franchisor will provide the following services to Franchisee during the term of this Agreement: help desk support to answer questions related to functionality of the Software; correcting identifiable and reproducible program errors in the Software; and providing major upgrades of the Software that are made generally available by Franchisor. Help desk services are not a substitute for training or consulting services. Training documentation is provided for Franchisee to train its own employees.

B. Software Updates. Franchisor may, in its sole discretion, periodically release updates, modifications and enhancements respecting the Software. Franchisee will install any fixes, updates, modifications or enhancements that Franchisor designates as mandatory. Franchisor may charge a reasonable fee for its services, including any services or expenses relating to updates, modifications, and enhancements to the Software which it elects to release.

6. CONFIDENTIALITY

A. Confidential Information. Franchisee acknowledges and agrees that all provisions in the Franchise Agreement respecting confidential information will apply to this Agreement.

B. Customer Data. Franchisee acknowledges and agrees that all provisions in the Franchise Agreement respecting customer data will apply to this Agreement.

7. INDEMNIFICATION FOR THIRD PARTY INFRINGEMENT CLAIMS

A. Indemnification of Franchisee for Software. Franchisor does not have actual knowledge of any claim that the Software infringes upon a third party's patent, copyright or other proprietary right. If a third party asserts such an infringement claim against Franchisee, Franchisee will immediately notify Franchisor in writing. Franchisor will have the right (but not the obligation) to defend any such claim, at Franchisor's expense, and Franchisee will cooperate with Franchisor with respect to such defense. In the event of any such claim, Franchisee will, at Franchisor's direction, immediately discontinue using the Software. Franchisor will either modify the Software to make it non-infringing, replace the Software with such other non-infringing software as Franchisor may furnish to Franchisee or discontinue using the Software without compensation to Franchisee. Franchisor will not be liable to Franchisee if an infringement claim is based on Franchisee's unauthorized use or modification of the Software.

B. Franchisee Indemnification of Franchisor. In addition to Franchisee's indemnification obligations under the Franchise Agreement, Franchisee will hold harmless, indemnify and defend Franchisor against all claims and will pay all costs, damages and reasonable attorneys' fees, arising out of or resulting from Franchisee's failure to comply with all applicable terms of this Agreement.

8. WARRANTY DISCLAIMER

FRANCHISOR DISCLAIMS ALL WARRANTIES, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING NON-INFRINGEMENT (EXCEPT AS PROVIDED IN SECTION 7(A) ABOVE), MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. FRANCHISOR DOES NOT WARRANT THAT THE SOFTWARE IS ERROR-FREE OR THAT USE OF THE SOFTWARE WILL BE FREE FROM MINOR INTERRUPTIONS.

9. LIMITATION ON DAMAGES

THE LIABILITY OF FRANCHISOR TO FRANCHISEE WILL NOT EXCEED THE AMOUNTS FRANCHISEE PAYS TO FRANCHISOR UNDER THIS AGREEMENT. NEITHER FRANCHISOR NOR ANY OF ITS OFFICERS, DIRECTORS, AGENTS, AFFILIATES OR REPRESENTATIVES WILL BE LIABLE TO FRANCHISEE FOR INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS) RELATED TO THIS AGREEMENT OR RESULTING FROM FRANCHISEE'S USE OR INABILITY TO USE THE SOFTWARE, THAT ARISE FROM ANY CAUSE OF ACTION, INCLUDING CONTRACT, WARRANTY, STRICT LIABILITY, OR NEGLIGENCE, EVEN IF FRANCHISOR HAS BEEN NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

10. PROPRIETARY RIGHTS

Other than the access granted under this Agreement, no right, title or interest in all or any portion of the Software is conveyed or assigned to Franchisee, either expressly or by implication, under this Agreement, including any patents, copyrights, trade secrets, trademarks, trade names, or other intellectual property associated with the Software.

11. TERM AND TERMINATION

This Agreement commences on the Effective Date and continues until the current term of the Franchise Agreement terminates or expires, unless this Agreement is earlier terminated under this Section. Franchisor may terminate this Agreement: (1) immediately upon written notice to Franchisee if Franchisee violates Sections 2(A) or 6 above or if Franchisee makes an assignment for the benefit of creditors, or commences or has commenced against it any proceeding in bankruptcy, insolvency, or

reorganization pursuant to bankruptcy laws or laws of debtor's moratorium; (2) if Franchisee violates any provision of this Agreement and fails to cure such violation within 30 days or such shorter time as Franchisor deems reasonably necessary to avoid termination of the Franchise Agreement; (3) Franchisee ceases to have the right to operate the Franchised Business; or (4) otherwise upon termination of the Franchise Agreement. In addition, Franchisor has the right to terminate this Agreement upon 60 days' written notice to Franchisee if Franchisor intends to discontinue or replace the Software. Upon termination of this Agreement: (1) Franchisor agrees to provide Franchisee with access to the customer data; provided, Franchisee agrees not to use any customer data for any activity that would violate Franchisee's covenants or post-termination obligations stated in the Franchise Agreement; and (2) Franchisee will immediately pay Franchisor all amounts due respecting the Software and immediately return to Franchisor all property relating to the Software and related Software documentation.

12. MISCELLANEOUS

A. This Agreement represents the entire agreement between the parties respecting this subject matter and supersedes all prior agreements, representations, negotiations and understandings between the parties. Franchisor and Franchisee acknowledge and agree that dispute resolution, governing law and venue will be governed in the same manner as under the corresponding provisions of the Franchise Agreement.

B. Franchisee understands that violation of any provisions of this Agreement may jeopardize Franchisor's and other franchisees' use of the Software, in addition to the possible termination of Franchisee's rights under this Agreement, and that Franchisor will be entitled to injunctive relief restraining such violation or a threatened violation without showing or proving any actual damage. In addition, Franchisee expressly acknowledges that a violation or default of the Franchise Agreement will constitute a default of this Agreement and any default of this Agreement will constitute a default of the Franchise Agreement. If Franchisee defaults under the Franchise Agreement, Franchisor may pursue all remedies available to it under this Agreement or the Franchise Agreement, including the right of termination.

C. All amendments to this Agreement must be in writing and signed by both parties.

D. If any provision of this Agreement is found by an arbitrator or a court of competent jurisdiction to be illegal or unenforceable, then the remaining provisions will remain in full force and effect.

E. Franchisor may assign all or any of its interests or obligations in this Agreement to any other person or entity. Franchisee may assign this Agreement only to its successor in interest under the terms of the Franchise Agreement.

F. Notices will be given to Franchisee at the address of the approved location of the Franchised Business. Notices to Franchisor will be given at 11808 Miracle Hills Drive, Suite #400, Omaha, Nebraska 68154 or such other address as Franchisor may provide to Franchisee in writing. All notices will be deemed given as described in the Franchise Agreement.

[Signature Page Follows]

The parties have signed this Agreement as of the date first written above.

FRANCHISOR:

SCOOTER'S COFFEE, LLC

a Nebraska limited liability company

By: _____

Name: _____

Title: _____

FRANCHISEE:

a(n) _____

By: _____

Name: _____

Title: _____

EXHIBIT A

ADDITIONAL RESTRICTIONS ON USE OF SOFTWARE

With respect to third-party computer programs provided by Franchisor for use with the Software, Franchisee acknowledges that its right to use any such third-party software is specified on the license agreement provided by the appropriate licensor of such software.

Except as otherwise agreed to by Franchisor, no express or implied license or right of any kind is granted to Franchisee regarding the Software including any right to know, use, produce, receive, reproduce, copy, market, sell, distribute, transfer, translate, modify, or adapt the Software or related Software documentation (the “**Documentation**”) or create derivative works based on the Software or Documentation or any portions thereof, or obtain possession of any source code or other technical material relating to the Software. The Software may not be used for commercial timesharing, service, business or other rental or sharing arrangements although it may be used by Franchisee as described in the attached Agreement. Franchisee will not decompile, reverse assemble, or otherwise reverse engineer the Software. Further, Franchisee will comply with all applicable laws in connection with the use of the Software.

Franchisee acknowledges and agrees that, except for Franchisee’s license expressly described in this Agreement, Franchisee has no right, title and interest in the Software, in any form, or in any copies thereof, including all worldwide copyrights, trade secrets, patent rights and any other proprietary information and confidential information rights therein. In connection therewith, Franchisee agrees at all times to keep the Software free of all security interests, liens, encumbrances (other than licenses permitted hereunder), mortgages and claims, and Franchisee agrees that neither it nor anyone at its direction will file a financing statement, mortgage, notice of lien, deed of trust, security agreement or any other agreement or instrument creating or giving notice of an encumbrance or charge against the Software.

Franchisor will not be liable for any default or delay in the performance of its obligations hereunder: (i) if and to the extent that such default or delay arises out of causes beyond its reasonable control, including acts of God, acts of war, acts of governmental authority, acts of public energy, insurrection, earthquakes, fires, cable cuts, floods, terrorism, and riots (each, a “**Force Majeure Event**”) and (ii) provided such default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternative sources, work-around plans or other means. Upon the occurrence of a Force Majeure Event, Franchisor will be excused from further performance or observance of the obligation(s) affected so long as such circumstances caused by the Force Majeure Event prevail and Franchisor uses its reasonable efforts to promptly recommence performance or observance of such obligation(s).

EXHIBIT C
(TO FRANCHISE DISCLOSURE DOCUMENT)

Multiple Store Development Agreement

MULTIPLE STORE DEVELOPMENT AGREEMENT

THIS AGREEMENT (the “**Agreement**”) is made this _____ day of _____, 20_____, between _____, with a business address at _____ (“**Developer**”), and **Scooter’s Coffee, LLC**, a Nebraska limited liability company located at 11808 Miracle Hills Drive, Suite #400, Omaha, Nebraska 68154 (“**Franchisor**”).

RECITALS

A. Franchisor is the owner and developer of a system for establishing, operating, and promoting quick service coffee stores offering drive-through, carry out and in-store seating service of espresso drinks, smoothies, baked goods, and other related products and services which are prepared in accordance with special methods and recipes (“**Stores**”). The Stores are operated under Franchisor’s valuable trade names, service marks and trademarks, including the service mark “**SCOOTER’S COFFEE**” (the “**Marks**”), and pursuant to Franchisor’s distinctive plan for the establishment, operation and promotion of Stores and related system for doing business (“**System**”).

B. Developer would like to use Franchisor’s System in connection with the development of a certain number of Stores in a specific geographical area as stated below. Franchisor desires to grant Developer the right to establish and operate such Stores under the terms and conditions stated below.

1. GRANT OF DEVELOPMENT RIGHTS

1.1. Subject to the provisions stated below, Franchisor grants to Developer the right to develop and establish Stores using the Marks pursuant to individual “**SCOOTER’S COFFEE**” franchise agreements (each a “**Franchise Agreement**”) in the form then-currently used by Franchisor at the time of issuance. Developer’s right to develop and establish Stores under this Agreement will be limited to the geographic area described in Exhibit A attached hereto (the “**Development Area**”). Such Stores shall be owned and operated by Developer, and Developer has no right to subfranchise or sublicense any such Stores.

1.2. Provided Developer is in full compliance with the terms of this Agreement and all obligations under each Franchise Agreement entered into between Developer and Franchisor then, during the term of this Agreement, and subject to Section 1.3 below, Franchisor will not grant a third party franchisee the right to operate any franchised Store using the Marks and System anywhere inside the Development Area, except for franchises granted to Developer.

1.3. Notwithstanding the above, Franchisor (and its affiliates) retains the right to:

a. operate (directly or through an affiliate) Stores at locations inside or outside the Development Area and grant third party franchisees the right to operate Stores at locations anywhere outside the Development Area;

b. promote, sell and distribute products and services authorized for sale at Stores under trademarks and service marks other than the Marks through similar or dissimilar channels of distribution;

c. promote, sell and distribute products and services authorized for sale at Stores under the Marks through dissimilar channels of distribution, including by electronic means such as the Internet, by mail order, catalog, retail store display, through the wholesale sale of products to unrelated retail outlets or distributors, or to grocery stores, convenience stores, or locations other than through **SCOOTER’S COFFEE** Stores;

d. directly operate, or to grant other persons the right to operate Stores at non-traditional locations (as that term is defined below) located inside or outside the Development Area, provided Developer is unable to secure the right to operate a Store at the non-traditional location; and

e. to promote the System and Stores generally, including on the Internet (or any other existing or future form of one or more electronic commerce), and to create, operate, maintain and modify or discontinue the use of websites using the Marks.

For purposes of this Section 1.3, the term non-traditional location means and includes airports, hospitals, stadiums, train stations, malls, military bases, amusement parks and business atriums.

1.4. The parties acknowledge that the Franchise Agreement, attached hereto as Exhibit B is being executed concurrently with this Agreement (the “**Initial Franchise Agreement**”). Developer shall comply with the terms and conditions of the Initial Franchise Agreement as a part of its obligations hereunder, and Developer’s failure to execute and comply with the Initial Franchise Agreement or any additional Franchise Agreement shall be a material breach of this Agreement.

2. FEES

2.1. For the rights described in Article 1 above, Developer will pay Franchisor a development fee (the “**Development Fee**”) as follows:

a. Developer will pay a Development Fee equal to \$20,000 for each Store (excluding Developer’s first Store operated under the Initial Franchise Agreement) to be developed pursuant to Section 3.1 below;

b. The applicable Development Fee will be payable by electronic funds transfer when Developer executes this Agreement, and is not refundable under any circumstances. That portion of the Development Fee attributable to the second and subsequent Stores to be developed under this Agreement will be credited against the Initial Franchise Fee due for such Stores under the respective Franchise Agreement. The remaining Initial Franchise Fee due for the second and subsequent Store(s) will be due at the earlier of the following: at the time Developer submits site permits for review, or at least 9 months before Developer is required to open and commence operations of the Store under the applicable Franchise Agreement.

c. Developer acknowledges and agrees that the payment of the Development Fee and the impact on the Initial Franchise Fees due respecting each respective Franchise Agreement does not impact, and Developer will remain obligated to pay, all other fees described in each such Franchise Agreement, including the “Initial Opening Support Fee” (as defined in the Franchise Agreement), Royalties and other fees.

d. Developer may request, for Franchisor’s approval, up to two modifications to the Development Area at no cost to Developer. Each request for a modification must be in writing and meet Franchisor’s then-current standards and specifications. Developer will pay Franchisor \$3,000 for each additional request.

3. DEVELOPMENT OBLIGATIONS

3.1. Developer agrees to develop the following number of Stores in the Development Area, in accordance with the following schedule:

Store Number	Fees Owed at Time of Signing	Date Franchise Agreement Signing Due	Store Opening Deadline Date	Total Minimum Number of Stores Opened in Development Phase
#1		Signed concurrently with this Agreement		
#2				
#3				
#4				
#5				
#6				
#7				

Initials: _____ (Developer)

Developer's rights under this Agreement are conditioned upon the active development of the Development Area. Developer agrees to open for business and thereafter maintain in operation within the Development Area at least the minimum number of Stores outlined above. If Developer fails to meet any of the development obligations outlined above, Franchisor may terminate this Agreement, as described in Section 4.2 below. In the event of an inconsistency between any deadline in the above chart and a development or opening deadline described in a Franchise Agreement signed under this Agreement, the deadline stated in this Section 3.1 will control.

3.2. Franchisor and Developer will sign a separate Franchise Agreement for each Store to be developed under this Agreement, provided Franchisor will be obligated to enter into a Franchise Agreement for the development of a Store only if, at the time Developer intends to enter into a Franchise Agreement for such Store: (i) Developer meets Franchisor's then-current standards and requirements for new franchisees; (ii) all amounts due and owing by Developer under or relating to the Initial Franchise Agreement and any other Franchise Agreements are paid in full and Developer is otherwise in good standing under such Franchise Agreements; and (iii) Developer is not in default of its obligations under this Agreement. Developer's failure to execute any additional Franchise Agreements on a timely basis or its default in any term of such Franchise Agreements may, at Franchisor's option, be deemed a material default under this Agreement and shall entitle Franchisor to terminate this Agreement as further provided in Article 4 below. Developer must sign each separate Franchise Agreement for each Store to be developed at the earlier of the following: (i) at the time Developer submits site permits for review and before Developer enters into any binding agreement for the purchase or lease of the Store premises; or (ii) at least 9 months before Developer is required to open and commence operations of the Store under the applicable Franchise Agreement. In addition, Developer must pay the remaining Initial Franchise Fee for such subsequent Store contemporaneously with the execution of each such Franchise Agreement, as stated in Section 2.1(b) above.

3.3. Developer shall not, without Franchisor's prior written consent, enter into any contract for the purchase or lease of any premises for use as a Store. The process by which Developer may obtain Franchisor's consent to the proposed location for any Store will be as further described in the Franchise Agreement.

3.4. Each Franchise Agreement that Developer will execute for each Store to be developed hereunder shall be Franchisor's then-current form franchise agreement offered to prospective franchisees, and Developer acknowledges that the terms of such franchise agreements may differ from the terms of the Initial Franchise Agreement attached hereto as Exhibit B. Developer acknowledges that Franchisor has the right to charge then current published rates for royalties, advertising fees, and optional products and services offered to Developer.

3.5. Developer may also request additional assistance from Franchisor in connection with site selection, site feasibility studies, lease negotiations and other issues related to the development of its Development Area. Developer agrees that, if Franchisor agrees to provide such assistance, Developer will pay all travel, lodging, living expenses, telephone charges and other identifiable expenses incurred in connection with such assistance, plus an hourly fee based on time any of Franchisor's employees spend in connection with such assistance.

3.6 If Developer (alone or together with an affiliate of Developer) owns or operates multiple Stores, Franchisor shall have the right to require Developer (and/or its affiliate) to employ one or more multi-unit leaders (each a "**Multi-Unit Leader**") to supervise the day-to-day operations of such Stores, so that all Stores operate in accordance with the System and present a consistent brand image and customer experience in accordance with System standards. Each Multi-Unit Leader shall be required to attend and successfully complete (to Franchisor's reasonable satisfaction) such training courses as Franchisor may reasonably require. At Franchisor's option, the Franchisor may permit a "Principal Owner" (as defined in the Initial Franchise Agreement) of Developer to serve as the Multi-Unit Leader, provided that Developer satisfies the additional training requirements that are applicable to Multi-Unit Leaders.

3.7 If Developer (alone or together with an affiliate of Developer) owns or operates three or more Stores, upon the opening of Developer's third Store, Developer must complete the process for one of Developer's Stores to serve as a designated training store at which training for subsequent Stores will be held. Developer must ensure that the selected Store and Multi-Unit Leader meet Franchisor's certification requirements to serve as a designated training store.

4. TERM AND TERMINATION

4.1. This Agreement shall commence as of the Effective Date and, subject to earlier termination as provided below, shall end on the earlier of the date the final Store in the schedule described in Section 3.1 above is required to open for business or the date on which such Store actually opens for business. Following expiration or earlier termination of this Agreement as provided below, Developer's rights to develop and operate Stores in the Development Area will terminate and Franchisor shall have the right to establish, or license any other party, to establish Stores anywhere within the Development Area.

4.2. Except as described below, Franchisor may terminate this Agreement on 30 days' prior written notice (or such longer period as applicable law may require), such notice containing a right to cure the default, if applicable, in the event of any of the following:

- a. If Developer violates any term or condition of this Agreement, including the failure to open any Store by the opening deadline date described in schedule stated in Section 3.1 above;
- b. Any occurrence which would entitle Franchisor to terminate the Initial Franchise Agreement or any other Franchise Agreement executed pursuant to this Agreement; or
- c. If Developer fails to pay any amounts due to Franchisor, its affiliates or suppliers, including amounts due to Franchisor for franchise fees, royalty fees, or marketing contribution fees.

This Agreement shall automatically terminate at the end of such 30 day notice period (or such longer period of time as applicable law may require), unless Developer cures the default stated in such notice within the 30 day period.

4.3. In addition to Franchisor's right to terminate this Agreement as described in Section 4.2 above, Franchisor may terminate this Agreement immediately upon delivery of written notice to Developer, with no opportunity to correct any default, if the termination results from any of the following:

- a. Developer repeatedly fails to comply with one or more material requirements of this Agreement;
- b. Developer or any Principal Owner is declared bankrupt or becomes insolvent;
- c. Developer fails on three separate occasions within any period of 12 consecutive months to comply with any provision of this Agreement, whether or not the failure to comply is corrected after notice is delivered to Developer;
- d. Developer makes an unauthorized assignment or transfer of this Agreement, any Franchise Agreement or an ownership interest in Developer;
- e. Developer makes any material misrepresentation or omission in its application for the development rights granted under this Agreement;
- f. Developer materially misuses or makes an unauthorized use of any Marks or commits any act which can reasonably be expected to materially impair or otherwise is prejudicial to the goodwill associated with any Marks;
- g. if an immediate threat or danger to public health or safety results from the construction, maintenance or operation of a Store;
- h. Developer or any Principal Owner is convicted of violating any law, ordinance or regulation relating to the operation of any Store referenced herein or developed hereunder; or
- i. Developer attempts to subfranchise in any manner all or part of its rights under this Agreement.

During the period from the date Franchisor sends a notice of default until all violations and defaults specified therein are corrected, Franchisor will not be obligated to enter into any Franchise Agreement with Developer or otherwise perform any obligations pursuant to this Agreement.

4.4. In the event of termination or expiration of this Agreement for any reason, all rights licensed herein will automatically revert to Franchisor and any remaining rights to develop Stores within the Development Area will cease. Further, Developer shall remain subject to the provisions of Article 6 below regarding nondisclosure and covenants not to compete, in addition to the terms and conditions of any then-existing Franchise Agreement to which Developer is a party.

5. TRANSFER

5.1. This Agreement is fully transferable by Franchisor and shall benefit any transferee or other legal successor in interest, and Franchisor shall in such event be fully released from its obligations under this Agreement. Any such transfer will require the transferee to fulfill Franchisor's obligations under this Agreement. Franchisor reserves the right to outsource, assign, or transfer any of its obligations under this Agreement to an affiliate or third party without Developer's consent.

5.2. Developer may not sell, transfer or assign its rights under this Agreement or any interest in it or any part of Developer entity, unless Developer obtains Franchisor's prior written consent, which consent shall not be unreasonably withheld if Developer: (i) transfers all rights under all Franchise Agreements signed in connection with this Agreement; (ii) Developer is in good standing under this Agreement, including the development schedule in Section 3.1 above, and under each Franchise Agreement to which this Agreement relates; (iii) the proposed transferee meets all of Franchisor's then-current requirements for multiple Store

developers and has the capital and other resources necessary to satisfy all obligations under this Agreement; and (iv) complies with the transfer provisions of the Franchise Agreement most recently executed by Franchisor and Developer, which provisions are incorporated herein by reference. Franchisor will consent to Developer's proposed transfer of rights to a specific Store to be developed, at the time of execution of the Franchise Agreement which shall govern operation of such Store, if the proposed transfer is to a corporation, limited liability company or other entity owned by, controlled by, or under common control with Developer, provided Developer will not be obligated to pay the transfer fee described in Section 5.3 below.

5.3. In the event of any proposed sale, transfer or assignment by Developer as described herein, Developer and/or the proposed transferee shall pay to Franchisor by electronic funds transfer the standard transfer fee of \$10,000 for each franchise governed by a Franchise Agreement executed pursuant to this Agreement.

5.4. In the event of any proposed sale, transfer or assignment of its rights under this Agreement or any part of Developer entity or its assets (collectively, "**Transfer**"), Developer agrees to grant Franchisor a 30-day right of first refusal to purchase such rights, interest, or assets on the same terms and conditions as are contained in the most recently executed Franchise Agreement governing Transfers; provided Franchisor's right of first refusal will apply separately to each Store subject to the transfer or assignment.

6. RESTRICTIVE COVENANTS

6.1. During the term and after the termination of this Agreement or any Franchise Agreement signed pursuant to this Agreement, Developer and each of its Principal Owners, shareholders, members, officers, partners and directors and their respective immediate families, shall be subject to all restrictive covenants as stated in the Franchise Agreement executed concurrently herewith, and in any Nondisclosure and Noncompetition Agreements executed under the terms of such Franchise Agreement, which covenants by this reference are incorporated herein.

7. BUSINESS RELATIONSHIPS

7.1. The parties hereto understand and agree that this Agreement does not create a fiduciary relationship between them; that Developer shall be an independent contractor; and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose. As such, Developer has no authority to bind Franchisor or incur any liability for Franchisor or to represent itself as anything other than an independent contractor.

7.2. Developer shall at all times defend, indemnify, and hold harmless Franchisor, its subsidiaries, affiliates, successors and assigns, and their respective shareholders, directors, officers, employees, agents, and representatives, and all others (the "**Indemnified Parties**") against, and to reimburse them for all losses, expenses and fines incurred in connection with any action, suit, proceeding, claim, demand, investigation or inquiry, or any settlement thereof which arises out of or relates to this Agreement, the operation of Franchisee's Stores, the activities conducted under this Agreement, or Developer's or Developer's employees' actions or inactions. For purposes of this indemnification, "claims" shall mean all obligations, actual and consequential damages and costs reasonably incurred in the defense of any claim against the Indemnified Parties, including reasonable accountants', attorneys' and expert-witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses. Franchisor shall have the right to defend any such claim against it. This indemnity shall continue in full force and effect following the expiration or termination of this Agreement.

8. MISCELLANEOUS

8.1. The parties agree that any dispute between the parties arising out of the terms of this Agreement shall be settled in accordance with the terms and conditions for mediation, binding arbitration or other means, as stated in the Initial Franchise Agreement which terms and conditions are incorporated herein by reference.

8.2. This Agreement shall be binding upon and benefit each of the parties' respective heirs, successors, assigns and personal representatives.

8.3. This Agreement shall be governed by and construed in accordance with the laws of the State of Nebraska.

8.4. Developer acknowledges that it had a copy of this Agreement in its possession for a period of time not fewer than 7 calendar days, during which time Developer has had the opportunity to submit the same for professional review and advice of Developer's choosing prior to freely executing this Agreement.

8.5. No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by any party hereto shall be considered to imply or constitute a further waiver of the same or any other condition, covenant, right or remedy. Franchisor's subsequent acceptance of any payments due to it hereunder shall not be deemed to be a waiver by Franchisor of any preceding or succeeding breach by Franchisee of any terms or conditions of this Agreement.

8.6. If any provision of this Agreement is held invalid by any court of competent jurisdiction in a final decision from which no appeal is or can be taken, such provision shall be deemed modified to eliminate the invalid element and, as so modified, such provision shall be deemed a part of this Agreement as though originally included. The remaining provisions of this Agreement shall not be affected by such invalidity or modification.

8.7. This Agreement may be modified only upon execution of a written agreement between the parties.

8.8. This Agreement contains the entire agreement between the parties and supersedes any and all prior agreements, both oral and written, concerning the subject matter hereof, provided that any Franchise Agreement executed by the parties hereto shall remain binding, except to the extent that this Agreement specifically supersedes any term thereof. Nothing in this or any related agreement, however, is intended to disclaim the representations Franchisor made in the franchise disclosure document it previously furnished to Developer. The word "including" will be construed to include the words "without limitation."

8.9. In the event of any default by Developer, which is not resolved in accordance with the terms of the Franchise Agreement, in addition to all other remedies Franchisor may have, Developer will pay Franchisor all amounts due and all damages, costs and expenses, including reasonable attorneys' fees, Franchisor incurs in any legal action, arbitration or other proceeding as a result of such default, plus interest at the lesser of 18% per annum or the highest rate allowable by law, accruing from the date of such default.

8.10. All notices required to be given under this Agreement shall be given in writing, by certified mail, return receipt requested, or by an overnight delivery service providing documentation of receipt, at the addresses first stated above, or at such other address as either party periodically may designate in writing. Notice shall be deemed effective when received by overnight delivery or three days following the date deposited in the United States mail postage prepaid.

8.11. In the event of any conflict between the terms of this Agreement and the terms of the Franchise Agreement, the terms of this Agreement shall control.

(Signature page to follow)

The Developer acknowledges and agrees that this Agreement will become effective and binding only upon acceptance and execution by the Franchisor on the date indicated below (the “**Effective Date**”).

FRANCHISOR:

SCOOTER’S COFFEE, LLC
a Nebraska limited liability company

By: _____
Name: _____
Title: _____

DEVELOPER:

(If Developer is a corporation or limited liability company)

a(n) _____

By: _____
Name: _____
Title: _____

(If Developer is an individual owner(s), Developer must sign below; if a partnership, all partners must sign below)

Developer

Developer

Developer

EXHIBIT A

**TO DEVELOPMENT AGREEMENT
BETWEEN**

SCOOTER'S COFFEE, LLC

AND _____

The Development Area, as described below by geographic boundaries, county lines, U.S. postal codes or as identified on the attached map, shall consist of the following area or areas:

EXHIBIT B

**TO DEVELOPMENT AGREEMENT
BETWEEN**

SCOOTER'S COFFEE, LLC

AND _____

Initial Franchise Agreement

(Attached)

| [4931-2978-4836, v. 2](#)

EXHIBIT D (TO FRANCHISE DISCLOSURE DOCUMENT)

List of Franchisees as of December 31, 2023

Store No.	*	Entity Name	Contact	Address	City	State	Zip	Building Type	Phone
416	*	Lake Martin Coffee, LLC	Daniel Yates	4141 Hwy 280	Alexander City	AL	35010	Kiosk	(256) 794-4844
1074		Lake Martin Coffee, LLC	Daniel Yates	3206 McClellan Blvd.	Anniston	AL	36201	Kiosk	(256) 794-4844
1393	*	Higdon Coffee, LLC	Michael Higdon	1276 N Brindlee Mtn Pkwy	Arab	AL	35016	Kiosk	(256) 302-2021
899	*	Scott Morris Properties, L.L.C.	Kenneth Scott Morris	547 US Hwy 72 W.	Athens	AL	35611	Kiosk	(256) 710-6393
1223	*	Vulcan Coffee Inverness, LLC	William H. Ross	4725 US-280	Birmingham	AL	35242	Kiosk	(205) 999-6756
1391	*	Higdon Coffee, LLC	Michael Higdon	1936 US Hwy 431	Boaz	AL	35957	Kiosk	(256) 302-2021
1224	*	Vulcan Coffee Chelsea, LLC	William H. Ross	200 Atchinson Parkway	Chelsea	AL	35043	Kiosk	(205) 999-6756
984	*	N2 Coffee Enterprises, LLC	Kathryn Neese	724 2nd Ave. NW	Cullman	AL	35055	Kiosk	(205) 515-8166
1110	*	N2 Coffee Enterprises, LLC	Kathryn Neese	1820 6th Ave. SE	Decatur	AL	35601	Kiosk	(205) 515-8166
1392	*	Higdon Coffee, LLC	Michael Higdon	14366 US Hwy 431	Guntersville	AL	35976	Kiosk	(256) 302-2021
495	*	C & E Braden, LLC	Emily Harris	700 Governors Dr. SW	Huntsville	AL	35801	Kiosk	(256) 655-7845
937	*	C & E Braden, LLC	Emily Harris	4301 University Dr.	Huntsville	AL	35816	Kiosk	(256) 655-7845
1718	*	CHIL Out, LLC	Peter Warmingham	632 15th St.	Tuscaloosa	AL	35401	Kiosk	(256) 656-5491
475	*	Lake Martin Coffee, LLC	Daniel Yates	5331 US Hwy 231	Wetumpka	AL	36092	Kiosk	(256) 794-4844
1870	*	Real Brew, Inc.	Ted Brewer	406 E. Church St.	Barling	AR	72923	Kiosk	(307) 660-0499
587	*	Vandesmith Specialty Coffee LLC	Bart Vandeven	2085 Harrison St.	Batesville	AR	72501	Kiosk	(573) 200-4155
2034	*	Mean Bean Espresso LLC	Shawn LaMontia	1921 Highway 5 N.	Benton	AR	70219	Kiosk	(402) 598-8314
211	*	NWA Wired, LLC	Alan Stall	206 S. Walton Blvd.	Bentonville	AR	72712	Drive-thru coffeehouse	479-268-4992
403		NWA Wired, LLC	Alan Stall	1101 Airport Road Blvd.	Bentonville	AR	72712	Kiosk	(479) 202-5650
2033	*	Mean Bean Coffee LLC	Shawn LaMontia	1816 N. Reynolds Rd.	Bryant	AR	72022	Kiosk	(402) 598-8314
1421		Real Brew, Inc.	Ted Brewer	5607 Rogers Ave.	Fort Smith	AR	72903	Kiosk	(307) 660-0499
594	*	Lakeside Java LLC	Edward Brink	1320 Highway 62 65 N.	Harrison	AR	72601	Kiosk	(402) 598-1528
1797	*	Queen's Coffee, LLC	Amos Kropf	1120 E. Main St.	Magnolia	AR	71753	Kiosk	870-845-8827
1160	*	Adventurous Bean 2, LLC	Elizabeth Gray	20715 Hwy 365 North	Maumelle	AR	72113	Kiosk	(573) 382-2550
1161	*	Adventurous Bean 3, LLC	Elizabeth Gray	6600 Corporate Dr.	North Little Rock	AR	72113	Kiosk	(573) 382-2550
1155	*	Vandesmith Specialty Coffee LLC	Bart Vandeven	1612 Linwood Dr.	Paragould	AR	72450	Kiosk	(573) 200-4155
291	*	NWA Wired, LLC	Alan Stall	1887 W. Walnut St.	Rogers	AR	72758	Kiosk	479-202-5650
1871	*	Real Brew, Inc.	Ted Brewer	400 Broadway St.	Van Buren	AR	72956	Kiosk	(307) 660-0499
953	*	Smart-Nixon, LLC	Dianne Nixon	964 E. Cottonwood Ln.	Casa Grande	AZ	85122	Kiosk	(206) 226-8909
286		Second Crack, Inc.	Dana DeVito	78 State Hwy 89	Chino Valley	AZ	86323	Kiosk	928-710-1060
943	*	Queens Cup 2, LLC	Lisa Krumwiede	3038 E Queen Creed Rd	Gilbert	AZ	85297	Kiosk	(402) 578-5558
171		2635 Glendale, LLC	Mark Stevenson	2635 West Glendale	Phoenix	AZ	85051	Kiosk	480-848-1914
237		Bean Heads, LLC	James Mumgaard	4030 N. 7th Ave.	Phoenix	AZ	85013	Kiosk	602-368-6012
331		Second Crack, Inc.	Dana DeVito	1004 E Gurley St	Prescott	AZ	86301	Kiosk	(928) 710-1060
220		Hot Shots 220 LLC	Mark Stevenson	12675 West Bell Rd	Surprise	AZ	85378	Kiosk	623-328-5812
413	*	Guava Java, Inc.	Dustin Flansburg	1049 Space Center Dr.	Colorado Springs	CO	80915	Kiosk	(308) 289-0201
674		NoCo Coffee Solutions, Inc.	Russel Griffin	61 South Elm Ave.	Eaton	CO	80615	Kiosk	(970) 301-0356
536	*	AgEdge Development, L.L.C.	Mark Oberg	804 E. Platte Ave.	Fort Morgan	CO	80701	Kiosk	(308) 529-0992
259		Heasty Enterprises, LLC	Michelle Heasty	2530 11th Ave.	Greeley	CO	80631	Kiosk	(970) 888-3769

Store No.	*	Entity Name	Contact	Address	City	State	Zip	Building Type	Phone
462	*	Bean of Life, Inc.	Dale Willhite	1231 N. Main St.	Lamar	CO	81052	Kiosk	(719) 691-6127
630	*	Bean of Life, Inc.	Dale Willhite	142 S. Purcell Blvd	Pueblo West	CO	81007	Kiosk	(719) 688-1450
421	*	AgEdge Development, L.L.C.	Mark Oberg	430 Main St.	Sterling	CO	80751	Kiosk	308-529-0992
321		Cuppa Rast Gulf Coast, LLC	Anthony Massacavollo	636 Del Prado Blvd.	Cape Coral	FL	33990	Non-traditional	(239) 424-2000
660	*	Jessica and Ty O'Toole	Jessica O'Toole	809 S. Bay St.	Eustis	FL	32726	Kiosk	(352) 406-1480
322		Cuppa Rast Gulf Coast, LLC	Anthony Massacavollo	13681 Doctors Way	Ft. Myers	FL	33912	Non-traditional	(402) 630-1907
323		Cuppa Rast Gulf Coast, LLC	Anthony Massacavollo	9981 S. Healthpark Dr.	Ft. Myers	FL	33908	Non-traditional	(402) 630-1907
324		Cuppa Rast Gulf Coast, LLC	Anthony Massacavollo	2776 Cleveland Ave.	Ft. Myers	FL	33901	Non-traditional	(239) 343-2068
358	*	OM Strategic Ventures, Inc.	Dhruv Narielwala	5006 NW 34th Blvd	Gainesville	FL	32605	Kiosk	(352) 451-4724
1009	*	Magic Beanz LLC	Olon Hyde	122 Gulf Breeze Pkwy	Gulf Breeze	FL	32561	Kiosk	(727) 729-1360
961	*	Joesaphine's Coffee LLC	Edward Grimes	13753 Beach Blvd	Jacksonville	FL	32224	Kiosk	(405) 651-6187
1772	*	Sunshine Coffee Properties LLC	Sean Stevens	7229 US Hwy 19	New Port Richey	FL	34652	Kiosk	(402) 490-8361
716	*	Cuppa Rast, Inc.	Anthony Massacavollo	151 Park Ave.	Orange Park	FL	32073	Kiosk	(219) 798-6001
1335	*	SAFL Brew, LLC	Spencer Ashburn	3005 W. Oak Ridge Rd.	Orlando	FL	32809	Kiosk	(402) 430-7999
1247	*	Sunshine Roast Orlando L.L.C.	Zak Thompson	10413 E. Colonial Dr.	Orlando	FL	32817	Kiosk	(405) 808-4170
1008	*	Magic Beanz LLC	Olon Hyde	5601 Woodbine Rd.	Pace	FL	32571	Kiosk	(727) 729-1360
609	*	Coffee of Champions, Inc.	Ansley Champion	628 S. State Rd. 19	Palatka	FL	32177	Kiosk	(386) 937-4936
1010	*	Magic Beanz LLC	Olon Hyde	6800 Pensacola Blvd	Pensacola	FL	32505	Kiosk	(727) 729-1360
1622		Bean There Done That, LLC	Igor Bley	4672 Park Blvd. N.	Pinellas Park	FL	33781	Kiosk	(813) 493-0859
215		Atomic Coffee I, LLC	Robert LeLievre	833 Osceola Drive	Rockledge	FL	32955	Kiosk	321-338-2589
1183	*	Kristina Siebrandt	Kristina Siebrandt	980 Pasadena Ave. S.	St. Petersburg	FL	33707	Kiosk	(402) 450-3494
1275	*	Culinary Coffee, LLC	Michael Combs	2010 Browns Bridge Rd.	Gainesville	GA	30501	Kiosk	402-968-9712
1170	*	Walt Dylan Heath	Walt Dylan Heath	615 Landmark Pointe Blvd, Suite A	Gray	GA	31032	Kiosk	(478) 607-0613
189		C & E Tyler LLC	Emily Harris	2943 Canton Rd. Suite 1600	Marietta	GA	30066	Kiosk	770-424-9198
406		Coffee Love 1, LLC	Kristin Shaw	7 Shorter Ave.	Rome	GA	30165	Kiosk	404-641-1907
160		C & E Tyler LLC	Emily Harris	550 W. Crossville Rd., Suite 101	Roswell	GA	30075	End cap	770-299-1350
1109		Java WND LLC	Jeffrey Bryce Cannon	141 E. May St.	Winder	GA	30680	Kiosk	(229) 308-9750
2190		C & J Enterprises, LLC	Charles Gross	708 Greene St.	Adel	IA	50003	Kiosk	(712) 249-6564
1475		Sprouting Beans, LLC	Johnny Hood	1505 Highway 169	Algona	IA	50511	Kiosk	402-689-1101
872		Random Enterprises, Inc.	Kelly Schwinger	709 2nd Ave. SW	Altoona	IA	50009	Kiosk	(641) 745-7180
309	*	B3 Brew, LLC	Randy Mumm	104 Duff Ave	Ames	IA	50010	Drive-thru coffeehouse	641-330-0939
479	*	B3 Brew, LLC	Randy Mumm	200 S. 16th St.	Ames	IA	50010	Kiosk	(641) 330-0939
401		Southern Grounds LLC	Zachariah Mueller	125 SE Oralabor Rd.	Ankeny	IA	50021	Kiosk	(319) 431-2648
369	*	Blu Water Brew, LLC	Joshua Morris	312 S Hwy 71	Arnolds Park	IA	51331	Kiosk	(402) 730-7700
362		C & J Enterprises, LLC	Charles Gross	1508 E 7th St	Atlantic	IA	50022	Kiosk	(712) 340-6577
341		B3 Brew, LLC	Randy Mumm	327 Story St	Boone	IA	50036	Kiosk	(515) 421-9199
281	*	Coffee Specialists, LLC	Jeremy Music	1728 N Roosevelt Ave	Burlington	IA	52601	Kiosk	(319) 237-3101
318	*	Brew Enterprises, LLC	Lindsey Jochim	709 W Hwy 30	Carroll	IA	51401	Kiosk	402-238-4415
478	*	B3 Brew, LLC	Randy Mumm	315 Viking Plaza Dr.	Cedar Falls	IA	50613	Drive-thru coffeehouse	641-330-0939
429	*	B3 Brew, LLC	Randy Mumm	412 W. 1st St.	Cedar Falls	IA	50613	Kiosk	(319) 260-2070
266	*	B & C Coffee, LLC	Brent Votroubek	6600 Kirkwood	Cedar Rapids	IA	52404	End cap	319-200-2050

Store No.	*	Entity Name	Contact	Address	City	State	Zip	Building Type	Phone
				Blvd. SW, Suite 500					
306	*	B & C Coffee, LLC	Brent Votroubek	1420 1st Ave Suite 104	Cedar Rapids	IA	52402	End cap	319-210-2622
476	*	B & C Coffee, LLC	Brent Votroubek	3212 Mt. Vernon Rd SE	Cedar Rapids	IA	52403	Kiosk	(319) 210-2622
234		Eastern Iowa Coffee, LLC	Stan Eilers	7037 C Ave NE	Cedar Rapids	IA	52402	End cap	319-294-0060
235		Eastern Iowa Coffee, LLC	Stan Eilers	2300 Edgewood Rd SW	Cedar Rapids	IA	52404	End cap	319-654-8888
1352		High Porch Coffee, LLC	Jeremy Music	715 E. Maple St.	Centerville	IA	52544	Kiosk	(319) 330-7033
999		Blu Water Brew, LLC	Joshua Morris	501 Freeman St.	Charles City	IA	50616	Kiosk	(877) 494-7004
1071		C & J Enterprises, LLC	Charles Gross	1203 S. 16th St.	Clarinda	IA	51632	Kiosk	(712) 249-6564
287		Blu Water Brew, LLC	Joshua Morris	1903 Hwy 18 E	Clear Lake	IA	50428	Kiosk	(641) 210-6404
453	*	High Porch Coffee, LLC	Jeremy Music	338 8th Ave. S.	Clinton	IA	52732	Kiosk	402-614-1723
534	*	A Latte Buzzness 3, L.L.C.	Mark Holtkamp	802 1st Ave.	Coralville	IA	52241	Drive-thru coffeehouse	(319) 594-1062
148	*	Freedom Enterprises, LLC	Tracy Bouwens	4 North 16th Street	Council Bluffs	IA	51501	Kiosk	712-396-2029
232		TLC Coffee, LLC	Chandra Kipper	1738 Madison Ave.	Council Bluffs	IA	51503	Drive-thru coffeehouse	712-323-4460
4		Freedom Enterprises, LLC	Tracy Bouwens	3030 West Broadway	Council Bluffs	IA	51501	End cap	712-242-1050
1311	*	ENS Coffee 4, LLC	Eric Neff	806 South Sumner St.	Creston	IA	50801	Kiosk	(402) 310-8817
1056		A&M Coffee, LLC	Alan Devereaux	900 Short St.	Decorah	IA	52101	Kiosk	(402) 350-2063
757		Full Cup Coffee LLC	Randy Mumm	1226 4th Ave. S.	Denison	IA	51442	Kiosk	(641) 330-0939
804	*	ARC Holdings, LLC	Adam Cockerill	4402 Douglas Ave.	Des Moines	IA	50310	Kiosk	(402) 319-7848
856	*	ACJS Holdings, LLC	Adam Cockerill	102 E. Euclid Ave	Des Moines	IA	50313	Kiosk	(402) 319-7848
133		ACJS Holdings, LLC	Adam Cockerill	99 University Ave	Des Moines	IA	50314	Kiosk	515-244-3517
1053	*	Blu Water Brew, LLC	Joshua Morris	1126 E. Central Ave.	Estherville	IA	51334	Kiosk	(712) 765-1723
600	*	High Porch Coffee, LLC	Jeremy Music	2105 W. Burlington Ave.	Fairfield	IA	52556	Kiosk	(319) 330-7033
431	*	Brew Enterprises, LLC	Lindsey Jochim	2949 5th Ave S	Fort Dodge	IA	50501	Drive-thru coffeehouse	402-238 4415
598	*	Coffee Specialists, LLC	Jeremy Music	1804 Avenue H	Ft. Madison	IA	52627	Kiosk	(319) 330-7033
217		Loving Cup, LLC	Mackenzie Burnett	2810 SE Grimes Blvd.	Grimes	IA	50111	End cap	515-339-8783
2380		Rae Banks Enterprise, LLC	Hanna Leiting	2102 23rd St.	Harlan	IA	51537	Kiosk	(712) 579-1731
477		B & C Coffee, LLC	Brent Votroubek	1004 Robins Rd.	Hiawatha	IA	52233	Kiosk	(319) 210-2622
1001		Full Cup Coffee LLC	Randy Mumm	660 N. US Hwy 69	Huxley	IA	50124	Kiosk	(641) 330-0939
904		B3 Brew, LLC	Randy Mumm	400 1st St. E.	Independence	IA	50644	Kiosk	(641) 330-0939
343	*	Brew Enterprises, LLC	Lindsey Jochim	1112 North Jefferson Way	Indianola	IA	50125	Kiosk	402-238-4415
419	*	A Latte Buzzness, L.L.C.	Mark Holtkamp	1335 Hwy 1	Iowa City	IA	52246	Kiosk	(319) 594-1062
1136	*	Iowa Scoot, LLC	Carrie Christo	413 Oak St.	Iowa Falls	IA	50126	Kiosk	(641) 316-1077
271		Southern Grounds LLC	Zachariah Mueller	6001 Merle Hay Rd.	Johnston	IA	50131	Kiosk	(515) 631-5155
444	*	Coffee Specialists, LLC	Jeremy Music	2801 Main St.	Keokuk	IA	52632	Kiosk	(319) 330-7033
351		Loving Cup, LLC	Mackenzie Burnett	1103 W Pleasant St	Knoxville	IA	50138	Kiosk	(515) 519-3856
2422		Blue Barn Coffee, LLC	Amy McEwen	501 1st St. SW	LeMars	IA	51031	Kiosk	(402) 419-6869
1523		TC Coffee LLC	Carrie Ewart	305 W. Main St.	Manchester	IA	52057	Kiosk	(319) 310-1082
1245	*	Midwest Brew Crew, L.L.C.	Jason Huff	901 W. Platt St.	Maquoketa	IA	52060	Kiosk	319-240-5493
236		Eastern Iowa Coffee, LLC	Stan Eilers	690 Marion Blvd	Marion	IA	52302	Kiosk	319-447-1110
1862		B & C Coffee, LLC	Brent Votroubek	1010 62nd St.	Marion	IA	52302	Kiosk	(319) 210-2622
693	*	Eastern Iowa Coffee, LLC	Stan Eilers	1708 S. Center St.	Marshalltown	IA	50158	Kiosk	(319) 560-1930
610	*	Blu Water Brew, LLC	Joshua Morris	1315 4th St. SW	Mason City	IA	50401	Drive-thru coffeehouse	402-730-7700
599	*	High Porch Coffee, LLC	Jeremy Music	1810 E. Washington St.	Mt. Pleasant	IA	52641	Kiosk	(319) 330-7033
1274	*	Bean Drip Services, LLC	Teresa Duling	210 Business 30 SW	Mt. Vernon	IA	52314	Kiosk	(319) 325-6946

Store No.	*	Entity Name	Contact	Address	City	State	Zip	Building Type	Phone
601	*	High Porch Coffee, LLC	Jeremy Music	3949 Mulberry Ave.	Muscatine	IA	52761	Kiosk	(319) 330-7033
283		Loving Cup, LLC	Mackenzie Burnett	1114 1st Ave E	Newton	IA	50208	Kiosk	816-721-4066
533	*	A Latte Buzzness 2, L.L.C.	Mark Holtkamp	615 Penn Ct.	North Liberty	IA	52317	Kiosk	(319) 594-1062
2207		Loving Cup, LLC	Mackenzie Burnett	9441 Marketplace Dr.	Norwalk	IA	50211	Kiosk	(816) 916-5772
867		Blue Barn Coffee, LLC	Amy McEwen	302 8th St. SE	Orange City	IA	51041	Kiosk	(402) 419-6869
605	*	High Porch Coffee, LLC	Jeremy Music	504 Ave. A West	Oskaloosa	IA	52577	Kiosk	402-614-1723
373	*	Coffee Specialists, LLC	Jeremy Music	719 Richmond Ave	Ottumwa	IA	52501	Kiosk	(641) 575-0830
692	*	Eastern Iowa Coffee, LLC	Stan Eilers	2012 Washington St.	Pella	IA	50219	Kiosk	(319) 560-1930
1957		Tandem Enterprises II, L.L.C.	Troy Bauer	414 1st Ave.	Perry	IA	50220	Kiosk	(515) 418-0078
156		Loving Cup, LLC	Mackenzie Burnett	1201 Copper Creek Dr.	Pleasant Hill	IA	50327	Kiosk	515-371-0042
2189		Loving Cup, LLC	Mackenzie Burnett	605 W. Bridge Rd.	Polk City	IA	50226	Kiosk	(816) 916-5772
1229	*	ENS Coffee 2, LLC	Eric Neff	1509 N. Broadway St.	Red Oak	IA	51566	Kiosk	(402) 310-8817
987		Sacred Grounds, Inc.	Jay Van Dyken	2601 Park St.	Sheldon	IA	51201	Kiosk	(712) 463-2512
1120	*	ENS Coffee 3, LLC	Eric Neff	406 S. Fremont St.	Shenandoah	IA	51601	Kiosk	(402) 310-8817
742	*	Sacred Grounds, Inc.	Jay Van Dyken	22 11th St. NW	Sioux Center	IA	51250	Kiosk	(712) 463-2512
106	*	Alderman-Dreher Holdings, LLC	Alison Alderman-Dreher	675 Gordon Drive	Sioux City	IA	51101	Kiosk	712-255-0296
2241	*	Alderman-Dreher Holdings, LLC	Alison Alderman-Dreher	4131 Southgate Dr.	Sioux City	IA	51106	Kiosk	(402) 689-6390
186		Alderman-Dreher Holdings, LLC	Alison Alderman-Dreher	1390 Hamilton Blvd	Sioux City	IA	51103	End cap	712-277-0153
219		Alderman-Dreher Holdings, LLC	Alison Alderman-Dreher	3136 Floyd Blvd	Sioux City	IA	51108	End cap	712-224-2739
361		Alderman-Dreher Holdings, LLC	Alison Alderman-Dreher	4307 Gordon Dr	Sioux City	IA	51106	Kiosk	712-255-0296
285	*	Blu Water Brew, LLC	Joshua Morris	20 E 8th St	Spencer	IA	51301	Kiosk	402-730-7700
348	*	Blu Water Brew, LLC	Joshua Morris	1808 Keokuk Ave	Spirit Lake	IA	51360	Kiosk	402-730-7700
288	*	Brew Enterprises, LLC	Lindsey Jochim	805 Seneca St	Storm Lake	IA	50588	Kiosk	(712) 213-0102
230		Loving Cup, LLC	Mackenzie Burnett	10155 Hickman Rd.	Urbandale	IA	50322	Kiosk	515-339-7204
622	*	High Porch Coffee, LLC	Jeremy Music	321 South Iowa Ave.	Washington	IA	52353	Kiosk	(319) 330-7033
480	*	B3 Brew, LLC	Randy Mumm	115 E. Ridgeway Ave.	Waterloo	IA	50701	Drive-thru coffeehouse	(641) 330-0939
334		Tandem Enterprises, LLC	Troy Bauer	122 West Hickman Road	Waukee	IA	50263	End cap	515-401-8611
302		Brew Enterprises, LLC	Lindsey Jochim	210 W Bremer Ave	Waverly	IA	50677	Kiosk	(319) 483-0071
1070	*	Iowa Scoot, LLC	Carrie Christo	321 2nd St.	Webster City	IA	50595	Kiosk	(515) 832-1521
802	*	ARC Holdings, LLC	Adam Cockerill	4566 University Ave.	West Des Moines	IA	50266	Kiosk	(402) 319-7848
807	*	ARC Holdings, LLC	Adam Cockerill	830 1st Street	West Des Moines	IA	50265	Kiosk	(402) 319-7848
240		Loving Cup, LLC	Mackenzie Burnett	5585 Mills Civic Parkway Suite 170	West Des Moines	IA	50266	End cap	515-339-5165
162		Loving Cup, LLC	Mackenzie Burnett	7500 Hickman Road	Windsor Heights	IA	50324	Kiosk	515-339-4839
1350	*	Joe Vela and Chase Brower	Chase Brower	300 McKinley Ave.	Bartonville	IL	61607	Kiosk	(309) 231-3436
1076	*	CHF Investments, LLC	Rachel Wallace	503 W. Main St.	Benton	IL	62812	Kiosk	(217) 620-4437
1179	*	53 Past LLC	Karishma Garipey	102 W. Bethalto Dr.	Bethalto	IL	62010	Kiosk	(314) 458-7844
1771		BV Legacy Partners, Inc	Matthew Bretz	684 N. 12th St.	Breese	IL	62230	Kiosk	(618) 974-9997
445	*	Twins Holdings IL 2002 LLC	Robert Evers	923 W. Main St.	Carbondale	IL	62901	Kiosk	(217) 735-4171
1290	*	CHF Investments, LLC	Rachel Wallace	280 N. Brooks Ave	Centralia	IL	62801	Kiosk	(217) 620-4437
1121		Twins Holdings IL	Robert Evers	2307 State St.	Chester	IL	62233	Kiosk	(217) 735-4171

Store No.	*	Entity Name	Contact	Address	City	State	Zip	Building Type	Phone
		2002 LLC							
1000		3 Kings Coffee LLC	Nicholas Pollard	614 W. Van Buren St.	Clinton	IL	61727	Kiosk	(941) 387-6964
1776		Frey Coffee Collinsville LLC	Debra Frey	1312 Vandalia St	Collinsville	IL	62234	Kiosk	618-410-3712
1818	*	PTZ Coffee Guys LLC	Zachariah Hamilton	5709 N. Illinois St.	Fairview Heights	IL	62208	Kiosk	(314) 568-7217
1255	*	High Porch Coffee, LLC	Jeremy Music	1317 N. Henderson St.	Galesburg	IL	61401	Kiosk	(319) 330-7033
1257	*	High Porch Coffee, LLC	Jeremy Music	1000 S. Oakwood Ave.	Geneseo	IL	61254	Kiosk	(319) 330-7033
399		1818 Development LLC	Robert Semptimphelter	4208 S. Route 159	Glen Carbon	IL	62034	Kiosk	402-680-4593
2015		1818 Development LLC	Robert Semptimphelter	5330 Godfrey Rd.	Godfrey	IL	62035	Kiosk	(402) 680-4593
1232		Gaf-Fine Grounds, LLC	Jerry Gaffner	1505 IL Rte 127	Greenville	IL	62246	Kiosk	(618) 410-3656
1289	*	CHF Investments, LLC	Rachel Wallace	84 S Commercial St.	Harrisburg	IL	62946	Kiosk	(217) 620-4437
849		Frey Boys, LLC	Debra Frey	12571 State Rt. 143	Highland	IL	62249	Kiosk	618-410-3712
1244		Gaffner Brewing Grounds, LLC	Scott Gaffner	600 S. State St.	Jerseyville	IL	62052	Kiosk	(618) 292-0564
1254	*	High Porch Coffee, LLC	Jeremy Music	630 Tenney St.	Kewanee	IL	61443	Kiosk	(319) 330-7033
1991		Quick Coffee, LLC	Eryn Wissler	2119 S. Center St.	Maryville	IL	62062	Kiosk	(618) 977-5597
1348		Laura's Kaffezeit, LLC	Laura Hearen	1300 West Main St.	Mascoutah	IL	62258	Kiosk	(618) 954-0842
602	*	High Porch Coffee, LLC	Jeremy Music	2008 Deere Dr.	Milan	IL	61264	Kiosk	(319) 330-7033
1181	*	High Porch Coffee, LLC	Jeremy Music	1181 N. 6th St.	Monmouth	IL	61462	Kiosk	(319) 330-7033
1153	*	CHF Investments, LLC	Rachel Wallace	908 N. Market St.	Mt. Carmel	IL	62863	Kiosk	(217) 620-4437
689	*	R3 Baristas LLC	Kevin Schwartz	1004 W Hwy 50	O'Fallon	IL	62269	Kiosk	(618) 977-0386
1292	*	CHF Investments, LLC	Rachel Wallace	131 N West	Olney	IL	62450	Kiosk	(217) 620-4437
1230		Champagne Coffee Roasters LLC	Matt Kade	902 Marshall St.	Paris	IL	61944	Kiosk	(402) 405-5953
1313	*	Midwest Brew Crew, L.L.C.	Jason Huff	15 W. South St.	Plano	IL	60545	Kiosk	319-231-1385
1182	*	High Porch Coffee, LLC	Jeremy Music	15 East Century Dr.	Princeton	IL	61356	Kiosk	(319) 330-7033
1258	*	High Porch Coffee, LLC	Jeremy Music	405 1st Ave.	Rock Falls	IL	61071	Kiosk	(319) 330-7033
1180	*	Midwest Brew Crew, L.L.C.	Jason Huff	1208 E. Church St.	Sandwich	IL	60548	Kiosk	319-240-5493
758	*	Whoa N Go Coffee LLC	Marcus McGlasson	2935 E. Clear Lake Ave.	Springfield	IL	62702	Kiosk	(217) 553-0109
759	*	Whoa N Go Coffee 2, LLC	Marcus McGlasson	1740 Wabash Ave.	Springfield	IL	62704	Kiosk	(217) 553-0109
1819	*	PTZ Coffee Guys LLC	Zachariah Hamilton	2700 N. Illinois St.	Swansea	IL	62226	Kiosk	(314) 568-7217
1003		Central Illinois Coffee Holdings LLC	Marcus McGlasson	1187 East 1500 North Road	Taylorville	IL	62568	Kiosk	(217) 553-0109
691	*	R3 Baristas Waterloo LLC	Kevin Schwartz	808 N. Illinois Route 3	Waterloo	IL	62298	Kiosk	(618) 977-0386
1752	*	Midwest Brew Crew, L.L.C.	Jason Huff	28 E. Schoolhouse Rd	Yorkville	IL	60560	Kiosk	319-231-1385
1525	*	Waterslake CFE i2 LLC	Jonathan Spindler	996 N. Main St.	Bluffton	IN	46714	Kiosk	(832) 603-0913
1480		Broken Bones Baristas, Inc	Kevin Knox	304 N. 13th St.	Decatur	IN	46733	Kiosk	(317) 800-9589
1731	*	616 W Bristol St. LLC	Eric Berg	616 W. Bristol St.	Elkhart	IN	46514	Kiosk	(765) 243-3132
2196	*	Klipsch's Coffee, LLC	Benjamin Klipsch	535 E. Diamond Ave.	Evansville	IN	47714	Kiosk	(812) 228-7827
2227		Faith N Action, LLC	David Ayala	709 W. Broadway St.	Fortville	IN	46040	Kiosk	(317) 503-9217
1692	*	RDOT Enterprises, LLC	Janet Wendy Drew	1730 N. Morton St.	Franklin	IN	46131	Kiosk	(270) 993-0648
1592	*	Waterslake CFE i7	Jonathan Spindler	621 E. North St.	Kendallville	IN	46755	Kiosk	(832) 603-0913

Store No.	*	Entity Name	Contact	Address	City	State	Zip	Building Type	Phone
		LLC							
1349	*	Waterslake CFE i6 LLC	Jonathan Spindler	3225 E. Market St.	Logansport	IN	46947	Kiosk	(832) 603-0913
1721	*	Waterslake CFE i4 LLC	Jonathan Spindler	335 Clifty Dr.	Madison	IN	47250	Kiosk	(832) 603-0913
1198		100 Family Fare Dr., LLC	Eric Berg	100 Family Fare Dr.	Nappanee	IN	46550	Kiosk	(765) 243-3132
1669	*	Waterslake CFE i5 LLC	Jonathan Spindler	1705 S. Memorial Dr.	New Castle	IN	47362	Kiosk	(832) 603-0913
1648	*	Waterslake CFE i3, LLC	Jonathan Spindler	1450 N. Meridian St.	Portland	IN	47371	Kiosk	(832) 603-0913
761	*	WNG Terra Haute LLC	Marcus McGlasson	1617 S. 3rd St.	Terre Haute	IN	47802	Kiosk	(217) 553-0109
1717	*	Waterslake CFE i1 LLC	Jonathan Spindler	797 S. Wabash St.	Wabash	IN	46992	Kiosk	(832) 603-0913
83		DAT Coffee Company, LLC	Pat Do	626 South Andover Rd. #100	Andover	KS	67002	End cap	316-733-1330
615	*	Brew Crew LLC	Sarah Kromer	1428 N. Summit St.	Arkansas City	KS	67005	Kiosk	(316) 633-0323
1611		Freedom Enterprises, LLC	Tracy Bouwens	321 Main St.	Atchison	KS	66002	Kiosk	(913) 369-5817
202		Brew Crew LLC	Sarah Kromer	525 W. 7th St.	Augusta	KS	67010	Drive-thru coffeehouse	(316) 351-7113
635		Freedom Enterprises, LLC	Tracy Bouwens	1415 S. Santa Fe Ave.	Chanute	KS	66720	Kiosk	(620) 902-5014
634		Freedom Enterprises, LLC	Tracy Bouwens	314 W. 11th St.	Coffeyville	KS	67337	Kiosk	(913) 369-5817
1526	*	Family Blends, LLC	Scott Bjurstrom	1672 S. Range Ave.	Colby	KS	67701	Kiosk	(620) 260-6575
1610		Freedom Enterprises, LLC	Tracy Bouwens	1802 Lincoln St.	Concordia	KS	66901	Kiosk	(913) 369-5817
319		Bean of Life, Inc.	Dale Willhite	2120 N. 14th Ave., Suite D	Dodge City	KS	67801	End cap	(620) 408-7644
402		Bean of Life, Inc.	Dale Willhite	904 W. Wyatt Earp Blvd.	Dodge City	KS	67801	Kiosk	620-408-7644
428		Loving Cup, LLC	Mackenzie Burnett	2000 W. Central Ave.	El Dorado	KS	67042	Kiosk	816-721-4066
282		Emporia Espresso, LLC	Brian Kruse	1702 N Industrial Rd	Emporia	KS	66801	Kiosk	(620) 481-2770
2469		Freedom Enterprises, LLC	Tracy Bouwens	1436 Church St.	Eudora	KS	66025	Kiosk	(913) 369-5817
395		Freedom Enterprises, LLC	Tracy Bouwens	2402 S Main St	Fort Scott	KS	66701	Kiosk	913-367-5817
307	*	Higher Grounds, LLC	Donny Huber	2517 N Campus Dr	Garden City	KS	67846	Kiosk	(620) 290-9108
393	*	Higher Grounds, LLC	Donny Huber	601 E Kansas Ave	Garden City	KS	67846	Kiosk	(620) 290-9108
222	*	Freedom Enterprises, LLC	Tracy Bouwens	1850 E Santa Fe Dr	Gardner	KS	66030	Kiosk	(913) 856-2349
855		Loving Cup, LLC	Mackenzie Burnett	20201 W. Kellogg St.	Goddard	KS	67052	Kiosk	(913) 232-3893
313		Bean of Life, Inc.	Dale Willhite	3501 10th St.	Great Bend	KS	67530	Kiosk	(620) 290-9108
1527	*	Family Blends, LLC	Scott Bjurstrom	2405 Vine St.	Hays	KS	67601	Kiosk	(620) 260-6575
303	*	Dream Bean, LLC	Justin Gillette	501 E 30th Ave	Hutchinson	KS	67502	Kiosk	620-500-5299
506	*	Dream Bean, LLC	Justin Gillette	1703 E. 30th Ave.	Hutchinson	KS	67502	Kiosk	(620) 480-7603
620	*	Brew Crew LLC	Sarah Kromer	100 N. 10th St.	Independence	KS	67301	Kiosk	(316) 633-0323
372	*	Collaborative Ventures, LLC	Justin Gulbrandson	439 W 6th St	Junction City	KS	66441	Kiosk	402-430-1857
135		Freedom Enterprises, LLC	Tracy Bouwens	721 Center Drive	Lansing	KS	66043	Kiosk	913-250-0297
36		Freedom Enterprises, LLC	Tracy Bouwens	814 Iowa St.	Lawrence	KS	66044	Kiosk	785-856-4580
496		Collaborative Ventures, LLC	Justin Gulbrandson	4921 W. 6th St.	Lawrence	KS	66049	Kiosk	(402) 310-5774
947		Collaborative Ventures, LLC	Justin Gulbrandson	2500 Iowa St.	Lawrence	KS	66026	Kiosk	(402) 310-5774
1114		Collaborative Ventures, LLC	Justin Gulbrandson	946 E. 23rd St.	Lawrence	KS	66046	Kiosk	(402) 310-5774
134		Freedom Enterprises, LLC	Tracy Bouwens	1050 North 4th St	Leavenworth	KS	66048	Kiosk	913-682-3734
76		Cool Beans Espresso, LLC	Randy Reynolds	19641 W 101 St	Lenexa	KS	66220	Drive-thru coffeehouse	913-764-2326

Store No.	*	Entity Name	Contact	Address	City	State	Zip	Building Type	Phone
278		Freedom Enterprises, LLC	Tracy Bouwens	7741 Quivira Rd	Lenexa	KS	66216	Kiosk	913-602-8784
317		Freedom Enterprises, LLC	Tracy Bouwens	23401 Prairie Star Pkwy	Lenexa	KS	66227	Non-traditional	913-369-5817
350	*	Higher Grounds, LLC	Donny Huber	1325 N Kansas Ave	Liberal	KS	67901	Kiosk	(620) 290-9108
2125		Loving Cup, LLC	Mackenzie Burnett	3920 N. Maize Rd.	Maize	KS	67101	Kiosk	(913) 232-3893
260	*	Collaborative Ventures, LLC	Justin Gulbrandson	407 McCall Rd	Manhattan	KS	66502	Kiosk	(785) 370-0044
333		Collaborative Ventures, LLC	Justin Gulbrandson	2931 Claflin Rd.	Manhattan	KS	66503	Kiosk	(402) 310-5774
349	*	Dream Bean, LLC	Justin Gillette	611 N. Main St.	McPherson	KS	67460	Kiosk	(620) 480-7603
951		Loving Cup, LLC	Mackenzie Burnett	1226 SE Louis St.	Mulvane	KS	67110	Kiosk	(913) 232-3893
314		The Grind, LLC	Randy Reynolds	10588 S Ridgeview Rd	Olathe	KS	66061	End cap	(913) 261-8085
84		Freedom Enterprises, LLC	Tracy Bouwens	2027 E. Sante Fe Street	Olathe	KS	66062	Kiosk	913-390-0422
165		Freedom Enterprises, LLC	Tracy Bouwens	154 S. Parker St.	Olathe	KS	66061	Kiosk	913-839-8235
180	*	Freedom Enterprises, LLC	Tracy Bouwens	12551 Pflumm Rd.	Overland Park	KS	66213	Drive-thru coffeehouse	913-283-8253
206	*	Freedom Enterprises, LLC	Tracy Bouwens	7621 Shawnee Mission Pkwy	Overland Park	KS	66202	Kiosk	(913) 291-2516
157		Holy Grounds, LLC	Sheldon Bouwens	12140 College Blvd.	Overland Park	KS	66210	Drive-thru coffeehouse	(913) 317-5450
203		Freedom Enterprises, LLC	Tracy Bouwens	8973 West 135th Street	Overland Park	KS	66221	Drive-thru coffeehouse	913-701-6304
279		Freedom Enterprises, LLC	Tracy Bouwens	10650 Roe Avenue	Overland Park	KS	66207	End cap	(913) 648-6970
31		Freedom Enterprises, LLC	Tracy Bouwens	9455 W. 87th Street	Overland Park	KS	66212	Kiosk	913-381-5282
143		Freedom Enterprises, LLC	Tracy Bouwens	8830 W. 95th St.	Overland Park	KS	66212	Kiosk	913-652-9600
762		Freedom Enterprises, LLC	Tracy Bouwens	10301 Metcalf Ave.	Overland Park	KS	66212	Kiosk	(913) 369-5817
777		Freedom Enterprises, LLC	Tracy Bouwens	15885 Metcalf Ave.	Overland Park	KS	66223	Kiosk	(913) 369-5817
315		Freedom Enterprises, LLC	Tracy Bouwens	9100 W 74th St	Overland Park	KS	66204	Non-traditional	913-369-5817
316		Freedom Enterprises, LLC	Tracy Bouwens	9100 W 74th St	Overland Park	KS	66204	Non-traditional	(913) 676-0011
764		Freedom Enterprises, LLC	Tracy Bouwens	7840 W. 165th St.	Overland Park	KS	66085	Non-traditional	(913) 369-5817
763		Holy Grounds, LLC	Sheldon Bouwens	324 Hedge Cir.	Paola	KS	66071	Kiosk	(913) 530-6016
301		Freedom Enterprises, LLC	Tracy Bouwens	1506 Main St	Parsons	KS	67357	Kiosk	620-605-6116
342		Freedom Enterprises, LLC	Tracy Bouwens	2414 N Broadway	Pittsburg	KS	66762	Kiosk	(620) 230-0130
482		Bean of Life, Inc.	Dale Willhite	100 N. Main St.	Pratt	KS	67124	Kiosk	(620) 290-9108
505	*	Dream Bean, LLC	Justin Gillette	2055 S. Ohio St.	Salina	KS	67401	Kiosk	(620) 480-7603
2128		Higher Grounds, LLC	Donny Huber	1211 Main St.	Scott City	KS	67871	Kiosk	(620) 290-9108
19		Freedom Enterprises, LLC	Tracy Bouwens	10610 Shawnee Mission Pkwy	Shawnee	KS	66203	End cap	(913) 962-1085
280		Freedom Enterprises, LLC	Tracy Bouwens	11002 W 75th St	Shawnee	KS	66214	Kiosk	(913) 544-1313
327	*	Vanfair Enterprises, Inc.	Curt Van Laningham	2909 SW Topeka Blvd	Topeka	KS	66611	Kiosk	(308) 289-6446
450	*	Vanfair Enterprises, Inc.	Curt Van Laningham	3830 SW 29th St.	Topeka	KS	66611	Kiosk	(308) 289-6446
590	*	Vanfair Enterprises, Inc.	Curt Van Laningham	1409 NW Topeka	Topeka	KS	66608	Kiosk	(308) 289-6446
591	*	Vanfair Enterprises, Inc.	Curt Van Laningham	3510 SE 29th St.	Topeka	KS	66605	Kiosk	(308) 289-6446
523	*	Brew Crew LLC	Sarah Kromer	126 E. 5th St.	Valley Center	KS	67147	Kiosk	(316) 633-0323
616	*	Brew Crew LLC	Sarah Kromer	4828 E 35th St. N	Wichita	KS	67220	Kiosk	(316) 633-0323
52		Loving Cup, LLC	Mackenzie Burnett	3480 N Ridge Rd	Wichita	KS	67205	Kiosk	316-613-3436
54		Loving Cup, LLC	Mackenzie Burnett	7399 W. Central Ave	Wichita	KS	67212	Kiosk	316-558-5320
82		DAT Coffee	Pat Do	13335 W Maple	Wichita	KS	67235	Kiosk	316-722-3329

Store No.	*	Entity Name	Contact	Address	City	State	Zip	Building Type	Phone
		Company, LLC							
149		Loving Cup, LLC	Mackenzie Burnett	3123 N Rock Road	Wichita	KS	67226	Kiosk	316- 719-2284
201		DAT Coffee Company, LLC	Pat Do	311 N Washington Street	Wichita	KS	67202	Kiosk	316-252-8296
377		Loving Cup, LLC	Mackenzie Burnett	259 SW St	Wichita	KS	67213	Kiosk	816-721-4066
837		Loving Cup, LLC	Mackenzie Burnett	1468 S. Maize Rd.	Wichita	KS	67209	Kiosk	(913) 232-3893
614	*	Brew Crew LLC	Sarah Kromer	1802 Main St.	Winfield	KS	67156	Kiosk	(316) 633-0323
1700	*	1202 US 31W Ops, LLC	Cory Ikerd	1202 U.S. 31 W Bypass	Bowling Green	KY	42101	Kiosk	(606) 425-0174
1412	*	BAM ILHC Enterprise, LLC	Bradley Piening	112 Edwards Avenue	Georgetown	KY	40324	Kiosk	(573) 690-0605
1702	*	S L Roger Wells Blvd Ops, LLC	Cory Ikerd	631 S Rogers Well Blvd	Glasgow	KY	42141	Kiosk	(606) 425-0174
1192	*	iHeartCoffee, L.L.C.	James Stapleton	3410 Preston Hwy.	Louisville	KY	40213	Kiosk	(402) 317-4710
1193	*	iHeartCoffee 2, LLC	James Stapleton	9248 Westport Rd.	Louisville	KY	40242	Kiosk	(402) 317-4710
1194	*	iHeartCoffee 2, LLC	James Stapleton	135 Marketplace Dr.	Louisville	KY	40229	Kiosk	(402) 317-4710
737		iHeartCoffee, L.L.C.	James Stapleton	11506 Shelbyville Rd.	Louisville	KY	40243	Kiosk	(402) 317-4710
738		iHeartCoffee, L.L.C.	James Stapleton	4703 Dixie Hwy.	Louisville	KY	40216	Kiosk	(402) 317-4710
739		iHeartCoffee, L.L.C.	James Stapleton	9060 Dixie Hwy.	Louisville	KY	40258	Kiosk	(402) 317-4710
741		iHeartCoffee, L.L.C.	James Stapleton	4036 Poplar Level Rd.	Louisville	KY	40213	Kiosk	(402) 317-4710
1103		Enterprise 555, LLC	Cindy Pherigo	120 Hope Ct.	Nicholasville	KY	40356	Kiosk	(208) 573-3142
1644	*	JRJ Enterprises, LLC	Jeffrey Luechtefeld	2085 E. Parrish Ave.	Owensboro	KY	42303	Kiosk	(618) 314-0448
1411	*	BAM ILHC Enterprise, LLC	Bradley Piening	1900 Bypass Rd.	Winchester	KY	40391	Kiosk	(573) 690-0605
1760	*	Quick Brew Congress LLC	Amanda Fontenot	2492 W. Congress St.	Lafayette	LA	70506	Kiosk	(337) 852-0724
1979	*	OHMI Coffee Michigan, LLC	Corey Welch	1278 Perry Ave.	Big Rapids	MI	49307	Kiosk	330-573-6859
1283	*	Coffee Capital & Development, LLC	Bryan Bender	910 W. Grand River Rd.	Brighton	MI	48116	Kiosk	(734) 755-6359
1572	*	Lake Life Partners Burton LLC	Shaina Allen	1242 E. Bristol Rd.	Burton	MI	48529	Kiosk	(248) 565-6650
439	*	Three Boys Java II, LLC	Jay Beck	2745 Union Lake Rd.	Commerce Township	MI	48382	Kiosk	(402) 578-3143
497		OHMI Coffee Michigan, LLC	Corey Welch	3150 Plainfield Ave. NE	Grand Rapids	MI	49525	Kiosk	(402) 614-1723
735	*	OHMI Coffee Michigan 735 Kentwood, LLC	Corey Welch	2380 44th St. SE	Kentwood	MI	49508	Kiosk	330-573-6859
1284	*	Coffee Capital & Development, LLC	Bryan Bender	1490 W. Ann Arbor Rd.	Plymouth	MI	48170	Kiosk	(734) 755-6359
1573	*	Lake Life Partners Van Dyke, LLC	Shaina Allen	39890 Van Dyke Ave.	Sterling Heights	MI	48313	Kiosk	(248) 565-6650
2172	*	Momak Coffee LLC	Mike Makled	10025 Telegraph Rd.	Taylor	MI	48180	Kiosk	(313) 575-4442
1426	*	Straight Line Enterprises, LLC	Christopher Plasek	810 Marshall St.	Albert Lea	MN	56007	Kiosk	(507) 995-7075
896		Alexandria Coffee Company, LLC	Michael Wiebolt	55 Carlos Ave	Alexandria	MN	56308	Kiosk	(218) 330-5713
685	*	Blu Water Brew, LLC	Joshua Morris	1400 4th St. NW	Austin	MN	55912	Kiosk	(402) 540-7399
430	*	JPM Java, LLC	Timothy Scott	170 89th Ave. NE	Blaine	MN	55434	Kiosk	(402) 960-7751
662	*	JPM Java, LLC	Timothy Scott	8401 84th Ave N	Brooklyn Park	MN	55445	Kiosk	(402) 960-7751
1847	*	CAMN1 LLC	Rachel Schommer	309 1st Ave. E.	Cambridge	MN	55008	Kiosk	(402) 560-1802
1846	*	CHMN1 LLC	Rachel Schommer	10810 South Ave.	Chisago	MN	55013	Kiosk	(402) 560-1802
411	*	Blu Water Brew, LLC	Joshua Morris	406 S State St	Fairmont	MN	56031	Kiosk	402-730-7700
860		Fergus Falls Coffee Company, LLC	Michael Wiebolt	425 W. Lincoln Ave.	Fergus Falls	MN	56537	Kiosk	(218) 330-5713
1470	*	Happy Beans LLC	Kristopher Daniels	1365 Constance Blvd NE	Ham Lake	MN	55304	Kiosk	(612) 803-1044
1069		JPM Java, LLC	Timothy Scott	602 East Hwy 12	Litchfield	MN	55355	Kiosk	(402) 960-7751
1355	*	Straight Line Enterprises, LLC	Christopher Plasek	1060 Madison Ave.	Mankato	MN	56001	Kiosk	(218) 251-0205
1661		Straight Line Ventures, LLC	Rob McGregor	922 Coneflower Lane	Mankato	MN	56001	Kiosk	(507) 995-7075
826	*	Barostas LLC	Christopher Crotteau	2730 Stillwater Rd.	Maplewood	MN	55119	Kiosk	651-333-0847
827	*	Barostas Keller LLC	Christopher Crotteau	2228 Maplewood Dr. N.	Maplewood	MN	55109	Kiosk	651-333-0847
1303	*	Java Mates, L.L.C.	Kyle Wermerskirchen	104 W. 7th St.	Monticello	MN	55362	Kiosk	(612) 325-2527

Store No.	*	Entity Name	Contact	Address	City	State	Zip	Building Type	Phone
1681		Park Rapids Coffee Company, LLC	Michael Wiebolt	100 Park Ave. S.	Park Rapids	MN	56470	Kiosk	(218) 330-5713
2297	*	Agape Cup LLC	Tracy Bonney-Haenke	15825 Franklin Trail SE St.	Prior Lake	MN	55372	Kiosk	(402) 515-1618
364	*	Black Bedrock Enterprises, LLC	Matthew Dorothy	1608 Broadway Ave. S.	Rochester	MN	55904	Drive-thru coffeehouse	605-366-4288
990	*	Share House of Sartell LLC	Sarah Ressemann	233 Pine Cone Rd S.	Sartell	MN	56377	Kiosk	(612) 501-7912
455	*	Share House Coffee, LLC	Sarah Ressemann	3203 Division St.	St. Cloud	MN	56301	Kiosk	(612) 501-7912
894		Thief River Coffee Company, LLC	Michael Wiebolt	1850 US Hwy 59 SE	Thief River Falls	MN	56701	Kiosk	(218) 330-5713
1869	*	Good Day Brands LLC	Brent Miller	660 Marketplace Dr.	Waconia	MN	55387	Kiosk	(952) 905-0707
2312		Windom Coffee, LLC	Craig Mork	765 2nd Ave. N	Windom	MN	56101	Kiosk	701-212-3849
1958	*	Alallago, LLC	Brett Cipperley	1800 W Service Dr	Winona	MN	55987	Kiosk	(308) 289-3901
473	*	Blu Water Brew, LLC	Joshua Morris	1107 Oxford St	Worthington	MN	56187	Kiosk	402-730-7700
1665	*	Simple Cravings LLC	Paola Coronel	605 E. Broadway	Ashland	MO	65010	Kiosk	537-821-2245
491	*	Burbar Investments, LLC	Jack Burdick	211 E. North Ave.	Belton	MO	64012	Kiosk	(816) 876-5010
60		Loving Cup, LLC	Mackenzie Burnett	1116 SW 7 Hwy	Blue Springs	MO	64015	Drive-thru coffeehouse	816-224-3711
239		Loving Cup, LLC	Mackenzie Burnett	1310 NW Hwy 7	Blue Springs	MO	64014	Kiosk	816-663-0140
293		Loving Cup, LLC	Mackenzie Burnett	1230 NW Woods Chapel Rd	Blue Springs	MO	64015	Kiosk	(816) 381-0148
1960		Jennifer Allison LLC	Jennifer Allison	2395 Main Street	Boonville	MO	65233	Kiosk	(573) 268-5438
1668	*	GH Coffee, LLC	Kevin Hall	955 Hwy 54	Camdenton	MO	65020	Kiosk	(402) 750-1309
666	*	Java Investments, LLC	John Kozel	905 N. Walnut St.	Cameron	MO	64429	Kiosk	(402) 490-9103
584	*	Vandesmith Specialty Coffee LLC	Bart Vandeven	1705 N. Kingshighway	Cape Girardeau	MO	63701	Kiosk	(573) 200-4155
530	*	The Adventurous Bean, LLC	Elizabeth Gray	2404 William St.	Cape Girardeau	MO	63703	Kiosk	(573) 382-2550
818	*	BSP Coffee, Inc.	Robert Palmer	1306 W. Central Ave.	Carthage	MO	64836	Kiosk	(417) 414-8989
1149	*	Good Dog Coffee Company LLC	James Davis	701 N. Trade Center Blvd	Chesterfield	MO	63005	Kiosk	(660) 473-2720
776		Freedom Enterprises, LLC	Tracy Bouwens	1605 E. Ohio Street	Clinton	MO	64735	Kiosk	(913) 369-5817
269	*	GH Coffee, LLC	Kevin Hall	5 Old Hwy 63 S	Columbia	MO	65201	Drive-thru coffeehouse	(573) 607-9027
312	*	GH Coffee Columbia 2, LLC	Kevin Hall	2501 Grindstone Pkwy	Columbia	MO	65201	Kiosk	(573) 207-9786
423	*	GH Coffee Columbia 3, LLC	Kevin Hall	2101 W. Ash St.	Columbia	MO	65203	Drive-thru coffeehouse	(402) 750-1309
1662	*	GH Coffee, LLC	Kevin Hall	204 E. Nifong Blvd	Columbia	MO	65203	Drive-thru coffeehouse	(402) 750-1309
1588	*	Brewing Opportunities, LLC	Benjamin Campbell	623 N Franklin St	Cuba	MO	65453	Kiosk	(636) 577-7558
747	*	Pivotal Cup Highway LLC	Tanya Vadlapatla	600 Hwy Business 60 West	Dexter	MO	63841	Kiosk	(319) 939-3789
589	*	Vandesmith Specialty Coffee LLC	Bart Vandeven	16006 Manchester Rd.	Ellisville	MO	63011	Kiosk	(573) 200-4155
407	*	Java Investments, LLC	John Kozel	1752 W. Jesse James Rd.	Excelsior Springs	MO	64024	Kiosk	(402) 490-9103
586	*	Vandesmith Specialty Coffee LLC	Bart Vandeven	401 Karsch Blvd	Farmington	MO	63640	Kiosk	(573) 200-4155
677	*	South Arrow Coffee Company #2, LLC	Deena Parrish	307 S. Business 54	Fulton	MO	65251	Kiosk	(402) 709-4681
682		Loving Cup, LLC	Mackenzie Burnett	1620 N. State Route 291	Harrisonville	MO	64701	Kiosk	(913) 232-3893
137		Freedom Enterprises, LLC	Tracy Bouwens	2300 S. MO 291 Hwy.	Independence	MO	64057	Kiosk	(816) 252-2326
265		Freedom Enterprises, LLC	Tracy Bouwens	4309 S Noland Rd	Independence	MO	64055	Kiosk	816-886-1578

Store No.	*	Entity Name	Contact	Address	City	State	Zip	Building Type	Phone
2276		Loving Cup, LLC	Mackenzie Burnett	16300 E. US Hwy 24	Independence	MO	64056	Kiosk	(816) 916-5772
396	*	Vandesmith Specialty Coffee LLC	Bart Vandeven	601 East Jackson Blvd	Jackson	MO	63755	Kiosk	(573) 987-5194
346		GH Coffee Jeff City 1, LLC	Kevin Hall	2245 Missouri Blvd	Jefferson City	MO	65109	Kiosk	573-607-9027
172	*	Freedom Enterprises, LLC	Tracy Bouwens	5550 N Antioch Rd.	Kansas City	MO	64118	Kiosk	816-569-6551
551	*	Java Investments, LLC	John Kozel	8401 NW Prairie View Rd.	Kansas City	MO	64153	Kiosk	(402) 490-9103
658	*	Java Investments, LLC	John Kozel	10841 N. Stark Ave.	Kansas City	MO	64157	Kiosk	(402) 490-9103
258		Freedom Enterprises, LLC	Tracy Bouwens	5166 N Oak Trafficway	Kansas City	MO	64118	Kiosk	(816) 214-8965
2268		Loving Cup, LLC	Mackenzie Burnett	8710 E 63rd St.	Kansas City	MO	64133	Kiosk	(816) 916-5772
889	*	Pivotal Cup Crossroads LLC	Vamsi Mandava	1774 1st St.	Kennett	MO	63857	Kiosk	(319) 939-3789
354	*	Serenity Bean, LLC	Mary Maupin	1506 S Baltimore St	Kirksville	MO	63501	Drive-thru coffeehouse	660-956-9282
252	*	Freedom Enterprises, LLC	Tracy Bouwens	805 SW MO 150 Hwy	Lee's Summit	MO	64082	Kiosk	816-537-3055
375		Loving Cup, LLC	Mackenzie Burnett	855 NE Woods Chapel Rd	Lee's Summit	MO	64064	Kiosk	816-721-4066
885		Loving Cup, LLC	Mackenzie Burnett	707 NE Rice Rd.	Lee's Summit	MO	64086	Kiosk	(913) 232-3893
997		GH Coffee, LLC	Kevin Hall	1702 N. Missouri St.	Macon	MO	63552	Kiosk	(402) 750-1309
244		Brew Enterprises, LLC	Lindsey Jochim	1308 S Main St.	Maryville	MO	64468	Drive-thru coffeehouse	(660) 224-2207
676	*	South Arrow Coffee Company #1, LLC	Deena Parrish	2925 S. Clark St.	Mexico	MO	65265	Kiosk	(402) 709-4681
767		GH Coffee Moberly, LLC	Kevin Hall	534 E. Hwy 24	Moberly	MO	65270	Kiosk	(402) 750-1309
2457		Freedom Enterprises, LLC	Tracy Bouwens	319 W Austin Blvd.	Nevada	MO	64772	Kiosk	(913) 369-5817
526		JMBSR Enterprises, LLC	Mary Rolf	604 W. Mt. Vernon St.	Nixa	MO	65714	Kiosk	(417) 483-7116
167	*	Freedom Enterprises, LLC	Tracy Bouwens	2600 Burlington Street	North Kansas City	MO	64116	Kiosk	816-221-0990
2126		Loving Cup, LLC	Mackenzie Burnett	204 S. Broadway	Oak Grove	MO	64075	Kiosk	(913) 232-3893
390	*	Serenity Bean 2, LLC	Mary Maupin	2490 State Hwy K	O'Fallon	MO	63368	Kiosk	(816) 305-6766
575	*	Serenity Bean 3, LLC	Mary Maupin	411 S. Main St.	O'Fallon	MO	63366	Kiosk	(816) 305-6766
515	*	GH Coffee Ozarks 1, LLC	Kevin Hall	3641 Osage Beach Pkwy	Osage Beach	MO	65065	Kiosk	(402) 750-1309
667	*	Java Investments, LLC	John Kozel	9033 NW 45 Hwy	Parkville	MO	64152	Kiosk	(402) 490-9103
583	*	Vandesmith Specialty Coffee LLC	Bart Vandeven	1400 W. St. Joseph St.	Perryville	MO	63775	Kiosk	(573) 605-1520
326	*	Burbar Investments, LLC	Jack Burdick	1800 W. Foxwood Dr.	Raymore	MO	64083	Kiosk	816-876-5010
212	*	Freedom Enterprises, LLC	Tracy Bouwens	10105 E 350 Hwy	Raytown	MO	64138	Kiosk	816-709-3156
2019		Wilson-Bell Enterprises, LLC	Jann Wilson-Bell	521 S. Bishop Ave.	Rolla	MO	65401	Kiosk	(573) 308-8273
270		Wilson-Bell Enterprises, LLC	Jann Wilson-Bell	1000 W. 10th	Rolla	MO	65401	Non-traditional	(573) 458-7030
2023	*	JJ's Ventures LLC	Michael Troyer	306 N. US Hwy 71	Savannah	MO	64485	Kiosk	(816) 702-9602
178		Freedom Enterprises, LLC	Tracy Bouwens	3501 W Broadway Blvd	Sedalia	MO	65301	Kiosk	(660) 851-0220
397	*	Life's Little Perks, LLC	Elizabeth Gray	422 N Main St	Sikeston	MO	63801	Kiosk	573-382-2550
337		Freedom Enterprises, LLC	Tracy Bouwens	15700 N 169 Hwy, Unit B	Smithville	MO	64089	Kiosk	(816) 343-2070
249	*	JMBSR Enterprises, LLC	Mary Rolf	2930 S Campbell Ave	Springfield	MO	65807	Kiosk	417-890-4077
254	*	JMBSR Enterprises, LLC	Mary Rolf	3265 E. Sunshine St.	Springfield	MO	65804	Kiosk	417-368-3377
272		Brew Enterprises, LLC	Lindsey Jochim	2410 N Belt Highway	St Joseph	MO	64506	Kiosk	(816) 396-0634
107		Freedom Enterprises, LLC	Tracy Bouwens	5325 Faraon St.	St. Joseph	MO	64506	Non-traditional	816-387-8701

Store No.	*	Entity Name	Contact	Address	City	State	Zip	Building Type	Phone
1148	*	Good Dog Coffee Company LLC	James Davis	10190 Page Ave.	St. Louis	MO	63132	Kiosk	(660) 473-2720
576	*	Serenity Bean 4, LLC	Mary Maupin	7895 Mexico Rd.	St. Peters	MO	63376	Kiosk	(816) 305-6766
112		Wilson-Bell Enterprises, LLC	Jann Wilson-Bell	322 Mid Rivers Mall Dr	St. Peters	MO	63376	Kiosk	636-387-5012
680	*	South Arrow Coffee Company #4, LLC	Deena Parrish	10 Lincoln Center	Troy	MO	63379	Kiosk	(402) 709-4681
678	*	South Arrow Coffee Company #3, LLC	Deena Parrish	1501 Denmark Rd.	Union	MO	63084	Kiosk	(402) 709-4681
191	*	Freedom Enterprises, LLC	Tracy Bouwens	501 N Maguire St.	Warrensburg	MO	64093	Drive-thru coffeehouse	660-362-0171
588	*	Vandesmith Specialty Coffee LLC	Bart Vandeven	718 Hwy N 47	Warrenton	MO	63383	Kiosk	(573) 200-4155
819	*	BSP Coffee, Inc.	Robert Palmer	702 S. Madison St.	Webb City	MO	64870	Kiosk	(417) 414-8989
1754	*	SAS Coffee LLC	Anthony Sas	2507 Lincolnton Hwy	Cherryville	NC	28021	Kiosk	(917) 860-4145
560	*	S&S Java Enterprises - Clayton, LLC	Robert Southerland	10534 US-70 BUS	Clayton	NC	27520	Kiosk	(919) 426-7670
409		SchroJoe2, LLC	Craig Schroeder	5859 W. Hwy 74	Indian Trail	NC	28079	Kiosk	(614) 886-1205
1893	*	E. Atlantic Caffeine LLC	Joseph Walker III	2230 E. Main St.	Lincolnton	NC	28092	Kiosk	(803) 730-6131
308		SchroJoe1, LLC	Craig Schroeder	1306 W Roosevelt Blvd	Monroe	NC	28110	Kiosk	(614) 886-1205
420	*	S&S Java Enterprises - Smithfield, LLC	Robert Southerland	701 N. Brightleaf Blvd	Smithfield	NC	27577	Kiosk	(919) 426-7670
1807	*	Scoot Operating I, LLC	Morgan DeBerry	6851 Market St.	Wilmington	NC	28405	Kiosk	(706) 614-2299
854		S&S Java Enterprises - Wilson, LLC	Robert Southerland	1700 Raleigh Rd. Pkwy W.	Wilson	NC	27893	Kiosk	(919) 426-7670
592	*	Worm Farm LLC	Thomas Fritz	433 E. Bismarck Expy	Bismarck	ND	58503	Kiosk	(605) 359-7008
862	*	Rogue Coffee LLC	John Robertson	1111 S. Washington St	Grand Forks	ND	58203	Drive-thru coffeehouse	(218) 280-6744
463	*	LSG, LLC	Thomas Davis	3610 Veterans Blvd	West Fargo	ND	58078	Kiosk	(402) 650-0017
277		Idash5 Enterprises, LLC	Gary Rimington	1439 W 3rd Street	Alliance	NE	69301	Kiosk	308-633-0013
611	*	Get After It Services, LLC	Todd Vettel	440 Q St.	Aurora	NE	68818	Kiosk	(402) 885-0964
207		Kieffer Coffee, LLC	Scott Kieffer	2305 N 6th Street	Beatrice	NE	68310	Drive-thru coffeehouse	402-806-4202
8		ARC Holdings, LLC	Adam Cockerill	3615 Summit Plaza #104	Bellevue	NE	68123	End cap	402-293-0100
59		Freedom Enterprises, LLC	Tracy Bouwens	2211 Capehart Road #107	Bellevue	NE	68123	End cap	402-504-9700
43		ARC Holdings, LLC	Adam Cockerill	903 Ft Crook Rd N	Bellevue	NE	68005	Kiosk	402-731-2441
163		ARC Holdings, LLC	Adam Cockerill	1550 Harlan Dr	Bellevue	NE	68005	Kiosk	(402) 932-5665
88		MBTK Enterprises, LLC	Travis Rhoades	2045 S. 20th St.	Blair	NE	68008	Kiosk	402-426-5282
1582		JV Investments, LLC	Jay Voss	341 W. 3rd St.	Chadron	NE	69337	Kiosk	(308) 430-4379
192		Collaborative Ventures, LLC	Justin Gulbrandson	2117 23rd St.	Columbus	NE	68601	Kiosk	(402) 310-5774
1518		Collaborative Ventures, LLC	Justin Gulbrandson	102 E. 23rd St.	Columbus	NE	68601	Kiosk	(402) 310-5774
434		ENS Coffee LLC	Eric Neff	2125 Cardinal Lane	Crete	NE	68333	Kiosk	(402) 310-8817
40		Newsellers, LLC	Rhonda Newgard	1119 North 204th Ave #103	Elkhorn	NE	68022	End cap	402-932-8880
185		Newsellers, LLC	Rhonda Newgard	1515 S 204th St. Suite #101	Elkhorn	NE	68022	End cap	402-505-4012
56		Skidmore Enterprises, LLC	Sarah Bosshart	610 E 23 St #C	Fremont	NE	68025	End cap	402-721-2888
448		Skidmore Enterprises, LLC	Sarah Bosshart	2620 East 23rd Ave N.	Fremont	NE	68025	Kiosk	402-719-6931
188		LoJo Riverside, LLC	Julie Ortman	509 N. 14th St.	Ft. Calhoun	NE	68023	Kiosk	402-468-4760
179	*	Freedom Enterprises, LLC	Tracy Bouwens	3418 W. State Street	Grand Island	NE	68803	Kiosk	308-675-0375
38		Freedom Enterprises, LLC	Tracy Bouwens	2105 S. Locust	Grand Island	NE	68801	End cap	308-382-4126

Store No.	*	Entity Name	Contact	Address	City	State	Zip	Building Type	Phone
168		Skidmore Enterprises, LLC	Sarah Bosshart	11791 S Highway 6	Gretna	NE	68028	Kiosk	402-332-2729
154		T4 Enterprises, LLC	Shanna Turner	21331 Nebraska Crossing Dr.	Gretna	NE	68028	Non-traditional	(712) 420-9491
261	*	Gopher Enterprises, LLC	Irene Burklund	423 S. Burlington Ave.	Hastings	NE	68901	Kiosk	(402) 834-3610
310	*	Gopher Enterprises, LLC	Irene Burklund	3606 Osborne Drive East	Hastings	NE	68901	Kiosk	(402) 669-2244
296		Fourburks Holdings, LLC	Irene Burklund	103 4th Ave.	Holdrege	NE	68949	Kiosk	308-248-3082
174	*	Freedom Enterprises, LLC	Tracy Bouwens	114 2nd Ave East	Kearney	NE	68848	Kiosk	308-236-4144
92		Freedom Enterprises, LLC	Tracy Bouwens	4402 2nd Avenue	Kearney	NE	68847	Kiosk	308-236-2133
6		ARC Holdings, LLC	Adam Cockerill	8102 S 84th St	La Vista	NE	68128	Kiosk	402-502-8544
360		Vanfair Enterprises, Inc.	Curt Van Laningham	2801 Plum Creek Pkwy	Lexington	NE	68850	Kiosk	(308) 289-6446
90		Metzo, LLC	Jason Metcalf	2700 Dan Avenue	Lincoln	NE	68504	Drive-thru coffeehouse	402-742-0263
66		Moxie Management, LLC	Jason Metcalf	2901 S. 84th Street #1&2	Lincoln	NE	68506	End cap	402-327-8477
89		Scooter's Village Gardens, LLC	Sam Manzitto Sr.	5800 Hidcote Dr. Suite #100	Lincoln	NE	68516	End cap	402-858-6481
159		Oh Metcalf, LLC	Jason Metcalf	6811 O Street	Lincoln	NE	68510	End cap	402-464-0321
193		M52, LLC	Jason Metcalf	5310 O Street	Lincoln	NE	68510	End cap	(402) 476-0545
294		Boomer Scooter, LLC	Jason Metcalf	4500 s 70th St	Lincoln	NE	68516	End cap	(531) 500-4669
300		Metcalf Station, LLC	Jason Metcalf	4810 Old Cheney Rd	Lincoln	NE	68516	End cap	402-202-6314
328		Yankee Hill Scooter's, LLC	Jason Metcalf	2600 Pine Lake Road Suite 2	Lincoln	NE	68512	End cap	402-202-6314
77		Metzo 33, LLC	Jason Metcalf	4321 S 33rd St	Lincoln	NE	68516	Kiosk	402-327-0560
114		Metcalf Highway, LLC	Jason Metcalf	3275 Cornhusker Highway	Lincoln	NE	68504	Kiosk	402-325-0196
139		Metcalf OC, LLC	Jason Metcalf	5535 S. 16th St.	Lincoln	NE	68512	Kiosk	402-421-0993
151		Collaborative Ventures, LLC	Justin Gulbrandson	2790 N. 83rd St.	Lincoln	NE	68507	Kiosk	(402) 310-5774
194		Metcalf West, LLC	Jason Metcalf	401 West O	Lincoln	NE	68528	Kiosk	402-476-5995
195		Fallbrook Scooter's, LLC	Jason Metcalf	844 Fallbrook Blvd	Lincoln	NE	68521	Kiosk	(402) 438-7160
196		Normal Metcalf, LLC	Jason Metcalf	3838 Normal Blvd.	Lincoln	NE	68506	Kiosk	402-476-0547
449		Metcalf on 10th, LLC	Jason Metcalf	945 Hill St.	Lincoln	NE	68502	Kiosk	402-202-6314
848		MCI Hill, LLC	Jason Metcalf	8485 Andermatt Dr.	Lincoln	NE	68526	Kiosk	(402) 202-6314
47		Metzo Mall, LLC	Jason Metcalf	6100 O Street #274A	Lincoln	NE	68506	Non-traditional	402-327-0633
99		Yankee Hill Scooter's, LLC	Jason Metcalf	555 S. 70th St.	Lincoln	NE	68510	Non-traditional	402-219-7217
105		Metcalf Coffee, Inc.	Jason Metcalf	301 Centennial Mall St	Lincoln	NE	68509	Non-traditional	402-476-4111
1460		Fourburks Holdings, LLC	Irene Burklund	1203 W. B St.	McCook	NE	69001	Kiosk	(402) 669-2244
182		Brew Enterprises, LLC	Lindsey Jochim	2104 S 11th St.	Nebraska City	NE	68410	Drive-thru coffeehouse	402-873-2916
96		Reynoldson Coffee, LLC	Michael Reynoldson	920 S. 13th St.	Norfolk	NE	68701	Kiosk	402-379-0887
241		Reynoldson Coffee, LLC	Michael Reynoldson	902 W Benjamin Ave.	Norfolk	NE	68701	Kiosk	402-316-7811
204	*	Freedom Enterprises, LLC	Tracy Bouwens	1400 South Dewey	North Platte	NE	69101	End cap	308-221-6952
262	*	Vanfair Enterprises, Inc.	Curt Van Laningham	302 Oregon Trail Dr.	Ogallala	NE	69153	End cap	308-284-7008
205	*	Freedom Enterprises, LLC	Tracy Bouwens	14501 West Center Rd	Omaha	NE	68144	Kiosk	402-932-7995
214	*	Freedom Enterprises, LLC	Tracy Bouwens	4040 N. 72nd St	Omaha	NE	68134	Kiosk	402-932-7995
380		MaDillan Enterprises, LLC	Christen Shelbourn	1209 S 119th St	Omaha	NE	68144	Drive-thru coffeehouse	402-697-7585
382		Freedom Enterprises, LLC	Tracy Bouwens	7772 Cass St	Omaha	NE	68114	Drive-thru coffeehouse	(913) 369-5817

Store No.	*	Entity Name	Contact	Address	City	State	Zip	Building Type	Phone
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386		ARC Holdings, LLC	Adam Cockerill	5923 Center St	Omaha	NE	68106	Drive-thru coffeehouse	(402) 319-7848
1		Cool Beans RNB, LLC	Rob Brownell	11975 Blondo Street	Omaha	NE	68164	End cap	402-932-3473
10		MaDillan Enterprises, LLC	Christen Shelbourn	15655 Pacific Street #3	Omaha	NE	68118	End cap	402-991-5282
11		J's Java, Inc.	John Gajewski	17935 Welch Plz #101	Omaha	NE	68135	End cap	402-891-2017
64		ARC Holdings, LLC	Adam Cockerill	6303 Center St. #101	Omaha	NE	68106	End cap	402-504-3211
69		LoJo Riverside, LLC	Julie Ortman	9229 Mormon Bridge Plz #1	Omaha	NE	68152	End cap	(402) 305-8553
117		Freedom Enterprises, LLC	Tracy Bouwens	15805 W. Maple Rd. #108	Omaha	NE	68116	End cap	402-933-4788
136		Freedom Enterprises, LLC	Tracy Bouwens	2812 South 108th Street	Omaha	NE	68144	End cap	402-614-6099
177		Keene Coffee, LLC	Chad Keene	304 N 179th St., Suite 201	Omaha	NE	68118	End cap	402-884-8868
299		Newsellers, LLC	Rhonda Newgard	18940 Evans St Suite 101	Omaha	NE	68022	End cap	(402) 979-8400
9		ARC Holdings, LLC	Adam Cockerill	2815 S 132nd St	Omaha	NE	68144	Kiosk	402-334-0377
12		Freedom Enterprises, LLC	Tracy Bouwens	7149 Dodge Street	Omaha	NE	68132	Kiosk	402-556-6023
14		ARC Holdings, LLC	Adam Cockerill	13951 S St	Omaha	NE	68133	Kiosk	402-933-1797
15		ACJS Holdings, LLC	Adam Cockerill	17530 Wright St.	Omaha	NE	68130	Kiosk	402-330-5452
20		ARC Holdings, LLC	Adam Cockerill	5233 S 96th St	Omaha	NE	68127	Kiosk	402-932-2833
23		Freedom Enterprises, LLC	Tracy Bouwens	8459 W. Center	Omaha	NE	68124	Kiosk	402-391-1115
32		ACJS Holdings, LLC	Adam Cockerill	5405 S. 72nd Street	Omaha	NE	68127	Kiosk	402-592-0072
53		Freedom Enterprises, LLC	Tracy Bouwens	111 N. 78th St.	Omaha	NE	68114	Kiosk	402-391-1515
108		Two Poles Coffee, LLC	John Gajewski	310 N. 168th Cir.	Omaha	NE	68118	Kiosk	(402) 614-5788
110		M5, LLC	Jenna Moulton	8401 F St.	Omaha	NE	68127	Kiosk	402-502-7299
113		ARC Holdings, LLC	Adam Cockerill	7595 Pacific St	Omaha	NE	68114	Kiosk	402-502-1961
116		ARC Holdings, LLC	Adam Cockerill	12246 West Center Rd	Omaha	NE	68144	Kiosk	402-359-1111
118		ARC Holdings, LLC	Adam Cockerill	11901 Fort St.	Omaha	NE	68164	Kiosk	402-934-9949
142		Freedom Enterprises, LLC	Tracy Bouwens	4259 S. 144th St.	Omaha	NE	68137	Kiosk	402-905-0880
176		Dirt Road Coffee Company LLC	Nick Jarecke	6102 Irvington Road	Omaha	NE	68134	Kiosk	402-571-4275
210		ARC Holdings, LLC	Adam Cockerill	5502 S 84th St	Omaha	NE	68127	Kiosk	402-905-2555
213		T4 Enterprises, LLC	Shanna Turner	5929 F St.	Omaha	NE	68117	Kiosk	402-505-6646
227		Cool Beans RNB, LLC	Rob Brownell	3703 N. 144th St.	Omaha	NE	68116	Kiosk	402-502-0772
242		J's Java Jr., Inc.	John Gajewski	16804 Decatur St	Omaha	NE	68118	Kiosk	(402) 452-3000
289		Freedom Enterprises, LLC	Tracy Bouwens	3206 N 90th St	Omaha	NE	68134	Kiosk	(402) 916-4353
335		T4 Enterprises, LLC	Shanna Turner	3315 S 72nd St	Omaha	NE	68124	Kiosk	(712) 420-9491
381		Triple Shot Java, LLC	John Gajewski	15310 Weir St	Omaha	NE	68137	Kiosk	531-466-5945
267		Start Enterprises, LLC	Julian Young	2928 Ames Ave.	Omaha	NE	68111	Drive-thru coffeehouse	(402) 968-7753
383		Cool Beans RNB, LLC	Rob Brownell	3695 N 129th St	Omaha	NE	68164	Kiosk	(402) 614-1723
436		Lucky Shots Coffee, LLC	John Gajewski	6926 S. 178th Plaza	Omaha	NE	68136	Kiosk	402-630-3672
1720		MaDillan Enterprises, LLC	Christen Shelbourn	10810 Pacific St.	Omaha	NE	68154	Kiosk	(402) 321-8616
13		Keene Coffee, LLC	Chad Keene	17151 Davenport St #107	Omaha	NE	68118	Non-traditional	402-934-9774
28		Rigel Airport, LLC	Brian Bartling	4501 Abbott Drive - North Terminal	Omaha	NE	68110	Non-traditional	(402) 422-6376
29		Rigel Airport, LLC	Brian Bartling	4501 Abbott Drive - Central Terminal	Omaha	NE	68110	Non-traditional	402-422-6376
30		Rigel Airport, LLC	Brian Bartling	4501 Abbott Drive - South Terminal	Omaha	NE	68110	Non-traditional	402-422-6376
384		Studly Dudley, LLC	Mark Dudley	8200 Dodge St	Omaha	NE	68114	Non-traditi	402-955-5010

Store No.	*	Entity Name	Contact	Address	City	State	Zip	Building Type	Phone
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385		Studly Dudley, LLC	Mark Dudley	8303 Dodge St	Omaha	NE	68114	Non-traditi onal	(402) 354-4318
18		Freedom Enterprises, LLC	Tracy Bouwens	751 Pinnacle Drive	Papillion	NE	68046	End cap	402-884-2240
231		TLC Coffee, LLC	Chandra Kipper	766 Gold Coast Drive	Papillion	NE	68046	Kiosk	402-506-4820
181		Schaper Enterprises, Inc	Marci Covington	16401 Westside Dr.	Plattsmouth	NE	68048	End cap	402-296-9079
454		Lindley's Coffee Shop II, LLC	Nathan Lindley	102 W. 16th St.	Schuyler	NE	68661	Kiosk	402-614-1723
233		Idash5 Enterprises, LLC	Gary Rimington	3301 Avenue B	Scottsbluff	NE	69361	Kiosk	308-633-0013
355		Idash5 Enterprises, LLC	Gary Rimington	1217 Ave I	Scottsbluff	NE	69361	Kiosk	308-672-4417
422	*	GH Coffee Seward, LLC	Kevin Hall	240 N. 6th St.	Seward	NE	68434	Kiosk	(402) 750-1309
412	*	Alderman-Dreher Holdings, LLC	Alison Alderman-Dreher	900 Dakota Ave	South Sioux City	NE	68776	Kiosk	402-689-6390
1374		6 Java Boys, LLC	Erin Longenecker	534 N. Chestnut St.	Wahoo	NE	68066	Kiosk	402-210-4762
438		Lindley's Coffee Shop, LLC	Nathan Lindley	527 E 7th St	Wayne	NE	68787	Kiosk	(402) 650-2973
340		Vanfair Enterprises, Inc.	Curt Van Laningham	420 S. Lincoln Ave	York	NE	68467	Kiosk	(402) 745-1400
1175	*	Cafecito LLC	Angela Chacon	2509 San Mateo Blvd NE	Albuquerque	NM	87110	Kiosk	(505) 715-9111
1043	*	PerkiRhana, LLC	David Perkins	560 State Hwy. 528	Bernalillo	NM	87004	Kiosk	(918) 760-2715
1694	*	Four Wise Coffee, LLC	Matt Yeager	1105 N. Main St.	Las Cruces	NM	88001	Kiosk	(575) 405-9695
1044	*	PerkiRhana, LLC	David Perkins	2200 Southern Blvd SE	Rio Rancho	NM	87124	Kiosk	(918) 760-2715
298	*	Select Projects, LLC	Julie Walker	7350 S Eastern Ave	Las Vegas	NV	89123	Kiosk	(725) 223-8700
374		RR2021, LLC	Roberta Toomer	6585 S. Decatur Blvd.	Las Vegas	NV	69118	Kiosk	951-790-9017
2155	*	ME Coffee, LLC	Matthew M. Smith	4791 Dixie Hwy	Fairfield	OH	45014	Kiosk	(513) 275-8400
1298	*	33 Coffee LLC	Allan Pressnell	1260 N. Memorial Dr.	Lancaster	OH	43130	Kiosk	(740) 603-7255
1794	*	Central Ohio Coffee LLC	Jayna Jansen	17769 St. Rt. 31	Marysville	OH	43040	Kiosk	(254) 258-1769
1652		Expresso Coffee Shop Inc.	Mike Shimandle	34522 Center Ridge Rd.	North Ridgeville	OH	44039	Kiosk	(440) 864-6195
1251	*	Generational Brews LLC	Jessica Moore	4023 Talmadge Rd.	Toledo	OH	43623	Kiosk	(601) 270-1154
398		Encore Food and Beverage LLC	Phillip Blue	1825 12th Ave. NW	Ardmore	OK	73401	Kiosk	(580) 798-4025
516		Good Day, LLC	Bill Allen	510 SE Washington Blvd	Bartlesville	OK	74006	Kiosk	918-809-7362
391		Metcalf Coffee Oklahoma, Inc.	Jason Metcalf	7100 NW 39th Expy	Bethany	OK	73008	Kiosk	(405) 367-3004
696	*	DixieLou LLC	James Cheek	14801 S. Memorial Dr.	Bixby	OK	74008	Kiosk	(405) 612-5419
695	*	DixieLou LLC	James Cheek	2346 E. Kenosha St.	Broken Arrow	OK	74014	Kiosk	(405) 612-5419
723		Pura Vida Coffee, LLC	Darryl Sartwell	19298 E. Admiral Place	Catoosa	OK	74015	Kiosk	(918) 230-9170
1243		Franchise Freak Inc.	Eric Maxey	2103 S. 5th St.	Chickasha	OK	73018	Kiosk	(405) 795-3398
748	*	Freeman Coffee Enterprises, LLC	Mike Freeman	14195 OK-51	Coweta	OK	74429	Kiosk	(918) 625-0594
451	*	Jungels Coffee, LLC	Tony Jungels	16401 N. Western Ave.	Edmond	OK	73013	Kiosk	(405) 938-9119
452	*	Jungels Coffee, LLC	Tony Jungels	3133 S Kelly Ave.	Edmond	OK	73013	Kiosk	(405) 938-9119
363		Metcalf Coffee Oklahoma, Inc.	Jason Metcalf	230 W. Edmond Rd.	Edmond	OK	73003	Kiosk	402-614-1723
2188		Ace Food Group IV LLC	Tyrone Muldowney	7641 US Hwy 277	Elgin	OK	73538	Kiosk	(580) 695-1138
1307	*	Elk City Wolfpack, LLC	Cecil Skipper	511 W. 3rd St.	Elk City	OK	73644	Kiosk	806-202-6610
1481		Metcalf Coffee Oklahoma, Inc.	Jason Metcalf	1605 S. Division St.	Guthrie	OK	73044	Kiosk	(402) 202-6314
1233		Branded Enterprises, L.L.C.	Trevor Brandenburgh	702 E. Jackson St.	Hugo	OK	74743	Kiosk	(402) 770-0300

Store No.	*	Entity Name	Contact	Address	City	State	Zip	Building Type	Phone
683		Ace Food Group III LLC	Tyrone Muldowney	2312 W. Gore Blvd	Lawton	OK	73505	Kiosk	(580) 695-1138
686		Pura Vida Coffee 686, LLC	Darryl Sartwell	10 Goodrich Blvd.	Miami	OK	74355	Kiosk	(918) 230-9170
410		Metcalf Coffee Oklahoma, Inc.	Jason Metcalf	1865 S Douglas Blvd	Midwest City	OK	73130	Kiosk	(402) 614-1723
2206		Metcalf Coffee Oklahoma, Inc.	Jason Metcalf	390 S. Eastern Ave.	Moore	OK	73160	Kiosk	(402) 202-6314
1769		Metcalf Coffee Oklahoma, Inc.	Jason Metcalf	601 N. Main St.	Noble	OK	73068	Kiosk	(402) 202-6314
320		Metcalf Coffee Oklahoma, Inc.	Jason Metcalf	2223 W Main St	Norman	OK	73069	Kiosk	402-614-1723
387		Metcalf Coffee Oklahoma, Inc.	Jason Metcalf	105 12th Ave. SE	Norman	OK	73071	Kiosk	402-614-1723
917	*	Burt Coffee OKC-1, LLC	Tricia Burt	9400 N. May Ave.	Oklahoma City	OK	73120	Kiosk	(402) 429-2155
347		Metcalf Coffee Oklahoma, Inc.	Jason Metcalf	7040 NW 122nd St	Oklahoma City	OK	73142	Kiosk	405-367-0742
353		Metcalf Coffee Oklahoma, Inc.	Jason Metcalf	4800 South Sooner Road	Oklahoma City	OK	73145	Kiosk	402-614-1723
366		Metcalf Coffee Oklahoma, Inc.	Jason Metcalf	3924 NW 39th St	Oklahoma City	OK	73112	Kiosk	(402) 614-1723
376		Metcalf Coffee Oklahoma, Inc.	Jason Metcalf	12300 N May Ave	Oklahoma City	OK	73120	Kiosk	(405) 608-1076
400		Metcalf Coffee Oklahoma, Inc.	Jason Metcalf	2100 NW 145th St	Oklahoma City	OK	73134	Kiosk	402-614-1723
408		Metcalf Coffee Oklahoma, Inc.	Jason Metcalf	7916 S Western Ave	Oklahoma City	OK	73139	Kiosk	402-614-1723
427		Metcalf Coffee Oklahoma, Inc.	Jason Metcalf	1321 N Classen Blvd	Oklahoma City	OK	73106	Kiosk	402-614-1723
486		Metcalf Coffee Oklahoma, Inc.	Jason Metcalf	5000 N. Blackwelder Ave.	Oklahoma City	OK	73118	Kiosk	(402) 202-6314
921		Heartlands Coffee LLC	Kenneth Sharpe	8000 SW 3rd Street	Oklahoma City	OK	73128	Kiosk	(402) 578-9556
1154		Metcalf Coffee Oklahoma, Inc.	Jason Metcalf	11900 S. Pennsylvania Ave.	Oklahoma City	OK	73170	Kiosk	(402) 202-6314
1649		Metcalf Coffee Oklahoma, Inc.	Jason Metcalf	2813 SW 89th St.	Oklahoma City	OK	73159	Kiosk	(402) 202-6314
1790	*	BOP LLC	Trevor Brandenburgh	1703 N. Broadway St.	Poteau	OK	74953	Kiosk	(402) 770-0300
911	*	Reynoldson Coffee Harrison LLC	Michael Reynoldson	1502 Harrison Ave.	Shawnee	OK	74804	Kiosk	(402) 649-8282
914	*	Reynoldson Coffee Kickapoo LLC	Michael Reynoldson	4401 N. Kickapoo Ave.	Shawnee	OK	74804	Kiosk	(402) 649-8282
729		Encore Food and Beverage LLC	Phillip Blue	1305 E. Main St.	Tishomingo	OK	73460	Kiosk	(580) 371-8741
208	*	Good Day, LLC	Bill Allen	6954 S. Lewis Ave.	Tulsa	OK	74136	Kiosk	918-292-8782
706	*	Progressus OK LLC	Phillip Garrison	4320 S. Peoria Ave.	Tulsa	OK	74105	Kiosk	(918) 860-0183
352		Freeman Coffee Enterprises, LLC	Mike Freeman	6079 S Memorial Dr	Tulsa	OK	74133	Kiosk	(918) 221-5393
443		Freeman Coffee Enterprises, LLC	Mike Freeman	8050 S Sheridan Rd	Tulsa	OK	74133	Kiosk	(539) 424-1631
698	*	DixieLou LLC	James Cheek	549 E. Illinois Ave.	Vinita	OK	74301	Kiosk	(405) 612-5419
922		Heartlands Coffee Macarthur LLC	Kenneth Sharpe	5930 Northwest Expwy.	Warr Acres	OK	73132	Kiosk	(402) 578-9556
927	*	Feine Freaks, LLC	Angelica Sheets	2132 Oklahoma Ave.	Woodward	OK	73801	Kiosk	(620) 544-1865
1537	*	WalReed Bev Co, LLC	Joseph Walker III	85 Tulip Oak Dr	Columbia	SC	29203	Kiosk	(803) 730-6131
1540	*	WalReed Bev Co, LLC	Joseph Walker III	7808 Garners Ferry Rd.	Columbia	SC	29209	Kiosk	(803) 730-6131
1954	*	290 Roasters LLC	James Clark	1554 East Main St.	Duncan	SC	29334	Kiosk	(864) 304-6494
1623		More Than Beans, LLC	James Mumgaard	2027 Wade Hampton Blvd.	Greenville	SC	29615	Kiosk	(402) 459-1374
1542	*	WalReed Bev Co, LLC	Joseph Walker III	812 Hwy 1 South	Lugoff	SC	29078	Kiosk	(803) 730-6131
1416	*	BigSBA Enterprise LLC	Chandler Bigelow	5641 N. Rhett Ave.	North Charleston	SC	29406	Kiosk	(318) 834-0200
1538	*	WalReed Bev Co, LLC	Joseph Walker III	2369 Chestnut St.	Orangeburg	SC	29115	Kiosk	(803) 730-6131
1535	*	WalReed Bev Co,	Joseph Walker III	1120 Peach Orchard	Sumter	SC	29154	Kiosk	(803) 730-6131

Store No.	*	Entity Name	Contact	Address	City	State	Zip	Building Type	Phone
		LLC		Rd.					
1543	*	WalReed Bev Co, LLC	Joseph Walker III	481 Pinewood Rd.	Sumter	SC	29154	Kiosk	(803) 730-6131
673		Hart Family Coffee LLC	David Pedelty	606 S. Washington St.	Aberdeen	SD	57401	Kiosk	(217) 766-1560
184		Rhoades Enterprises, LLC	Travis Rhoades	110 East Holly Blvd.	Brandon	SD	57005	End cap	605-582-6789
224		Rhoades Enterprises, LLC	Travis Rhoades	305 22nd Ave. S.	Brookings	SD	57006	Kiosk	605-692-5445
1343	*	Coffee Shack Huron, LLC	Grant Johnson	1815 Dakota Ave. S.	Huron	SD	57350	Kiosk	(605) 630-6989
356	*	Rhoades Enterprises, LLC	Travis Rhoades	745A S Washington Ave	Madison	SD	57042	End cap	605-496-6082
255		Shack Coffee Mitchell LLC	Grant Johnson	321 E. Havens Ave.	Mitchell	SD	57301	Kiosk	605-990- 3210
344		Reynoldson Coffee South Dakota, LLC	Michael Reynoldson	401 E Sioux Ave	Pierre	SD	57501	Kiosk	402-614-1723
276	*	Family Fuel, LLC	Jodi Purdy	3850 Eglin St	Rapid City	SD	57703	End cap	(605) 791-0432
253	*	Family Fuel, LLC	Jodi Purdy	1821 5th St	Rapid City	SD	57701	Kiosk	(605) 791-0195
404	*	Family Fuel, LLC	Jodi Purdy	2260 Promise Rd.	Rapid City	SD	57702	Kiosk	(605) 391-7611
414	*	Rhoades Enterprises, LLC	Travis Rhoades	2205 W. 12th St.	Sioux Falls	SD	57106	Drive-thru coffeehouse	605-271-4988
257	*	Rhoades Enterprises, LLC	Travis Rhoades	6503 W. 41st St	Sioux Falls	SD	57106	End cap	605-271-1632
290	*	Rhoades Enterprises, LLC	Travis Rhoades	3305 S Sycamore Ave	Sioux Falls	SD	57103	Kiosk	(605) 306-3263
558	*	Rhoades Enterprises, LLC	Travis Rhoades	1700 N Cavalier Ave	Sioux Falls	SD	57107	Kiosk	(605) 496-6082
2356	*	Rhoades Enterprises, LLC	Travis Rhoades	3201 W Benson Rd.	Sioux Falls	SD	57107	Kiosk	(605) 496-6082
41		Rhoades Enterprises, LLC	Travis Rhoades	5009 S. Western Ave. #240	Sioux Falls	SD	57108	End cap	605-271-0293
225		Rhoades Enterprises, LLC	Travis Rhoades	7710 S Dakota Hawk Ave.	Sioux Falls	SD	57108	End cap	605-271-0964
140		Rhoades Enterprises, LLC	Travis Rhoades	420 W 33rd St.	Sioux Falls	SD	57105	Kiosk	605-275-4233
158		Rhoades Enterprises, LLC	Travis Rhoades	5303 W. 57th St	Sioux Falls	SD	57106	Kiosk	605-275-4234
183		Rhoades Enterprises, LLC	Travis Rhoades	3650 E. 10th Street	Sioux Falls	SD	57103	Kiosk	(605) 271-2988
559	*	Rhoades Enterprises, LLC	Travis Rhoades	800 Gateway Lane	Tea	SD	57064	Kiosk	(605) 496-6082
433	*	Rhoades Enterprises, LLC	Travis Rhoades	1007 Princeton Ave	Vermillion	SD	57069	Kiosk	605-496-6082
275		Black Bedrock Enterprises, LLC	Matthew Dorothy	108 9th Ave SE	Watertown	SD	57201	Drive-thru coffeehouse	605-878-0649
150		Reynoldson Coffee South Dakota, LLC	Michael Reynoldson	1907 Broadway	Yankton	SD	57078	Kiosk	605-689-2633
501	*	Music City Specialty Coffee - Old Burkitt, LLC	Lisa Troester	1005 Gant Hill Dr.	Brentwood	TN	37027	Kiosk	(402) 416-8545
388	*	Coffee Roots TN LLC	Rostis Timoshchuk	7318 Shallowford Rd.	Chattanooga	TN	37421	Kiosk	(423) 313-3373
564	*	Coffee Roots TN LLC	Rostis Timoshchuk	4631 TN-58	Chattanooga	TN	37416	Kiosk	(423) 313-3373
566	*	Coffee Roots TN LLC	Rostis Timoshchuk	9395 Apison Pike	Chattanooga	TN	37363	Kiosk	(423) 313-3373
469	*	Black Dog Coffee, LLC	Danny Parker	2825 Keith St. NW	Cleveland	TN	37312	Kiosk	(423) 432-2424
1022	*	Amazing Coffee LLC	Thomas Blake McDavid	4287 Fort Henry Dr.	Kingsport	TN	37663	Kiosk	(423) 863-7202
1843	*	Brellaancake Coffee LLC	Linda Patterson	105 Port Dr.	Kingsport	TN	37660	Kiosk	(423) 612-9030
435	*	C & E Businesses, LLC	Emily Harris	8004 Kingston Pike	Knoxville	TN	37919	Kiosk	(865) 603-8776
1023	*	Callahan Coffee LLC	Thomas Blake McDavid	1725 Old Callahan Dr.	Knoxville	TN	37912	Kiosk	(423) 863-7202
357		Little Seed Coffee, Inc	Stacey Gering	10512 Kingston Pike #2	Knoxville	TN	37922	Kiosk	316-650-4422
1656	*	Little Seed Coffee, Inc	Stacey Gering	2002 W. Broadway	Maryville	TN	37801	Kiosk	(316) 650-4422

Store No.	*	Entity Name	Contact	Address	City	State	Zip	Building Type	Phone
				Ave.					
2130	*	Hudson Ventures Midtown LLC	Chase Hudson	1698 Poplar Ave.	Memphis	TN	38112	Kiosk	(512) 806-3888
2253		Pyramid Coffee, LLC	Stanley Buncher	7971 US-51	Millington	TN	38053	Kiosk	(859) 550-0572
458	*	The Horn Group LLC	Timothy Horn	1526 N. Mt. Juliet Rd.	Mt. Juliet	TN	37122	Kiosk	(615) 969-1141
502	*	Music City Specialty Coffee Sam Ridley, LLC	Lisa Troester	366 W. Sam Ridley Pkwy	Smyrna	TN	37167	Kiosk	(402) 416-8545
471	*	DC Enterprise, LLC	Danny Parker	781 New Highway 68	Sweetwater	TN	37874	Kiosk	(423) 432-2424
1067		JavaVision Corp.	Amy Woodward	2919 Highway 31W	White House	TN	37188	Kiosk	(916) 524-2468
164		ARC Holdings, LLC	Adam Cockerill	4021 Belt Line Rd #303	Addison	TX	75001	Kiosk	972-789-9644
2106		Newgard Coffee Group LLC	Robert Newgard	1535 E. Main St.	Allen	TX	75002	Kiosk	(402) 290-8925
930	*	High Plains Coffee LLC	David Walker	3445 S. Western St.	Amarillo	TX	79109	Kiosk	(620) 353-9877
931	*	High Plains Coffee LLC	David Walker	3401 S. Georgia St.	Amarillo	TX	79109	Kiosk	(620) 353-9877
175		Two Guns Enterprises, LLC	Catherine Gerch	1 FM 3351 S, Suite 155	Boerne	TX	78006	End cap	830-336-2106
1200	*	Borger Wolfpack LLC	Warren Yeatman	1402 W. Wilson St.	Borger	TX	79007	Kiosk	(806) 202-6521
1186	*	Eekooyee Limited Liability Company	Oluwatosin Odesanya	2214 US Highway 380	Bridgeport	TX	76426	Kiosk	(404) 293-7622
1382	*	T&T Coffee, LLC	Taylor G. (Ty) Fichtner	2102 N. Main St.	Cleburne	TX	76033	Kiosk	(713) 705-0424
115		ARC Holdings, LLC	Adam Cockerill	7171 Colleyville Blvd, #110	Colleyville	TX	76034	End cap	817-416-6800
1228	*	Scooters TX Fund 1 LLC	Edward Straub	1055 E. Loop 304	Crockett	TX	75835	Kiosk	(402) 658-4581
1461	*	Scooters TX Fund 1 LLC	Edward Straub	700 W. Camp Wisdom Rd.	Duncanville	TX	75116	Kiosk	(402) 658-4581
1682	*	Seven Beans, LLC	Robert Strong	1803 S. McColl Rd.	Edinburg	TX	78539	Kiosk	(956) 227-3217
2243		RGV Coffee Express, LLC	Wesley Hudson	402 N. Broadway St.	Elsa	TX	78543	Kiosk	832-457-3266
489	*	Long Ears Coffee 3 LLC	Wendy Wells	4425 Boat Club Rd.	Fort Worth	TX	76135	Kiosk	(469) 907-9979
1534	*	RMR Brews, LLC	Rustin Perez	9489 Preston Rd.	Frisco	TX	75033	Kiosk	(813) 260-0405
640	*	ARC Holdings, LLC	Adam Cockerill	1943 Northwest Hwy	Garland	TX	75041	Kiosk	(402) 319-7848
226		Straub Enterprises, LLC	Edward Straub	2904 Lavon Dr	Garland	TX	75040	Kiosk	(469) 782-9977
273		ARC Holdings, LLC	Adam Cockerill	617 N. Jupiter Rd.	Garland	TX	75042	Kiosk	(402) 319-7848
367		ARC Holdings, LLC	Adam Cockerill	3414 Broadway Blvd	Garland	TX	75043	Kiosk	(402) 319-7848
1227	*	Waterslake CFE G1, LLC	Jonathan Spindler	1345 Cherry St.	Graham	TX	76450	Kiosk	(832) 603-0913
488	*	Long Ears Coffee 2 LLC	Wendy Wells	897 W. Northwest Hwy	Grapevine	TX	76092	Kiosk	(469) 907-9979
1909	*	MS Rio Coffee & Partners 1 LLC	Jorge Oyervides	2304 S. 77 Sunshine Strip	Harlingen	TX	78550	Kiosk	(769) 200-6021
684	*	Blu Water Brew, LLC	Joshua Morris	1409 Corsicana Hwy	Hillsboro	TX	76645	Kiosk	(402) 540-7399
1097	*	Destiny Cafe 1 LLC	Raymond Sbayti	5450 Hwy 6 N.	Houston	TX	77084	Kiosk	(713) 998-0928
338		Texas Grinders, LLC	Lisa Guerrero	3023 Barker Cypress Rd.	Houston	TX	77084	Kiosk	(281) 686-3855
1858		YPM Partners LLC	Yoland Homer	706 Grapevine Hwy	Hurst	TX	76054	Kiosk	(770) 882-3743
1073	*	Scooters TX Fund 1 LLC	Edward Straub	1202 S. Jackson St.	Jacksonville	TX	75766	Kiosk	(402) 658-4581
1346		Texas Grinders 2, LLC	Tony Guerrero	8307 Jones Rd.	Jersey Village	TX	77065	Kiosk	(918) 899-4281
880	*	Javakinetic LLC	Izuchukwu (Sam) Ilonze	979 S. Mason Rd.	Katy	TX	77450	Kiosk	(281) 793-8825
153		ARC Holdings, LLC	Adam Cockerill	1570 Keller Pkwy	Keller	TX	76248	Kiosk	817-337-7777
2156	*	Kerrville Coffee Partners LLC	Andrew Davis	627 Jefferson St.	Kerrville	TX	78028	Kiosk	(402) 570-3984
975	*	Leander Ridge 975 Coffee, LLC	Mitch Linder	3625 US Hwy 183	Leander	TX	78641	Kiosk	(303) 919-8390
432	*	Long Ears Coffee LLC	Wendy Wells	1225 S. State Hwy. 121	Lewisville	TX	75067	Kiosk	(469) 907-9979
2240	*	Hicken Hospitality LLC	Kerri Hicken	412 S. Main St.	Lindale	TX	75771	Kiosk	(214) 226-2995
295		Straub Enterprises, LLC	Edward Straub	1654 FM423, Suite 300	Little Elm	TX	75068	End cap	402-658-4581
1436	*	Hicken Hospitality LLC	Kerri Hicken	3817 W. Marshall Ave.	Longview	TX	75604	Kiosk	(214) 226-2995
1437	*	Hicken Hospitality LLC	Kerri Hicken	108 E. Marshall Ave.	Longview	TX	75601	Kiosk	(214) 226-2995
1314	*	Ukhozi Holdings LLC	Leon Radford	8101 Indiana Ave.	Lubbock	TX	79423	Kiosk	(903) 293-8683

Store No.	*	Entity Name	Contact	Address	City	State	Zip	Building Type	Phone
2028		McCaskill Enterprises, LLC	Jeff McCaskill	614 S. May St.	Madisonville	TX	77864	Kiosk	(903) 512-2790
632	*	ARC Holdings, LLC	Adam Cockerill	8650 W. University Dr.	McKinney	TX	75071	Kiosk	(402) 319-7848
132		ARC Holdings, LLC	Adam Cockerill	2741 Virginia Pkwy #100	McKinney	TX	75071	End cap	214-585-0514
2208		The Valley Coffee Shop LLC	Luke Younger	2405 McKinney St.	Melissa	TX	75454	Kiosk	(469) 432-5053
1116	*	6 Star Coffee LLC	Michelle Michigian	550 N. Galloway Ave.	Mesquite	TX	75149	Kiosk	(559) 300-0034
1117	*	6 Star Coffee LLC	Michelle Michigian	695 E. Cartwright Rd.	Mesquite	TX	75149	Kiosk	(559) 300-0034
2217	*	Open Range Roasters LLC	Megan Crisler	702 W Wadley Ave.	Midland	TX	79705	Kiosk	(614) 397-1033
1082	*	6 Java Boys - Texas, LLC	Erin Longenecker	721 E. Main St.	Midlothian	TX	76065	Kiosk	402-210-4762
1684	*	Seven Beans, LLC	Robert Strong	700 N. Shary Rd.	Mission	TX	78572	Kiosk	(956) 227-3217
1734	*	TMB Common Grounds, LLC	Joshua Kercheville	9630 Potranco Rd.	NW San Antonio	TX	78251	Kiosk	(210) 288-2808
1462	*	Scooters TX Fund 1 LLC	Edward Straub	2107 W. Oak St.	Palestine	TX	75801	Kiosk	(402) 658-4581
1670		Pampa Wolfpack, LLC	Warren Yeatman	1050 N. Hobart St.	Pampa	TX	79065	Kiosk	(806) 202-6521
1135	*	Scooters TX Fund 1 LLC	Edward Straub	4075 Lamar Ave.	Paris	TX	75462	Kiosk	(402) 658-4581
392		Coslor A-Maize-Ing Brew, LLC	Brandon Coslor	2401 S. Main St.	Pearland	TX	77581	Kiosk	308-293-1472
637	*	ARC Holdings, LLC	Adam Cockerill	3305 Custer Rd.	Plano	TX	75075	Kiosk	(402) 319-7848
426		Rob-Brew-Co, LLC	Matthew Robinson	1500 W. Princeton Dr.	Princeton	TX	75407	Kiosk	(402) 253-6114
368		Straub Enterprises, LLC	Edward Straub	1451 E. Buckingham Rd.	Richardson	TX	57081	Kiosk	402-658-4581
169		ARC Holdings, LLC	Adam Cockerill	3600 Lakeview Parkway	Rowlett	TX	75088	Kiosk	469-366-9582
424		ARC Holdings, LLC	Adam Cockerill	8505 Lakeview Pkwy	Rowlett	TX	75088	Kiosk	(402) 319-7848
1733	*	TMB Common Grounds, LLC	Joshua Kercheville	10911 Fredericksburg Rd.	San Antonio	TX	78240	Kiosk	(210) 288-2808
499	*	Darbelle Enterprises, LLC	Michelle Woodside	24527 Gosling Road	Spring	TX	77389	Kiosk	(713) 542-4971
1202	*	Sumtimes Coffee, LLC	Charles Montgomery	27914 Birnham Woods Dr.	Spring	TX	77386	Kiosk	(337) 344-1920
967		J2KE Inc.	Jim Dortch	2137 W. Washington St.	Stephenville	TX	76401	Kiosk	402-719-0323
1199		TKO Coffee, LLC	Tyler Smith	109 NE Georgia Ave.	Sweetwater	TX	79556	Kiosk	(325) 207-6981
1798	*	Queen's Coffee, LLC	Amos Kropf	3107 Richmond Pl.	Texarkana	TX	75503	Kiosk	870-845-8827
173		ARC Holdings, LLC	Adam Cockerill	4740 S Colony Blvd.	The Colony	TX	75056	Kiosk	214-407-7115
256		Straub Enterprises, LLC	Edward Straub	5600 Nebraska Furniture Mart Dr.	The Colony	TX	75056	non-traditional	214-396-2640
305	*	Darbelle Enterprises, LLC	Michelle Woodside	26551 Kuykendahl Rd.	Tomball	TX	77375	Kiosk	(713) 542-4971
1201		Waterslake CFE T2, LLC	Jonathan Spindler	704 Hillcrest Dr.	Vernon	TX	76384	Kiosk	(402) 614-1723
1435	*	Hicken Hospitality LLC	Kerri Hicken	200 E. Main St.	Whitehouse	TX	75791	Kiosk	(214) 226-2995
1425	*	Mile 40 Clearfield, LLC	Mike Braunberger	700 East 700 South	Clearfield	UT	84015	Kiosk	(801) 388-7057
829	*	Scooters829, LLC	Scott Gibson	715 W. State St.	Hurricane	UT	84737	Kiosk	(435) 619-8080
1647		Best Friend Brews LLC	Mark Berger	1085 W. 12th St.	Marriott-Slater ville	UT	84404	Kiosk	801-564-1705
329		Mile 40, Corp	Mike Braunberger	1136 W 2700 N	Pleasant View	UT	84404	Kiosk	(801) 388-7057
727	*	BCC Coffee, LLC	Catherine Voutaz	3479 W. 12600 S.	Riverton	UT	84065	Kiosk	(801) 755-8824
152		Mile 40, Corp	Mike Braunberger	1871 West 5300 South	Roy	UT	84067	Drive-thru coffeehouse	(801) 820-5091
726	*	BCC Coffee, LLC	Catherine Voutaz	2157 N. Redwood Rd.	Saratoga Springs	UT	84045	Kiosk	(801) 755-8824
840	*	Hart Family Coffee LLC	David Pedelty	2372 S. Oneida St.	Ashwaubenon	WI	54304	Kiosk	(217) 766-1560
1057	*	Beloit Brew LLC	Vicki Schleisner	2757 Prairie Ave.	Beloit	WI	53511	Kiosk	(608) 921-2422
844	*	Hart Family Coffee LLC	David Pedelty	527 W Johnson St	Fond du Lac	WI	54935	Kiosk	(217) 766-1560
846	*	Hart Family Coffee LLC	David Pedelty	528 W. Northland Ave.	Grand Chute	WI	54911	Kiosk	(217) 766-1560
838	*	Hart Family Coffee LLC	David Pedelty	1302 E. Mason St.	Green Bay	WI	54301	Kiosk	(217) 766-1560
841	*	Hart Family Coffee LLC	David Pedelty	1632 W. Mason St.	Green Bay	WI	54303	Kiosk	(217) 766-1560
2109	*	Hart Family Coffee LLC	David Pedelty	1225 E Sumner St.	Hartford	WI	53027	Kiosk	(217) 766-1560
770	*	Northern Grounds Holmen LLC	Zachariah Mueller	1410 Holmen Dr.	Holmen	WI	54636	Drive-thru coffeehouse	(641) 494-6222

Store No.	*	Entity Name	Contact	Address	City	State	Zip	Building Type	Phone
659	*	Caffiend Company	Jessica Corder	2610 Humes Rd.	Janesville	WI	53545	Kiosk	(402) 770-7049
842	*	Hart Family Coffee LLC	David Pedelty	901 Airport Rd.	Menasha	WI	54952	Kiosk	(217) 766-1560
325		Hart Family Coffee LLC	David Pedelty	6401 University Ave.	Middleton	WI	53562	Drive-thru coffeehouse	(909) 496-8500
886	*	Classic Cup LLC	Vanita Sass	6910 W. Washington Ave.	Mt. Pleasant	WI	53406	Kiosk	402-321-1737
773	*	Northern Grounds LLC	Zachariah Mueller	715 2nd St.	Onalaska	WI	54650	Kiosk	(641) 494-6222
847	*	Hart Family Coffee LLC	David Pedelty	2101 W. 9th Ave.	Oshkosh	WI	54904	Drive-thru coffeehouse	(217) 766-1560
2110	*	Hart Family Coffee LLC	David Pedelty	2725 Eastern Ave.	Plymouth	WI	53073	Kiosk	(217) 766-1560
843	*	Hart Family Coffee LLC	David Pedelty	2732 S. Business Dr.	Sheboygan	WI	53081	Kiosk	(217) 766-1560
1361	*	Hart Family Coffee LLC	David Pedelty	5707 Hwy 10	Stevens Point	WI	49454	Kiosk	(217) 766-1560
1334		Hart Family Coffee LLC	David Pedelty	24123 75th St.	Village of Paddock Lake	WI	53168	Kiosk	(217) 766-1560
339	*	Kaffeklatsch, Inc.	Joseph Gartner	2150 Miller Park Way	West Milwaukee	WI	53219	Kiosk	262-271-1369
1018	*	Big Sky Coffee LLC	RaeAnn Jeffries	1151 Cy Ave.	Casper	WY	82604	Kiosk	(307) 746-5969
405		Cowboy Brew, LLC	Tori Manning	207 S. Greeley Hwy	Cheyenne	WY	82007	Kiosk	308-641-0606
1019	*	Big Sky Coffee LLC	RaeAnn Jeffries	2001 S. Douglas Hwy.	Gillette	WY	82718	Kiosk	(307) 746-5969

*Stores opened pursuant to a Multiple Store Development Agreement.

Signed Franchise Agreement, but Outlet not Open (As of December 31, 2023)

Store No.	*	Entity Name	Contact	City	State	Zip	Phone
2455		Will Mackin	Will Mackin	Cloverdale (Montgomery)	AL	TBD	(423) 413-9831
2458	*	Coastal Coffee LLC	John Hudson Sandefur	Daphne	AL	36526	(251) 654-5466
1144		Magic Beanz LLC	Olon Hyde	Foley	AL	36535	(727) 729-1360
2486	*	Karen Markwardt and Jayne Chorvat	Karen Markwardt	Fort Payne	AL	35967	(865) 257-1449
2617	*	Peter Warminham and Jennifer Warmingham	Peter Warmingham	Northport	AL	TBD	(256) 656-5491
2472		Nihar Patel and Govindbhai Patel	Nihar G. Patel	Oneonta	AL	35121	(256) 505-9925
2171		Will Mackin and Madeline Lindsey	Will Mackin	Prattville	AL	36067	(423) 413-9831
2484		Randall's Coffee, LLC	Randi Johnson	Rainsville	AL	35986	(256) 609-7421
2603	*	Mohib's Coffee, LLC	Saifullah Beg	Conway	AR	72032	(317) 941-5311
1237	*	T & O Coffee Company, LLC	Andrew Turner	Fayetteville	AR	72701	(712) 420-0996
2485		T & O Coffee Company, LLC	Andrew Turner	Fort Smith	AR	TBD	(712) 420-9491
2528		Mudwater LLC	Carissa Wofford	Marion	AR	72364	(870) 926-4536
1970	*	Michael Ferguson and Scott Jacobs	Michael Ferguson	Mountain Home	AR	TBD	(417) 838-3233
942	*	Queens Cup LLC	Lisa Krumwiede	Gilbert	AZ	85297	(402) 578-5558
1482	*	MCAA Arizona SC LLC	Austin Bone	Laveen	AZ	TBD	801-710-1187
2595	*	Drew A. Stavros and Maria-Paz Stavros	Drew A. Stavros	Laveen	AZ	85339	(202) 262-4530
1585	*	Kulie LLC	Ken Costello	McCormick Ranch	AZ	TBD	(480) 231-5795
2301	*	Caffeinated Mink Enterprises LLC	Michael Floyd	Peoria	AZ	85382	(480) 773-9666
2066	*	Milan Knezovich II and Milan Knezovich III	Milan Knezovich III	Phoenix	AZ	TBD	(402) 770-8023
2302	*	Caffeinated Mink Enterprises LLC	Michael Floyd	Phoenix	AZ	85040	(480) 773-9666
2321	*	Brandon Kulp	Brandon Kulp	Phoenix	AZ	85053	585-727-5558
1619	*	CC Coffee, LLC	Alisa Davault-Maltby	Phoenix	AZ	85028	480-239-4046
1620	*	CC Coffee, LLC	Alisa Davault-Maltby	Phoenix	AZ	TBD	480-239-4046
2226		VI Coffee LLC	Daniel Hedrick	Phoenix	AZ	85023	(402) 253-4718
1033		Bean Heads, LLC	James E. Mumgaard	Phoenix	AZ	85037	(402) 459-1374
2660	*	TJM Industries, LLC	Terrell Maxey	Sunnyslope	AZ	TBD	480-225-3969
2031	*	Minturn Enterprises, LLC	William Minturn	Surprise	AZ	85374	(402) 981-6717
1483		A3 Coffee, LLC	Andrew Davault III	Tempe	AZ	85282	(480) 510-2771
1568	*	Desert Espresso Cafe, LLC	Milan Knezovich III	Tolleson	AZ	85353	(562) 290-7178
1473	*	Stealth Ventures LLC	Dustin Bodine	Colorado Springs	CO	TBD	(720) 272-1556
948	*	532 Holdings LLC	Elizabeth Tanji	Denver	CO	TBD	703-431-0851
2264	*	Nicholas Pollard and Michael Myers	Nicholas Pollard	Lafayette	CO	TBD	(941) 387-6964
2095	*	Excellent Espresso LLC	John Donicht	Louisville	CO	80027	312-286-4863
581	*	Tuff Scooter Pharmer, LLC	David Novick	Loveland	CO	80537	(307) 630-7496
345	*	Tuff Scooter Pharmer, LLC	David Novick	Loveland	CO	80538	(307) 630-7496
582	*	Tuff Scooter Pharmer, LLC	David Novick	Loveland	CO	TBD	(307) 630-7496
850	*	Nacho Beans Holdings LLC	Wesley Hudson	Parker	CO	80134	832-457-3266
631	*	Bean of Life, Inc.	Dale Willhite	Pueblo	CO	TBD	(719) 688-1450
1827	*	Parand Industries LLC	Manizha Parand	Avon Park	FL	33825	(347) 545-9755
2221	*	Chubby's Coffee, LLC	Thomas Simonian	Bradenton	FL	34203	630-816-9977
2222	*	Chubby's Coffee, LLC	Thomas Simonian	Bradenton	FL	34208	630-816-9977
1249	*	Sunshine Roast LLC	Zak Thompson	Brandon	FL	33511	(405) 808-4170
2047	*	Caffeinated Sunshine, LLC	Jonathan Spindler	Clermont	FL	TBD	(832) 603-0913
2544	*	Central Florida Coffee Group LLC	Pasquale Casalaspro	Dade City	FL	TBD	(352) 516-7682
1828	*	Parand Industries LLC	Manizha Parand	Davenport	FL	33897	(347) 545-9755
2634	*	Blue Tide Ventures LLC	Joseph Young	Daytona Beach	FL	TBD	402-613-2580
2037	*	Rebecca Vinton Dorn and Joseph Jeanette	Rebecca Vinton Dorn	Englewood	FL	34223	402-630-9244
1197		Rebecca Avakian and Michael Ward	Rebecca Avakian	Fernandina Beach	FL	TBD	(404) 370-2678
2388	*	Hilltrust Coffee LLC	Bradlee Hilley	Freeport	FL	32566	(850) 307-8430
2029	*	Hilltrust Coffee LLC	Bradlee Hilley	Freeport	FL	TBD	(850) 307-8430
870	*	Coffee of Champions, Inc.	Ansley Champion	Green Cove	FL	TBD	(386) 937-4936

Store No.	*	Entity Name	Contact	City	State	Zip	Phone
				Springs			
717	*	Cuppa Rast, Inc.	Anthony Massacavollo	Green Cove Springs	FL	TBD	(219) 798-6001
1773	*	Sunshine Coffee Properties LLC	Sean Stevens	Holiday	FL	34691	(402) 490-8361
625	*	Jeffrey Hart	Jeffrey Hart	Hudson	FL	34667	(607) 351-3673
1992		RedRobin Enterprises, LLC	Dorie Robinson	Jacksonville	FL	32226	904-318-6950
2059	*	Dale Ogren	Dale Ogren	Lehigh Acres	FL	33971	(612) 308-5260
2060	*	Dale Ogren	Dale Ogren	Lehigh Acres	FL	33973	(612) 308-5260
2639	*	Brewed Holdings LLC	Zachary Walls	Longwood	FL	32750	(925) 231-5755
2633		Serina Bullington and Joseph Bullington	Serina Bullington	Palm Bay	FL	TBD	(402) 680-8024
2078	*	B5 Coffee Corp.	Cary James Bastian	Parrish	FL	33578	(309) 337-6649
1143		Magic Beanz LLC	Olon Hyde	Pensacola	FL	32507	(727) 729-1360
962	*	Joesaphine's Coffee LLC	Edward Grimes	Ponte Vedra Beach	FL	TBD	(405) 651-6187
2504	*	EP Cafe LLC	Eric Gioia	Port Saint Lucie	FL	34953	(561) 335-9191
2219		SHTC Enterprises, Inc.	Tracy Stant	Port St. Lucie	FL	34984	(772) 777-9316
2077	*	B5 Coffee Corp.	Cary James Bastian	Riverview	FL	33569	(309) 337-6649
963	*	Joesaphine's Coffee LLC	Edward Grimes	St. Augustine	FL	32084	(405) 651-6187
891	*	Smart Starz LLC	Navidullah Ismailkhil	St. Petersburg	FL	33702	(813) 895-4878
1295	*	Sip Wrecked, LLC	Mike Stuntz	Tampa	FL	33647	(402) 578-6084
2500	*	Devonne McPherson and Ebony McPherson	Devonne McPherson	Tampa	FL	33614	954-610-3956
661	*	Jessica and Ty O'Toole	Jessica O'Toole	Tavares	FL	32778	(352) 406-1480
1680	*	Joseph Haynes and Brittany Morrow	Joseph Haynes	Acworth	GA	TBD	(423) 435-3095
2477	*	Nikhilkumar Patel, Milan Patel, Akash Patel and Prashant Patel	Nikhilkumar Patel	Albany	GA	TBD	(229) 886-8296
2309	*	Trent Harrell, Alan Ward, and David Roberson	Alan Ward	Athens	GA	TBD	(706) 202-4904
2438	*	Fred Weir	Fred Weir	Blue Ridge	GA	30513	(404) 432-5035
2509	*	Nichole Goskey and Jesse Goskey	Nichole Goskey	Cairo	GA	TBD	(763) 639-3212
2444	*	Java ATH LLC	Jeffrey Bryce Cannon	Cleveland	GA	30528	(229) 308-9750
2351	*	Joseph Eiland	Joseph Eiland	Columbus	GA	TBD	(706) 527-7723
568	*	Coffee Roots TN LLC	Rostis Timoshchuk	Fort Oglethorpe	GA	30742	(423) 313-3373
1325	*	ARK Endeavors 786, LLC	Tariq Kassam	Grayson	GA	30017	(505) 259-1122
1129	*	Brew1129 LLC	Amber Martin-Ross	Johns Creek	GA	30097	(773) 844-6343
2481	*	H&G OPERATIONS, LLC	Taylor Groce	LaGrange	GA	TBD	(706) 681-2069
1209	*	Waterslake CFE A2, LLC	Jonathan Spindler	Marietta	GA	30064	(832) 603-0913
1191	*	Holly Robinson, Mark Robinson, Brandon Godbout and Lisa Shad	Holly Robinson	McDonough	GA	TBD	(763) 439-0153
1330	*	Holly Robinson, Mark Robinson, Brandon Godbout and Lisa Shad	Holly Robinson	McDonough	GA	TBD	(763) 439-0153
2406	*	Tricia Pitts	Tricia Pitts	Sandy Springs	GA	TBD	(954) 683-9268
681		Cleveland's by BJs, LLC	Rodney Johnson	Snellville	GA	30078	(402) 210-3052
2602		Shree Raguram LLC	Smit Patel	Valdosta	GA	TBD	(229) 412-7916
1072		Peterson Coffee LLC	Jamiel Peterson	Warner Robins	GA	31093	(229) 254-2009
2415		Midwest Brew Crew, L.L.C.	Jason Huff	Ankeny	IA	TBD	319-231-1385
2493	*	Blu Water Brew, LLC	Joshua Morris	Des Moines	IA	TBD	(402) 540-7399
535	*	A Latte Buzzness 4, L.L.C.	Mark Holtkamp	Iowa City	IA	52240	(319) 594-1062
2572	*	Coffee Group of Idaho, LLC	William Dworak	Nampa	ID	83687	(775) 842-0700
1433	*	53 Past LLC	Karishma Garipey	Alton	IL	TBD	(314) 458-7844
1443	*	Coffee Bros I LLC	John Phillips	Bloomington	IL	61701	(217) 418-4844
1444	*	Coffee Bros I LLC	John Phillips	Bloomington	IL	61701	(217) 418-4844
2476	*	Jesse Koontz and Antonia Siprut	Jesse Koontz	Bolingbrook	IL	60440	(760) 707-9700
1219	*	Champagne Coffee Roasters LLC	Matthew J. Kade	Champaign	IL	TBD	(402) 405-5953
1220	*	Champagne Coffee Roasters LLC	Matthew J. Kade	Champaign	IL	TBD	(402) 405-5953
2269	*	Champagne Coffee Roasters LLC	Matthew J. Kade	Danville	IL	61832	(402) 405-5953
1973	*	Ankit and Dipal Patel	Ankit Patel	Evansville	IL	47715	(201) 706-0560
2496	*	Adam Wurster and Brian Wuster	Adam Wurster	Galena	IL	TBD	(815) 238-5103
1231	*	53 Past LLC	Karishma Garipey	Granite City	IL	62040	(314) 458-7844
1783	*	AM KAFES LLC	Ava Matsas	Hoffman Estates	IL	60169	(847) 507-9733

Store No.	*	Entity Name	Contact	City	State	Zip	Phone
2638		Tom Diamantopoulos and Abbie Diamantopoulos	Tom Diamantopoulos	Lisle	IL	TBD	(708) 307-3675
2447		Shil Patel	Shil Patel	Litchfield	IL	TBD	(217) 710-1983
2625	*	NaVi Coffee LLC	Naishilkumar Patel	Lockport, IL	IL	60441	708-299-7929
2456		Marvin VanKeulen and Mary VanKeulen	Marvin VanKeulen	Mendota	IL	61342	815-252-9633
2437		Ravi Patel	Ravi Patel	Millstadt	IL	TBD	(847) 840-2497
2381		Moe & Amal Enterprise LLC	Mohammad Assad	Mundelein	IL	60060	847-912-2882
1967	*	Vlad Robu	Vlad Robu	Naperville	IL	60540	(630) 608-8959
1968	*	Vlad Robu	Vlad Robu	Naperville	IL	60565	(630) 608-8959
2670	*	Brewed Bliss Group LLC	Amitkumar Soni	New Lenox	IL	60451	773-425-9447
2386	*	Maricela Guzman and Miguel Calvo	Maricela Guzman	Oak Brook	IL	TBD	(773) 456-7500
2583		Jesse Koontz and Antonia Siprut	Jesse Koontz	Palatine	IL	60074	(760) 707-9700
2375	*	Jesse Koontz and Antonia Siprut	Jesse Koontz	Prospect Heights	IL	TBD	(760) 707-9700
1288	*	CHF Investments, LLC	Rachel Wallace	Robinson	IL	62454	(217) 620-4437
2497	*	Rutul Patel and Manishkumar Patel	Rutul Patel	Schaumburg	IL	TBD	(331) 425-4917
2657		Apurv Patel, Hiren Patel, Rakesh Patel and Sanjay Patel	Apurv A. Patel	St. Charles	IL	TBD	(630) 779-5476
1256	*	High Porch Coffee, LLC	Jeremy Music	Sterling	IL	61081	(319) 330-7033
2529	*	Manish Patel, Dhyhan Patel and Yatin Patel	Manish Patel	West Chicago	IL	60185	(630) 747-8324
2656	*	Manish Patel, Dhyhan Patel and Yatin Patel	Manish Patel	West Chicago	IL	TBD	(630) 747-8324
1821	*	Kevin Knox, Jan Szatkowski and Gregory Kirwan	Kevin Knox	Avon	IN	TBD	(317) 800-9589
2088	*	Waterslake CFE, Inc.	Jonathan Spindler	Kokomo	IN	TBD	(832) 603-0913
2511	*	Mark Holtkamp and John Wilson	Mark Holtkamp	St. John	IN	46373	(319) 594-1062
2433		Lora Schlosser and Donald Schlosser	Lora Schlosser	W. Richmond	IN	TBD	(260) 729-2899
2559	*	Kristopher Kassel	Kristopher Kassel	Westfield	IN	TBD	(509) 279-3041
1697	*	Cory Ikerd	Cory Ikerd	Bowling Green	KY	TBD	(606) 425-0174
1408	*	Abundant Heritage LLC	Kevin Roberts	Elizabethtown	KY	42701	502-303-6919
1595	*	iHeartCoffee, L.L.C.	James Stapleton	Louisville	KY	40216	(402) 317-4710
1594	*	iHeartCoffee, L.L.C.	James Stapleton	Louisville	KY	40216	(402) 317-4710
1195	*	iHeartCoffee, L.L.C.	James Stapleton	Louisville	KY	40219	(402) 317-4710
1593	*	iHeartCoffee, L.L.C.	James Stapleton	Louisville	KY	40258	(402) 317-4710
1196	*	iHeartCoffee 2, LLC	James Stapleton	Louisville	KY	40272	(402) 317-4710
740		iHeartCoffee, L.L.C.	James Stapleton	Louisville	KY	40299	(402) 317-4710
1645	*	JRJ Enterprises, LLC	Jeffrey Luechtefeld	Owensboro	KY	42301	(618) 314-0448
531	*	The Adventurous Bean, LLC	Elizabeth Gray	Paducah	KY	42003	(573) 382-2550
1719		JACA PROPERTIES, LLC	Jason O'Glee	Bossier City	LA	71111	(318) 518-6884
1761	*	Quick Brew LLC	Jeffery Fontenot	Broussard	LA	70508	(337) 304-2263
2614	*	Monoc Ventures, LLC	Michael Deason	Denham Springs/Walker/Highlandia	LA	TBD	(318) 491-2928
2161	*	Christopher and Darcy Bush	Christopher Bush	Gonzales	LA	TBD	(225) 678-3443
2160	*	Christopher and Darcy Bush	Christopher Bush	Luling	LA	TBD	(225) 678-3443
2175	*	William and Michelle Rock	William (Alan) Rock	Shreveport	LA	TBD	(318) 469-2722
2642	*	2049 Coffee Company, LLC	John Rennie II	Shreveport	LA	71107	318-458-4407
2667		David Hesser and Angela Hesser	David Hesser	W. Monroe	LA	TBD	(318) 623-0533
2645	*	Prakash Saripalli	Prakash Saripalli	Ellicott City	MD	TBD	(734) 658-7616
2471		MDM Java LLC	Shannon Jones	Battle Creek	MI	49015	(989) 948-2133
2436		Gamal Shohatee and Habeeb Al-Shohatee	Gamal Shohatee	Charlotte	MI	TBD	(313) 600-9991
2192	*	Bean Me Up, LLC	Jake Vaughn	Holly	MI	TBD	(248) 240-6853
1285	*	Coffee Capital & Development, LLC	Bryan Bender	Livonia	MI	48152	(734) 755-6359
1286	*	Scooters Madison Heights Franchise, LLC	Bryan Bender	Madison Heights	MI	TBD	517-490-9728
2473	*	Maltripias, LLC	Russell Elias	Saginaw	MI	TBD	(810) 938-3257
2280	*	OHMI Coffee Michigan, LLC	Corey Welch	South Grand Rapids	MI	TBD	330-573-6859
1876	*	Z, BRI, G & T - ONE, LLC	David Michael Bologna	South Lyon	MI	48178	(248) 506-7416
2502	*	MI Brew Crew LLC	Heather Quiroz	Swartz Creek	MI	TBD	(810) 444-6013
437	*	Three Boys Java, LLC	Jay Beck	Waterford Township	MI	48328	(402) 578-3143

Store No.	*	Entity Name	Contact	City	State	Zip	Phone
2082	*	Susan Nygaard	Susan Nygaard	Blaine	MN	55449	(651) 324-3419
663	*	JPM Java, LLC	Timothy Scott	Brooklyn Park	MN	TBD	(402) 960-7751
1632	*	Moe's Coffee, LLC	Chad Moe	Burnsville	MN	55337	(612) 384-5868
863	*	CRK Coffee LLC	John A. Robertson	Crookston	MN	56716	(218) 280-6744
1633	*	Moe's Coffee, LLC	Chad Moe	Eagan	MN	55122	(612) 384-5868
2674		The Gravel Mountain Group Inc.	Samuel Burgess	Hugo	MN	TBD	(612) 271-3840
2494		David Ackerman	David Ackerman	Hutchinson	MN	55350	(308) 631-1155
2298	*	Agape Cup LLC	Tracy Bonney-Haenke	New Prague	MN	56071	(402) 515-1618
895		Barostas Tonna LLC	Christopher Crotteau	Owatonna	MN	55060	651-333-0847
2348	*	Red Cabin Coffee LLC	Stephanie Ewals	Princeton	MN	TBD	(612) 669-4851
2618		Joshua Herscheid and Kaiyah Herscheid	Joshua Herscheid	Rockford	MN	TBD	(402) 992-3284
988	*	Share House Coffee, LLC	Sarah Ressemann	Sartell	MN	56377	(612) 501-7912
456	*	Share House Coffee of Sauk Rapids, LLC	Sarah Ressemann	Sauk Rapids	MN	56379	(612) 501-7912
595	*	Lakeside Java LLC	Edward Brink	Branson	MO	65616	(402) 598-1528
2365	*	GH Coffee, LLC	Kevin Hall	Columbia	MO	TBD	(402) 750-1309
1150	*	Good Dog Coffee Company LLC	James Davis	Fenton	MO	TBD	(660) 473-2720
2270	*	Loving Cup, LLC	Mackenzie Burnett	Peculiar	MO	64078	(816) 916-5772
821	*	BSP Coffee, Inc.	Robert Palmer	Republic	MO	TBD	(417) 414-8989
1589	*	Brewing Opportunities, LLC	Benjamin Campbell	Salem	MO	65560	(636) 577-7558
2216	*	Molon Labe Coffee, LLC	James R. Davis	St. Louis	MO	63116	(540) 642-6176
2223	*	Taake 3 Enterprises LLC	Gregory Taake	St. Louis	MO	63123	618-616-1010
2557	*	Premier Coffee, LLC	Brandon Hannah	Florence	MS	TBD	(601) 906-2906
2401	*	Austin Young and William Young	Austin Young	Laurel	MS	TBD	205-534-7464
2448	*	David Kevin Rowan and Allison Rowan	David Kevin Rowan	Pontotoc	MS	38863	(662) 316-5272
2420	*	MNH Enterprises, LLC	Nicholas Hanson	Billings	MT	59102	(402) 490-1193
2244		Sunrise Brew LLC	Leif Anderson	Sidney	MT	59270	406 489 0932
2248	*	North Carolina Coffee LLC	Roger Murray Jr.	Ashville	NC	TBD	(321) 356-6285
2143	*	Queen City Java, LLC	Gregory Turkovich	Ballantyne	NC	TBD	(716) 713-0516
2581	*	Binit Patel and Jaiminkumar Patel	Binit Patel	Concord	NC	TBD	(732) 841-5214
1122	*	Aaron Goswick	Aaron Goswick	Durham	NC	27713	(919) 599-9953
2314	*	Vincent Andracchio, II and Brice Andracchio	Brice Andracchio	Fayetteville	NC	28304	(252) 452-8101
2249	*	North Carolina Coffee LLC	Roger Murray Jr.	Fletcher	NC	28732	(321) 356-6285
1888	*	Coffee DreamZ, LLC	Roxane Papora	Huntersville	NC	TBD	(704) 620-1869
2313	*	Guardian Beverages, LLC	Brice Andracchio	Lillington	NC	27546	(252) 452-8101
2637		CAROLINA ROOTS COFFEE LLC	Robert Hegler Jr	Shelby	NC	TBD	(803) 669-3177
1476	*	Rebekah Bailey and Thomas Stuckey	Rebekah Bailey	Swansboro	NC	TBD	(910) 750-1224
1808	*	Scoot Operating II, LLC	Morgan DeBerry	Wilmington	NC	28403	(706) 614-2299
297	*	Worm Farm LLC	Thomas Fritz	Bismarck	ND	TBD	(605) 359-7008
2568		JANC Coffee, LLC	Andrew Wetovick	Cozad	NE	69130	(308) 708-9531
537	*	AgEdge Development, L.L.C.	Mark Oberg	Sidney	NE	69162	(308) 529-0992
1861	*	Metcalf Coffee, Inc.	Jason Metcalf	Waverly	NE	TBD	(402) 202-6314
2561	*	William Thomas and Nicole Toscanini-Thomas	William Thomas	Freehold	NJ	TBD	(732) 861-8735
2619		JAVA JETFUEL LLC	Michael DiChiaro	New Brunswick	NJ	TBD	732-768-8207
1695	*	Four Wise Coffee, LLC	Matt Yeager	Las Cruces	NM	88012	(575) 405-9695
1176	*	Cafecito LLC	Angela Chacon	Southeast Albuquerque	NM	TBD	(505) 715-9111
2409	*	Go Big Red Ventures, LLC	Nathan Stevens	Henderson	NV	TBD	(308) 293-7949
264	*	Select Projects, LLC	Julie Walker	Las Vegas	NV	89139	(858) 784-1632
1672	*	Johnson Java 1672, LLC	Alexander Johnson	Minden	NV	89423	(925) 640-5200
1507	*	RR2021, LLC	Roberta Toomer	Rhodes Ranch	NV	TBD	(510) 527-6907
1629	*	Gina Mancuso	Gina Mancuso	Summerlin	NV	TBD	(619) 757-6629
1864	*	Scootin' Spartans LLC	Dylan Ehle	Akron	OH	44305	(740) 317-4248
1923	*	ME Coffee, LLC	Matthew M. Smith	Lebanon	OH	TBD	(513) 275-8400
2153	*	ME Coffee, LLC	Matthew M. Smith	Lebanon	OH	TBD	(513) 275-8400
1299	*	Diley Road 33 Coffee, LLC	Allan Pressnell	North Pickerington	OH	43147	(740) 603-7255
2524	*	Brew Haven Inc.	Tammi Leonard	Pataskala	OH	43062	(614) 205-2152
2580	*	Brew Box One LLC	Chintankumar Patel	Springboro	OH	TBD	(513) 377-2043

Store No.	*	Entity Name	Contact	City	State	Zip	Phone
2431		Keith Rogers and Joseph Rogers	Keith Rogers	Altus	OK	TBD	(940) 357-0403
697	*	DixieLou LLC	James Andrew Cheek	Broken Arrow	OK	74011	(405) 612-5419
694	*	DixieLou LLC	James Andrew Cheek	Broken Arrow	OK	74012	(405) 612-5419
2412		Nicole and John Adam Gray	Stephanie Nicole Gray	Duncan	OK	73533	(940) 634-1143
916	*	Burt Coffee OKC-1, LLC	Tricia Burt	Edmond	OK	73012	(402) 429-2155
749	*	Freeman Coffee Enterprises, LLC	Mike Freeman	Enid	OK	TBD	(918) 625-0594
730		Encore Food and Beverage LLC	Phillip Blue	Madill	OK	73446	(580) 371-8741
912	*	Reynoldson Coffee Oklahoma, LLC	Michael Reynoldson	Oklahoma City	OK	73105	(402) 649-8282
2538		Gray Nation LLC	Stephanie Nicole Gray	Pauls Valley	OK	73075	(940) 634-1143
2423	*	DixieLou LLC	James Andrew Cheek	Sallisaw	OK	TBD	(405) 612-5419
2668		Ved Coffee, LLC	Vijaykumar Patel	Mechanicsburg	PA	TBD	(717) 433-1341
2096	*	WalReed Bev Co, LLC	Joseph Walker III	Aiken	SC	29803	(803) 730-6131
1539	*	WalReed Bev Co, LLC	Joseph Walker III	Anderson	SC	29621	(803) 730-6131
2278	*	L & V Holdings, LLC	Calvin Vogel	Conway	SC	29526	(319) 231-3038
2599	*	Lakelands Coffee, LLC	Juddson Larkins	Greenwood	SC	29649	(864) 337-6822
2245	*	William Everhart	William Everhart	Johns Island	SC	TBD	(303) 619-8231
1107	*	Coastal Perk LLC	Darrell Amoruso	Ladson	SC	29456	(843) 291-3092
2391	*	Browder McGill	Fred McGill	Myrtle Beach	SC	29588	(843) 240-8803
2292	*	SAS Coffee Rock Hill, LLC	Anthony Sas	Rock Hill	SC	29732	(917) 860-4145
2291	*	SAS Coffee Newport, LLC	Anthony Sas	Rock Hill	SC	29732	(917) 860-4145
2232		Julie Tartaglia, Brian Zuerlein, James Mumgaard and Ryan and Jessica Erickson	Ryan Erickson	Simpsonville	SC	29680	(630) 849-5438
1106	*	Coastal Perk LLC	Darrell Amoruso	Summerville	SC	29483	(843) 291-3092
1093	*	Tony and Portia Walker	Tony Walker	West Columbia	SC	TBD	(803) 513-4415
1755	*	SAS Coffee York, LLC	Anthony Sas	York	SC	29745	(917) 860-4145
2271	*	Rhoades Enterprises, LLC	Travis Rhoades	Harrisburg	SD	57032	(605) 496-6082
2336		Hudson Ventures LLC	Chase Hudson	Arlington	TN	38002	(512) 806-3888
565	*	Coffee Roots TN LLC	Rostis Timoshchuk	Chattanooga	TN	37412	(423) 313-3373
2337	*	Pyramid Coffee, LLC	Stanley Buncher	Covington	TN	38019	(859) 550-0572
2202		Little Seed Coffee, Inc	Stacey Gering	Crossville	TN	38555	(316) 650-4422
470	*	Black Dog Coffee II, LLC	Danny Parker	Dayton	TN	37321	(423) 432-2424
2429	*	Schmitt Koffee Inc	John Schmitt	Fairview	TN	37062	(480) 229-1637
2369	*	JoLo Enterprises, LLC	Michael Lorrain	Goodlettsville	TN	37072	(615) 225-7294
1880	*	LGM Holdings Greeneville LLC	Bradley Davis	Greeneville	TN	37745	(931) 335-9495
457	*	The Horn Group LLC	Timothy Horn	Hendersonville	TN	TBD	(615) 969-1141
494	*	C & E Broadway, LLC	Emily Harris	Knoxville	TN	TBD	(256) 655-7845
1881	*	LGM Holdings Halls LLC	Bradley Davis	Knoxville	TN	37918	(931) 335-9495
2492		Timothy Horn and Terence Davenport	Timothy Horn	Lebanon	TN	TBD	(615) 969-1141
2654		Christy and Matthew Fey	Christy Fey	Lewisburg	TN	37091	(480) 352-4161
2273	*	Christy and Matthew Fey	Christy Fey	McMinnville	TN	37110	(480) 352-4161
2368	*	JoLo Enterprises, LLC	Michael Lorrain	Nashville	TN	37216	(615) 225-7294
2289		signalmountaincoffee LLC	Mark McClain	Oakland	TN	38060	(423) 718-9878
2491		JavaVision Corp.	Amy Woodward	Portland	TN	37148	(916) 524-2468
415	*	Music City Specialty Coffee, LLC	Lisa Troester	Smyrna	TN	TBD	(402) 416-8545
2340	*	Pop 5 Coffee, LLC	Michael Popino	Andrews	TX	79714	(432) 878-1160
2435	*	Jesse Koontz and Antonia Siprut	Jesse Koontz	Anna	TX	75409	(760) 707-9700
2042	*	K&B Coffee Investments, LLC	Kevin L. Linder	Austin	TX	78752	402-730-4692
2466	*	Y'all Need Coffee LLC	Lisa M. Boe	Austin	TX	TBD	(504) 451-1765
1637	*	Coslor A-Maize-Ing Brew, LLC	Brandon Coslor	Baytown	TX	77523	(308) 293-1472
2157	*	Texas Coffee Holdings LLC	Andrew Davis	Boerne	TX	TBD	(402) 310-6871
2542	*	CC&AGC LLC and Alberto Porto	Christopher Contreras	Bonham	TX	75418	(909) 549-5780
1910	*	MS Rio Coffee & Partners 1 LLC	Jorge Oyervides	Brownsville	TX	78520	(769) 200-6021
1911	*	MS Rio Coffee & Partners 1 LLC	Jorge Oyervides	Brownsville	TX	TBD	(769) 200-6021
2052	*	Paula and Christerpher Naranjo	Paula Naranjo	Cibolo	TX	78108	(832) 458-8774
2030		TMB Common Grounds, LLC	Joshua Kercheville	Cibolo	TX	78108	(210) 288-2808
2361	*	Happy Gulp, LLC	Matthew Bozarth	Corinth	TX	75077	402-770-9153
1463	*	Scooters TX Fund 1 LLC	Edward Straub	Corsicana	TX	75110	(402) 658-4581
1004		Eekooyee Denton Loop, LLC	Oluwatosin Odesanya	Denton	TX	TBD	(404) 293-7622
928	*	Feine Freaks, LLC	Angelica Sheets	Dumas	TX	79209	(620) 544-1865
2598		HTR Holdings, LLC	Roderick W. Hutterer	El Paso	TX	TBD	(915) 276-4233
1119	*	6 Star Coffee LLC	Michelle Michigian	Forney	TX	75126	(559) 300-0034

Store No.	*	Entity Name	Contact	City	State	Zip	Phone
1383	*	Morning Fix, LLC	Taylor G. Fichtner	Granbury	TX	76048	(713) 705-0424
2235	*	KBR Franchises, LLC	Kenny Baker	League City	TX	TBD	(512) 964-4494
2655		Michael Reneau & Zachary Reneau	Michael Reneau	Lockhart	TX	78644	(210) 771-0888
2382	*	Cankee Co.	Brian Meier	McKinney	TX	75071	(214) 892-3417
2417	*	Open Range Roasters LLC	Megan Crisler	Midland	TX	79703	(614) 397-1033
1638	*	Coslor A-Maize-Ing Brew, LLC	Brandon Coslor	Nacogdoches	TX	75965	(308) 293-1472
1735	*	TMB Common Grounds, LLC	Joshua Kercheville	New Braunfels	TX	TBD	(210) 288-2808
1377	*	No Vision Inc.	Ryan Phelan	Plano	TX	75024	(402) 630-5836
1376	*	No Vision Inc.	Ryan Phelan	Plano	TX	75025	(402) 630-5836
976	*	Renaissance 976 Coffee, LLC	Mitch Linder	Round Rock	TX	78664	(303) 919-8390
2220		Samir Patel and Chetan Patel	Samir Patel	San Antonio	TX	78201	(862) 371-8300
2238		Austin Highway Coffee Shop, LLC	Michael Reneau	San Antonio	TX	78209	(210) 771-0888
1504		DEN&N Corp.	Erin Kirker	San Antonio	TX	78254	(702) 241-1484
1187	*	Eekooyee Limited Liability Company	Oluwatosin Odesanya	Sanger	TX	76266	(404) 293-7622
2051	*	Paula and Christerpher Naranjo	Paula Naranjo	Seguin	TX	TBD	(832) 458-8774
2555	*	Jeff Versfelt, Tara Versfelt and Michael Reid	Jeff Versfelt	Sherman	TX	75090	(972) 413-6396
2020	*	Gekat Investment Group LLC	Baraka Kinabo	Stafford	TX	77477	(573) 465-0006
2521		DMA Capital, LLC	Miriam Argueta	Sulphur Springs	TX	75482	(469) 964-7531
1799	*	Queen's Coffee, LLC	Amos Kropf	Texarkana	TX	75503	870-845-8827
2234	*	KBR Franchises, LLC	Kenny Baker	Texas City	TX	77590	(512) 964-4494
1438	*	Hicken Hospitality LLC	Kerri Hicken	Tyler	TX	TBD	(214) 226-2995
1137	*	Blu Water Brew, LLC	Joshua Morris	Waco	TX	TBD	(402) 540-7399
2452	*	Teddy Hjelmeland	Teddy Hjelmeland	Waco	TX	TBD	319-290-4222
1653		Brandle Holdings, LLC	Brock Hodgson	Magna	UT	TBD	(719) 930-4842
2358	*	Tanner and Travis Schumacher	Tanner Schumacher	Salt Lake City	UT	TBD	(605) 660-4379
1664	*	Mile 40, Corp	Mike Braunberger	Syracuse	UT	TBD	(801) 388-7057
2658		Camilla Avery and Chris Avery	Camilla Avery	Kennewick	WA	99336	(509) 378-2619
2428		The Gravel Mountain Group Inc.	Samuel Burgess	Baldwin	WI	54002	(612) 271-3840
845	*	Hart Family Coffee LLC	David Pedelty	De Pere	WI	TBD	(217) 766-1560
1454	*	Brew City Coffee LLC	Davinder Toor	Greenfield	WI	53221	(414) 698-4896
887	*	Kwik Cup Inc.	Vanita Sass	Kenosha	WI	53142	402-321-1737
828	*	Barostas LLC	Christopher Crotteau	Menomonie	WI	54751	651-333-0847
1452	*	Brew City Coffee LLC	Davinder Toor	Milwaukee	WI	53220	(414) 698-4896
2651	*	Adam Wurster and Brian Wuster	Adam Wurster	Mt. Horeb	WI	TBD	(815) 238-5103
1453	*	Brew City Coffee LLC	Davinder Toor	Slinger	WI	53086	(414) 698-4896
2111	*	Hart Family Coffee LLC	David Pedelty	West Bend	WI	TBD	(217) 766-1560
1362	*	Hart Family Coffee LLC	David Pedelty	Weston	WI	TBD	(217) 766-1560
2178	*	Big Sky Coffee LLC	RaeAnn Jeffries	Sheridan	WY	82801	(307) 746-5969

*Franchise Agreement signed pursuant to a Multiple Store Development Agreement.

List of Affiliate-Owned Stores (As of December 31, 2023)

Store No.	Entity Name	Address	City	State	Zip	Building Type	Phone
70	Boundless Operations, LLC	1951 W 5th Avenue	Broomfield	CO	80020	Kiosk	(303) 439-9350
122	Boundless Operations, LLC	4296 N. Academy Blvd.	Colorado Springs	CO	80918	End cap	719-266-6832
370	Boundless Operations, LLC	312 S. 8th St.	Colorado Springs	CO	80905	Drive-thru coffeehouse	(719) 308-2923
546	Boundless Operations, LLC	2151 N. Main St.	Longmont	CO	80501	Kiosk	402-690-0727
274	Boundless Operations, LLC	11461 Washington St	Northglenn	CO	80233	Kiosk	402-690-0727
1850	Future Market Development	1024 St. Rt. 229	Batesville	IN	47006	Kiosk	(402) 614-1723
734	Future Market Development	6420 28th St. S.E.	Grand Rapids	MI	49546	Kiosk	(402) 614-1723
7	Boundless Operations, LLC	2402 Cornhusker Road	Bellevue	NE	68123	Drive-thru coffeehouse	(402) 916-1966
284	Boundless Operations, LLC	1040 Wolf Creek Dr	Bellevue	NE	68123	Kiosk	(531) 225-1880
292	Boundless Operations, LLC	16874 Morgan Ave	Gretna	NE	68028	Kiosk	(402) 502-1010
2404	Boundless Operations, LLC	19225 Oakmont Dr.	Gretna	NE	68028	Kiosk	(402) 614-1723
2	Boundless Operations, LLC	10000 California Street	Omaha	NE	68114	Non-traditional	402-397-7365
55	Boundless Operations, LLC	5011 S. 108th Street	Omaha	NE	68137	End cap	402-934-1681
57	Boundless Operations, LLC	10196 Maple Street	Omaha	NE	68134	Drive-thru coffeehouse	402-991-0288
62	Boundless Operations, LLC	1123 Howard St	Omaha	NE	68102	Non-traditional	402-991-9868
246	Boundless Operations, LLC	8996 L Street	Omaha	NE	68127	Kiosk	402-506-5957
359	Boundless Operations, LLC	9513 S 144th St	Omaha	NE	68138	Drive-thru coffeehouse	531-721-2612
365	Boundless Operations, LLC	13329 California St	Omaha	NE	68154	Drive-thru coffeehouse	402-614-1723
1234	Future Market Development	100 W. Broadway St.	Denver City	TX	79323	Kiosk	(402) 614-1723
1817	Future Market Development	1220 West 1st St.	Hereford	TX	79045	Kiosk	(402) 614-1723
1055	Boundless Operations, LLC	2255 Fry Rd.	Katy	TX	77449	Kiosk	(402) 614-1723

EXHIBIT E (TO FRANCHISE DISCLOSURE DOCUMENT)

Franchisees Who Left the System From January 1, 2023 to December 31, 2023

Store	Entity Name	Contact	Address	City	State	Zip	Phone
TERMINATED							
238	Java Guyz, LLC	Raffiq Rajabali	2435 W Hammer Lane	Stockton	CA	95209	425-830-2839
546	Mountain Joe, LLC	Mike Snyder	2151 N. Main St.	Longmont	CO	80501	605-868-2008
274	Mountain Joe, LLC	Mike Snyder	11461 Washington St	Northglenn	CO	80233	605-868-2008
79	Gypsy Enterprises, LLC	Renee Jones	1111 Main St	Kansas City	MO	64105	816-853-0340
1280	Kennaija Beans Opco, LLC	Obi Chukwumah	5955 Rufe Snow Dr.	Watauga	TX	76148	336-671-3172
Note: Two stores in CO were required by Boundless Operations under a Management Service Agreement.							
TRANSFERRED							
321	P. Thomas Enterprises, LLC	Pat Thomas & Suzi Thomas	636 Del Prado Blvd.	Cape Coral	FL	33990	(402) 630-1907
322	P. Thomas Enterprises, LLC	Pat Thomas & Suzi Thomas	13681 Doctors Way	Ft. Myers	FL	33912	(402) 630-1907
323	P. Thomas Enterprises, LLC	Pat Thomas & Suzi Thomas	9981 S. Healthpark Dr.	Ft. Myers	FL	33908	(402) 630-1907
324	P. Thomas Enterprises, LLC	Pat Thomas & Suzi Thomas	2776 Cleveland Ave.	Ft. Myers	FL	33901	(402) 630-1907
189	SoDaug, LLC	Jon and Deanna Erwin	2943 Canton Rd. Suite 1600	Marietta	GA	30066	(402) 672-8522
160	SoDaug, LLC	Jon and Deanna Erwin	550 W. Crossville Rd., Suite 101	Roswell	GA	30075	(402) 672-8522
401	Kava Enterprises, LLC	Larry Morlan and Brenda Morlan	125 SE Oralabor Rd.	Ankeny	IA	50021	(319) 431-2648
1352	The Slow Grind, L.L.C.	Rod Maharry, Wade Samo, and Tia Samo	715 E. Maple St.	Centerville	IA	52544	(515) 201-3035
757	SFAM, L.L.C.	Joseph Ferguson, Zachary Martens, James Auen, & Deb Auen	1226 4th Ave. S.	Denison	IA	51442	(712) 269-2596
1001	SFAM Huxley, L.L.C.	Joseph Ferguson, Zachary Martens, James Auen, & Deb Auen	660 N. US Hwy 69	Huxley	IA	50124	(712) 269-2596
271	Kava Enterprises, LLC	Larry Morlan and Brenda Morlan	6001 Merle Hay Rd.	Johnston	IA	50131	(319) 431-2648
364	Coffee Ventures, LLC	Zacharias Doohen, Angela Doohen, and Rizan Hajal	1608 Broadway Ave. S.	Rochester	MN	55904	(605) 366-4288
1460	GSLP Consulting, LLC	Gary Suhr & Lonnie Parsons	1203 W. B St.	McCook	NE	69001	(308) 530-9051
454	Shandyland, LLC	Shanna Turner	102 W. 16th St.	Schuyler	NE	68661	(712) 420-9491
224	LOJO Enterprises, LLC	Julie Ortman and Loren Ortman	305 22nd Ave. S.	Brookings	SD	57006	(402) 301-7838
255	Reynoldson Coffee South Dakota, LLC	Michael & Cindy Reynoldson; Brooke Wenzel	321 E. Havens Ave.	Mitchell	SD	57301	(402) 649-8282
41	Scheier Group, Inc.	Tom Scheier	5009 S. Western Ave. #240	Sioux Falls	SD	57108	(605) 332-8988
1376	ARC Holdings, LLC	Adam Cockerill & Richard Cockerill	7795 Alma Dr.	Plano	TX	75025	(402) 319-7848
325	Mayhem Brothers Enterprises, LLC	Teri LaBorde and Adam LaBorde	6401 University Ave.	Middleton	WI	53562	(608) 558-1214
1018	Shack Coffee LLC	Grant Johnson and Andrea Johnson	1151 Cy Ave.	Casper	WY	82604	(605) 630-6989
TERMINATED FRANCHISE AGREEMENT - STORE NEVER OPENED							
974	Sanjay Patel	Sanjay Patel	TBD	Pelham	AL	TBD	(256) 682-7121
1484	MCAA Arizona SC LLC	Austin Bone	TBD	Phoenix	AZ	TBD	(801) 599-1248
1485	MCAA Arizona SC LLC	Austin Bone	TBD	Phoenix	AZ	TBD	(801) 599-1248
1344	Michael Carbone	Michael Carbone	TBD	Surprise	AZ	TBD	(847) 875-1803
1427	Cuppa Sun, LLC	William Alford II	8775 S Priest Drive	Tempe	AZ	85284	(402) 510-1426

Store	Entity Name	Contact	Address	City	State	Zip	Phone
1034	Bean Heads, LLC	James E. Mumgaard	TBD	Tolleson	AZ	TBD	(402) 459-1374
2295	Joseph Allison	Joseph Allison	2325 W. County 11th St.	Yuma	AZ	85364	(928) 503-1274
1949	Jami and Jeffrey Huber	Jami Huber	TBD	Grand Junction	CO	TBD	(402) 290-4415
2016	Macayla Cline and Jeffrey Cline	Macayla Cline	TBD	Highlands Ranch	CO	TBD	720-252-7125
521	GSLP Consulting, LLC	Gary Suhr	TBD	Highland's Ranch	CO	TBD	(308) 530-9051
878	GSLP Consulting, LLC	Gary Suhr	TBD	Littleton	CO	TBD	(308) 530-9051
1874	Laura Fischer and Kodi Fischer	Laura Fischer	TBD	Clearwater	FL	TBD	(712) 635-0460
991	Robert and Connie Kulp	Robert Kulp	436 State Rd 380	Longwood	FL	32707	(321) 231-9401
1145	Bravo Zulu Brew LLC	Kelly Blair	TBD	Pensacola	FL	TBD	(402) 317-0460
970	Geisha Bean LLC	Glenn Smith	TBD	Titusville	FL	TBD	(402) 594-7926
1319	GGG Scooter's 1 LLC	Andrea Angel-Mejia	TBD	Big Creek	GA	TBD	(770) 335-1005
2169	Brett and Lorrie Campbell	Brett Campbell	6870 Hickory Rd.	Canton	GA	30188	(404) 388-1318
1420	David and Donna Ayala	David Ayala	TBD	Fishers	IN	TBD	(317) 503-9217
734	Dupanya Coffee, LLC	Josh Dupey	6420 28th St. SE	Grand Rapids	MI	49546	616-881-3992
2324	Christopher Plasek and Ryan Evenson	Christopher Plasek	TBD	Redwood Falls	MN	TBD	(218) 251-0205
2215	James R. Davis and Stacy Davis	James R. Davis	TBD	St. Louis	MO	TBD	(540) 642-6176
956	Richard Nearman and Charles Irwin	Richard (Rikky) Nearman	TBD	Greensboro	NC	TBD	(773) 682-4055
1993	Grateful Bean, LLC	Matthew Andrew	1776 E. Dixon Blvd	Shelby	NC	28152	(770) 372-8761
2396	Rise N' Grind, LLC	Ricardo Mogollon	TBD	Henderson	NV	TBD	(702) 427-8350
1396	Tallgrass Coffee, LLC	Rhone Bird	623 Crown Point Dr.	Ada	OK	74820	(405) 417-0456
708	Progressus OK LLC	Phillip Garrison	TBD	Owasso	OK	TBD	(918) 860-0183
971	Sooner Brew LLC	Jeffrey De Francesco	TBD	Ponca City	OK	TBD	(405) 615-6662
1397	Tallgrass Coffee, LLC	Rhone Bird	1809 W. Broadway Ave	Sulphur	OK	73086	(405) 417-0456
2462	EB Grind LLC	Noemi Edge	TBD	Jonesborough	TN	TBD	(828) 329-6016
2209	The Valley Coffee Shop LLC	Luke Younger	TBD	Aubrey	TX	TBD	(469) 432-5053
2040	Rob-Brew-Co, LLC	Matthew Robinson	TBD	Bonham	TX	TBD	(402) 253-6114
1509	Mayo Family Coffee #1, LLC	Mary Mayo	4007 Victoria Ave	College Station	TX	77845	(512) 431-4964
1005	Alderman-Dreher Holdings II, LLC	Alison Alderman-Dreher	TBD	Denton	TX	TBD	(402) 689-6390
2303	Mark and Tanna Youngquist	Mark Youngquist	TBD	Egypt	TX	TBD	(402) 201-6506
1281	Kennaija Beans Opco, LLC	Obi Chukwumah	TBD	Haltom City	TX	76148	(336) 671-3172
1081	LLF Corporation	Matthew Barton	TBD	Justin	TX	TBD	(214) 629-0520
1854	Virginia - Texas, LLC	Denvip Davis, Jr.	TBD	Pasadena	TX	TBD	(832) 230-7968
1980	Marianne and Sean McGerr	Marianne McGerr	15807 Windermere Dr	Pflugerville	TX	78660	(402) 983-1441
2400	Lisa and Tony Guerrero	Tony Guerrero	TBD	Rose Hill	TX	TBD	(918) 899-4281
1898	George Ayoub	George Ayoub	TBD	Sugar Land	TX	TBD	(713) 261-0708
1612	Stirwhit Investments, LLC	Adam Whitish	1317 S. Valley Mills Dr.	Waco	TX	76711	(254) 718-6733
487	Long Ears Coffee 4 LLC	Wendy Wells	TBD	Weatherford	TX	TBD	(469) 907-9979

EXHIBIT F
(TO FRANCHISE DISCLOSURE DOCUMENT)

Financial Statements

Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless
Enterprises, LLC)

**Financial Statements and
Independent Auditors' Report**

December 31, 2023 and 2022



Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

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INDEPENDENT AUDITORS' REPORT

Member and Board of Directors
Scooter's Coffee, LLC
Omaha, Nebraska

Opinion

We have audited the financial statements of Scooter's Coffee, LLC (the Company), a Nebraska limited liability company and wholly owned subsidiary of Boundless Enterprises, LLC, which comprise the balance sheets as of December 31, 2023 and 2022, the related statements of operations and member's equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Lutz & Company, P.C.

March 29, 2024

Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Balance Sheets

December 31, 2023 and 2022

ASSETS		<u>2023</u>	<u>2022</u>
CURRENT ASSETS			
Cash and Cash Equivalents		\$ 32,560,648	\$ 1,964,044
Receivables, Net		1,774,807	1,737,376
Prepaid Expenses		984,550	880,376
Current Portion of Notes Receivable		249,364	999,376
Total Current Assets		<u>35,569,369</u>	<u>5,581,172</u>
PROPERTY AND EQUIPMENT, NET		<u>9,089,191</u>	<u>1,052,234</u>
OTHER ASSETS			
Goodwill, Net of Accumulated Amortization of \$5,246,739 and \$4,663,768, Respectively		582,964	1,165,935
Due from Affiliates		5,341,560	41,025,565
Notes Receivable, Less Current Portion		12,702,016	2,120,134
Franchise Fees Receivable		555,000	-
Deposits		5,000	5,000
Total Other Assets		<u>19,186,540</u>	<u>44,316,634</u>
TOTAL ASSETS		<u>\$ 63,845,100</u>	<u>\$ 50,950,040</u>

See Notes to Financial Statements.

Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Balance Sheets

December 31, 2023 and 2022

LIABILITIES		<u>2023</u>	<u>2022</u>
CURRENT LIABILITIES			
Payables	\$	1,937,853	\$ 1,773,901
Gift Card Liability		11,451,040	8,787,877
Franchisee Marketing Deposits		4,509,361	4,555,087
Current Portion of Deferred Revenue and Franchisee Development Deposits		8,120,000	9,165,204
Current Portion of Area Representative Buyout Liability		1,288,199	-
Other Deposits		677,597	82,292
Accrued Compensation		1,859,943	1,320,139
Accrued Expenses		581,115	481,417
Total Current Liabilities		<u>30,425,108</u>	<u>26,165,917</u>
LONG-TERM LIABILITIES			
Deferred Revenue and Franchisee Development Deposits, Less Current Portion		14,383,620	16,087,325
Area Representative Buyout Liability, Less Current Portion		1,288,199	-
Due to Affiliates		12,179,132	-
Total Long-Term Liabilities		<u>27,850,951</u>	<u>16,087,325</u>
Total Liabilities		<u>58,276,059</u>	<u>42,253,242</u>
COMMITMENTS AND CONTINGENCIES			
MEMBER'S EQUITY			
MEMBER'S EQUITY		<u>5,569,041</u>	<u>8,696,798</u>
TOTAL LIABILITIES AND MEMBER'S EQUITY		<u>\$ 63,845,100</u>	<u>\$ 50,950,040</u>

Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Statements of Operations and Member's Equity

Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
REVENUES		
Royalty Fees	\$ 42,878,800	\$ 30,759,253
Franchise and Area Representative Fees	10,787,091	7,627,075
Affiliate Sourcing Fees	2,010,000	1,585,000
Gift Card Breakage	1,255,000	447,748
Total Revenues	<u>56,930,891</u>	<u>40,419,076</u>
OPERATING EXPENSES		
Operating Expenses	52,757,496	33,767,833
Parent Company Administration Fee	6,115,915	5,604,037
Depreciation	777,556	313,212
Amortization of Goodwill	582,971	582,971
Total Operating Expenses	<u>60,233,938</u>	<u>40,268,053</u>
Income (Loss) from Operations	<u>(3,303,047)</u>	<u>151,023</u>
OTHER INCOME AND EXPENSE		
Interest Income	175,290	75,097
Loss on Disposal of Property and Equipment	-	(475)
Total Other Income and Expense	<u>175,290</u>	<u>74,622</u>
NET INCOME (LOSS)	<u>\$ (3,127,757)</u>	<u>\$ 225,645</u>
Member's Equity, Beginning of Year	8,696,798	8,471,153
Member's Equity, End of Year	<u>\$ 5,569,041</u>	<u>\$ 8,696,798</u>

See Notes to Financial Statements.

Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Statements of Cash Flows

Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (Loss)	\$ (3,127,757)	\$ 225,645
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities		
Depreciation	777,556	313,212
Amortization of Goodwill	582,971	582,971
Loss on Disposal of Property and Equipment	-	475
Compounded Interest on Notes Receivable	(40,833)	-
Increase in Operating Assets:		
Receivables, Net	(37,431)	(573,244)
Prepaid Expenses	(104,174)	(523,278)
Franchise Fees Receivable	(555,000)	-
Increase (Decrease) in Operating Liabilities:		
Payables	163,952	941,279
Gift Card Liability	2,663,163	2,188,253
Franchisee Marketing Deposits	(45,726)	1,696,133
Deferred Revenue and Franchisee Development Deposits	(2,748,909)	6,237,875
Area Representative Buyout Liability	3,449,877	-
Other Deposits	595,305	(48,382)
Accrued Compensation	539,804	(232,586)
Accrued Expenses	99,698	(116,392)
Net Cash Provided by Operating Activities	<u>2,212,496</u>	<u>10,691,961</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(7,040,857)	(389,603)
Issuance of Notes Receivable	(2,110,000)	(1,583,302)
Repayments of Notes Receivable	470,055	501,219
Decrease (Increase) in Due from Affiliates	36,224,838	(19,811,961)
Net Cash Provided by (Used in) Investing Activities	<u>27,544,036</u>	<u>(21,283,647)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (Decrease) in Due to Affiliates	<u>840,072</u>	<u>(2,260,749)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	30,596,604	(12,852,435)
Cash and Cash Equivalents, Beginning of Year	1,964,044	14,816,479
Cash and Cash Equivalents, End of Year	<u>\$ 32,560,648</u>	<u>\$ 1,964,044</u>
NONCASH ACTIVITIES		
Due to Affiliates Incurred for Purchase of Property and Equipment	\$ 1,773,656	\$ -
Due to Affiliates Incurred in Receipt of Notes Receivable	9,565,404	-
Assignment of Notes Receivable to Parent in Satisfaction of Due to Affiliates	540,833	-
Notes Receivable Satisfied through Area Representative Buyout	873,479	-

See Notes to Financial Statements.

Scooter's Coffee, LLC

(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2023 and 2022

1. Summary of Significant Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements is set forth below.

Organization and Nature of Business

Scooter's Coffee, LLC (the Company) is a franchisor of coffee retail stores. The Company is a wholly owned subsidiary of Boundless Enterprises, LLC (Parent).

The Parent is also the sole member of Boundless Operations, LLC (Operations), Harvest Roasting, LLC (Harvest), and Boundless Real Estate Holdings, LLC (Real Estate). The Company is engaged in various transactions with these related parties (see Note 2). Operations is principally involved in the operation of Company-owned retail coffeehouses. Harvest is principally involved in the wholesale of coffee products and related supplies to all franchisees of the Company and all Operations' stores. Real Estate is principally involved in the acquisition and leasing of certain real estate properties.

The following is a summary of total stores at December 31:

	<u>Affiliated</u>	<u>Franchise</u>	<u>Total</u>
Open, December 31, 2021	21	379	400
Opened	12	146	158
Closed	(1)	(2)	(3)
Transfers	<u>(2)</u>	<u>2</u>	<u>-</u>
Open, December 31, 2022	30	525	555
Opened	4	197	201
Closed	(3)	(3)	(6)
Transfers	<u>(10)</u>	<u>10</u>	<u>-</u>
Open, December 31, 2023	<u>21</u>	<u>729</u>	<u>750</u>

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Scooter's Coffee, LLC

(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2023 and 2022

Cash and Cash Equivalents

The Company considers short-term investments with an original maturity of three months or less to be cash and cash equivalents. During January 2024, approximately \$29,695,000 of cash and cash equivalents was paid to certain members of the Parent to repurchase member units (see Note 2).

Receivables

Receivables include trade accounts, affiliate, franchisee gift card, and franchisee advance receivables which are carried at original invoice amount less an estimate for credit losses based on a review of all outstanding amounts on a periodic basis. Management determines the allowance for credit losses by regularly evaluating the aging of customer receivables and considering a customer's financial condition, credit history, current economic conditions and forecasts about future economic conditions. Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded when received.

Concentration of Risks

The Company has two types of financial instruments subject to credit risk. The Company maintains bank accounts in which balances sometimes exceed the Federal Deposit Insurance Corporation (FDIC) limit of \$250,000. In order to mitigate this risk, the Company began investing excess funds in sweep accounts during 2023. At December 31, 2023 and 2022 there were cash balances in excess of FDIC limits at the bank of approximately \$0 and \$2,104,000, respectively.

The Company's receivables are also subject to credit risk.

Franchise Operations and Revenue Recognition

Revenue is recognized for the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods and services.

Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2023 and 2022

Revenues disaggregated by timing of revenue recognition and by major type for the years ended December 31, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Revenues Recognized Over Time		
Gift Card Breakage	\$ 1,255,000	\$ 447,748
Revenues Recognized at a Point in Time		
Royalty Fees	42,878,800	30,759,253
Franchise Fees	10,487,091	7,267,075
Area Representative Fees	300,000	360,000
Affiliate Sourcing Fees	2,010,000	1,585,000
Total Revenues Recognized at a Point in Time	55,675,891	39,971,328
Total Revenues	\$ 56,930,891	\$ 40,419,076

The Company's accounting policy for revenue recognition is detailed below.

Royalty Fees

Royalty fees are determined as a percentage of franchisee sales, typically 8% (6% royalty and 2% marketing contribution). Management has determined the royalty fees are payment for intellectual property over the term of the franchise agreement. These fees are recognized as revenue in the period sales are earned by the franchisee. These fees are typically pulled via ACH on either a weekly or monthly basis from each respective franchisee.

Franchise and Area Representative Fees

The Company sells individual franchises as well as area representative agreements that incentivize franchisees to develop or help manage multiple store locations. The franchise agreements and area representative agreements typically require the franchisee to pay an initial nonrefundable franchise fee prior to opening the respective franchisee unit. The initial term of a franchise or area representative agreement is generally 10 years. A franchisee may elect to renew the term of a franchise agreement and will pay a renewal fee upon execution of the new agreement.

The Company has determined that the initial franchise fee is a payment for preopening services including site selection, development, and training associated with opening a franchise location. The Company follows Accounting Standards Update 2021-02, *Franchisors – Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient*, and has elected to account for preopening services as a single performance obligation. As such, the franchise fee is initially recorded as deferred revenue and is recognized as revenue upon the completion of substantially all the preopening services, which is normally concurrent with the opening of a franchisee unit. If a franchise agreement is terminated prior to the opening of a franchisee unit, the Company will recognize the full amount to revenue in the year of termination.

Scooter's Coffee, LLC

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Notes to Financial Statements

December 31, 2023 and 2022

Area representatives provided certain preopening services and continued franchisee support in a specific territory on behalf of the Company in exchange for commissions and royalties. The initial fee paid by the area representative was to cover the Company's assistance with preopening services. The area representative fee was recorded as a franchisee development deposit until substantially all services of the Company required by the area representative had been performed, which was normally concurrent with the opening of a franchisee unit within the area representative's territory. During November 2023, the Company exercised termination agreements with all area representatives (see Note 9). No new area representative agreements are expected to be signed.

Affiliate Sourcing Fees

The Company receives a sourcing fee from Harvest each time a franchisee unit is opened. The sourcing fee is deemed to be a commission to the Company for providing a new customer to Harvest and is recognized as revenue in the period the Company has satisfied its obligation to Harvest, which occurs upon the opening of the franchisee unit.

Gift Card Breakage

There are no expiration dates on the Company's gift cards and the Company does not charge service fees. While franchisees continue to honor gift cards presented for payment, the Company determines the likelihood of redemptions to be remote for certain cards due to long periods of inactivity. Gift card breakage revenue represents the amount of gift cards sold in which the probability of redemption is remote, if management also determines there is no requirement for remitting balances to government agencies under unclaimed property laws. In these circumstances, the gift card liability is reduced through the recognition of breakage revenue over time in proportion to actual gift card redemptions. Significant judgment is required in estimating breakage percentages on these gift cards. The Company uses industry-wide standards and its own historical experience to estimate breakage revenue. For the years ended December 31, 2023 and 2022, the Company estimated breakage percentages ranging from 1.60% to 5.00%, based on the type of gift card and the year of issuance. In addition, the Company has determined cards to be fully broken three years after issuance. Given the significant value of the gift card liability, changes in estimated breakage percentages could have a material impact on the breakage revenue recognized and the outstanding gift card liability.

Sponsorship Revenue

The Company generally hosts a corporate-wide franchisee meeting on an annual basis. The Company recognizes sponsorship revenue from vendors in the year the meeting occurs. Amounts received prior to the franchisee meeting date are recorded as deferred revenue. During 2023 and 2022, the Company recognized sponsorship revenue of approximately \$1,091,000 and \$727,000, respectively, which is included as an offset to operating expenses in the accompanying statements of operations and member's equity.

Scooter's Coffee, LLC

(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2023 and 2022

Contract Assets

Contract assets reflect conditional rights to consideration in exchange for goods or services and are transferred to receivables when the rights become unconditional. As of December 31, 2023, 2022, and 2021, there were no contract assets as all receivables of the Company reflected unconditional rights to consideration. Receivables totaled \$1,774,807, \$1,737,376, and \$1,164,132 at December 31, 2023, 2022, and 2021, respectively.

Contract Liabilities

Contract liabilities are included in the balance sheets as gift card liability, deferred revenue and franchisee development deposits.

The gift card liability consists of outstanding gift card balances, net of estimated breakage. See "Gift Card Breakage" above and Note 5 for further description of gift cards. The gift card liability totaled \$11,451,040, \$8,787,877, and \$6,599,624 at December 31, 2023, 2022, and 2021, respectively.

Deferred revenue consists of initial franchise and area representative fees received at the signing of a franchise or area representative agreement. Franchisee development deposits consist of down payments for multi-store development agreements that will be applied to future franchise agreements. When a franchise agreement is signed with a multi-store developer, the down payment is used to reduce the initial franchise fee paid.

These fees are recognized to revenue upon the opening of the respective franchisee unit. The Company estimates the current and long-term portion of deferred revenue and franchisee development deposits based on the estimated opening dates of the franchisee units. Deferred revenue and franchisee development deposits totaled \$22,503,620, \$25,252,529, and \$19,014,654 at December 31, 2023, 2022, and 2021, respectively.

Property and Equipment

Property and equipment are stated at cost. Expenditures for additions and betterments are capitalized; expenditures for maintenance and repairs are expensed as incurred. The costs of assets disposed and the related accumulated depreciation are eliminated from the accounts in the year of disposal. Gains or losses from property disposals are recognized in the year of disposal.

Depreciation is computed using the straight line method over the following estimated useful lives:

	<u>Years</u>
CAD Drawings	3 - 5
Office Furniture and Equipment	3 - 7
Software	3 - 5
Training Equipment	3 - 5
Vehicles	5
Website and Product Development	3

Scooter's Coffee, LLC

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Notes to Financial Statements

December 31, 2023 and 2022

Projects in process are recorded at cost and depreciation is recorded once the assets are placed into service. Projects in process at December 31, 2023 primarily related to software under development and additional construction costs for the new research and development lab and training kiosks which are expected to be placed in service in 2024. Projects in process at December 31, 2022 primarily related to construction costs for a new research and development lab and training kiosks, the majority of which was placed in service in 2023.

Goodwill

Goodwill represents the carrying amount of the cost in excess of the assets acquired in a business combination. The Company follows FASB Accounting Standards Update 2014-02, *Intangibles – Goodwill and Other (Topic 350): Accounting for Goodwill*, which allows the Company to amortize goodwill prospectively on a straight-line basis up to ten years. Management believes this method more accurately reflects periodic results of operations and has elected to amortize its existing goodwill over ten years, which represents the estimated useful life. Accordingly, amortization expense of \$582,971 was recorded during the years ended December 31, 2023 and 2022. The Company will continue to review goodwill for possible impairment when a triggering event has occurred. Amortization expense during the next year is anticipated to be approximately \$583,000.

Long-Lived Asset Impairment Policy

The Company evaluates the recoverability of the carrying value of long-lived assets when events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset are less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. Management does not believe any impairment existed at December 31, 2023 and 2022.

Franchisee Marketing Deposits

Franchisee marketing deposits represent amounts received from franchisees which will be used by the Company on behalf of franchisees for various marketing and grand opening costs.

Leases

The Company follows Accounting Standards Update 2016-02, *Leases (Topic 842)* through a right-of-use (ROU) model that requires a lessee to recognize a ROU asset and lease liability on the balance sheets for all leases. The Company has elected the short-term lease practical expedient to exclude leases with terms of 12 months or less from recognition on the accompanying balance sheets. The Company does not have any leases with terms in excess of 12 months; therefore, no ROU assets or lease liabilities have been reflected.

Scooter's Coffee, LLC

(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2023 and 2022

Advertising and Promotion

The franchise agreement requires the Company to spend an amount of at least 2% of franchisee sales on advertising and promotion. The Company expenses advertising and promotion costs as they are incurred. Advertising and promotion expenses totaled approximately \$12,382,000 and \$8,869,000 for the years ended December 31, 2023 and 2022, respectively.

Income Taxes

The Company is a single-member limited liability company and is treated as a disregarded entity under the Internal Revenue Code. Accordingly, the Company's activity is included on the income tax return of the Parent, and taxable income, deductions and credits flow through to the members of the Parent each year as earned and are reported on their personal income tax returns. Therefore, no provision or liability for income taxes has been included in the financial statements of the Company.

The Company follows the provisions of FASB Codification Topic 740-10 related to uncertain income tax positions. Management believes there are no uncertain income tax positions taken which would require the Company to reflect a liability for unrecognized tax benefits on the accompanying balance sheets.

The Company may make tax related distributions to the Parent in amounts sufficient to cover any income taxes the members of the Parent are required to pay on the Company's taxable income.

The Company believes it is no longer subject to federal, state and local income tax examinations for tax years before December 31, 2020.

Subsequent Events

Subsequent events are events or transactions that occur after the balance sheet date, but before the financial statements are available to be issued and may require potential recognition or disclosure in the financial statements. Management has considered such events or transactions through March 29, 2024. See the "Cash and Cash Equivalents" section of Note 1 and Note 2 for a description of a subsequent event.

Scooter's Coffee, LLC

(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2023 and 2022

2. Related Party Transactions

Boundless Enterprises, LLC (Parent)

The Company is charged an expense allocation by the Parent for management support which totaled \$6,115,915 and \$5,604,037 for the years ended December 31, 2023 and 2022, respectively. The Company also provides cash advances to and receives cash advances from the Parent. There was (\$5,703,917) and \$34,493,328 due from (to) the Parent at December 31, 2023 and 2022, respectively, which is included in due from (to) affiliates in the accompanying balance sheets. During December 2023, the Parent, alongside the Company as a joint borrower, obtained debt totaling \$28,000,000 and issued new member units for a purchase price of approximately \$2,000,000, both of which were advanced to the Company by the Parent. During January 2024, approximately \$29,695,000 of cash and cash equivalents was paid to certain members of the Parent to repurchase member units, which reduced the amount due to the Parent and increased the amount due from Parent.

Boundless Operations, LLC (Operations)

The Company charged continuing franchise royalty fees of \$1,210,087 and \$1,206,921 to Operations during the years ended December 31, 2023 and 2022, respectively.

The Company also charged initial franchise fees to Operations. Total franchise fee revenue recognized from Operations was \$160,000 during the years ended December 31, 2023 and 2022. Initial franchise fees from Operations of \$400,000 (\$360,000 current and \$40,000 long-term) and \$800,000 (\$360,000 current and \$440,000 long-term) were included in deferred revenue and franchisee development deposits at December 31, 2023 and 2022, respectively. Certain initial franchise fees from Operations at December 31, 2022 were sold or transferred to third party franchisees during 2023.

During December 2023, Operations issued notes receivable agreements totaling \$9,565,404 in relation to the sale of certain franchisee operations. These notes receivable agreements were assigned to the Company, which increased the amount due to Operations. The Company's role is to provide support to franchisees including financing. As such, management determined these notes were more appropriately presented on the Company's balance sheet.

There was (\$6,475,215) and \$1,480,236 due from (to) Operations at December 31, 2023 and 2022, respectively, which is included in due from (to) affiliates in the accompanying balance sheets.

Harvest Roasting, LLC (Harvest)

The Company receives a \$10,000 per store sourcing fee from Harvest for each franchise opening or renewal as consideration for designating Harvest as the preferred vendor of franchisees. The Company also periodically provides cash advances to Harvest.

There was \$5,341,560 and \$5,052,001 due from Harvest at December 31, 2023 and 2022, respectively, which is included in due from affiliates in the accompanying balance sheets.

Franchisees and Area Representatives

The Company has various franchisees that are owned by employees, members or other affiliated parties of the Company or the Parent.

Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2023 and 2022

During 2022, the Company entered into a note receivable agreement with a certain executive and member of the Parent (see Note 4).

The Company entered into agreements with a certain member of the Parent and with a certain related party to finance their area representative fees. During 2023, these area representative agreements were terminated, and the balances of the corresponding notes receivable were satisfied (see Note 9).

3. Receivables

Receivables at December 31, 2023 and 2022 consist of the following:

	<u>2023</u>	<u>2022</u>
Receivables		
Trade Accounts	\$ 854,656	\$ 492,610
Affiliate	12,893	25,762
Franchisee Gift Card	843,907	475,448
Franchisee Advances	95,986	561,399
Other	17,365	182,157
Subtotal	<u>1,824,807</u>	<u>1,737,376</u>
Less: Allowance for Credit Losses	<u>(50,000)</u>	<u>-</u>
Total Receivables, Net	<u><u>\$ 1,774,807</u></u>	<u><u>\$ 1,737,376</u></u>

Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2023 and 2022

4. Notes Receivable

Notes receivable at December 31, 2023 and 2022 consist of the following:

	<u>Primary Purpose</u>	<u>Interest</u>	<u>Maturity Date</u>	<u>2023</u>	<u>2022</u>
*	Area representative agreement	5%	!	\$ -	\$ 452,811
	Franchise agreements and receivables	5%	Repaid in 2023	-	64,151
*	Area representative agreement	0%	!	-	190,000
	Store construction costs	5%	Repaid in 2023	-	24,571
*	Deferred royalty fees	5%	Repaid in 2023	-	57,732
#	Franchisee assistance program	0%	Various	1,509,000	1,259,000
^	Franchisee assistance program	5%	Various	1,300,000	490,000
	Franchisee assistance program	5%	&	76,975	76,975
	Store equipment purchase	0%	Repaid in 2023	-	4,270
*	Franchisee assistance program	7%	%	-	500,000
	Franchisee assistance program	8%	July 2025	500,000	-
	Sale of franchisee operations	8%	February 2027	7,386,180	-
	Sale of franchisee operations	8%	January 2027	2,179,225	-
Total Notes Receivable				12,951,380	3,119,510
Less Current Portion				249,364	999,376
Notes Receivable, Less Current Portion				<u>\$ 12,702,016</u>	<u>\$ 2,120,134</u>

* Related party. See Note 2.

! The remaining balance of these notes were satisfied as part of the area representative buyout (see Notes 2 and 9).

In lieu of interest, the Company charges an additional 2% royalty to the franchisee.

The principal on these notes matures on various dates from May 2026 to February 2029.

& The original agreements on these notes expired in 2022 and are expected to be repaid during 2024.

^ These notes bear interest at 5% until the associated franchisee unit opens, at which point the Company will charge an additional 2% royalty in lieu of interest. The principal on these notes matures on various dates from June 2026 to December 2027.

% Effective December 31, 2023, the Company assigned this note to the Parent in satisfaction of Due to Affiliates.

The aggregate maturities of notes receivable for the years ending after December 31, 2023 are as follows:

<u>Year Ending December 31,</u>	
2024	\$ 249,364
2025	579,398
2026	2,131,476
2027	9,857,142
2028	-
Thereafter	134,000
	<u>\$ 12,951,380</u>

Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2023 and 2022

5. Property and Equipment

Property and equipment at December 31, 2023 and 2022 consists of the following:

	<u>2023</u>	<u>2022</u>
CAD Drawings	\$ 7,615	\$ 7,615
Office Furniture and Equipment	656,055	657,672
Software	8,528,910	250,415
Training Equipment	592,764	136,828
Vehicles	56,227	38,147
Website and Product Development	354,979	354,979
Projects in Process	411,001	366,021
Total Cost	<u>10,607,551</u>	<u>1,811,677</u>
Less Accumulated Depreciation	<u>1,518,360</u>	<u>759,443</u>
Net Book Value	<u>\$ 9,089,191</u>	<u>\$ 1,052,234</u>

During 2023, the Company completed development of its new mobile application for a total cost of approximately \$8,072,000, which was capitalized to software.

6. Payables

Payables at December 31, 2023 and 2022 consist of the following:

	<u>2023</u>	<u>2022</u>
Payables		
Trade Accounts	\$ 1,100,887	\$ 1,071,642
Affiliate	78,360	73,847
Franchisee Gift Card	<u>758,606</u>	<u>628,412</u>
Total Payables	<u>\$ 1,937,853</u>	<u>\$ 1,773,901</u>

Scooter's Coffee, LLC

(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2023 and 2022

7. Gift Cards

The Company and its franchisees sell/issue gift cards that are redeemable for product in store locations. The Company manages the gift card program and therefore collects all funds from the issuances of gift cards and reimburses franchisees for the redemption of gift cards in their stores. Upon the sale of a gift card at a franchisee location, the Company records a franchisee gift card receivable and a gift card liability. Gift cards redeemed are accounted for as a franchisee gift card payable and a reduction to the gift card liability. In addition to physical gift cards, the Company allows customers to load a prepaid balance through its mobile application. Upon the purchase of a prepaid balance through the mobile application, the Company records a gift card liability. Management expects gift card breakage percentage to decline as customers shift to the use of the mobile application over physical gift cards.

There was \$11,741,040 and \$8,787,877 of gift cards outstanding, net of estimated breakage, at December 31, 2023 and 2022, respectively, which are expected to be redeemed in future years.

8. 401(k) Profit Sharing

The Company participates in the Parent's 401(k) profit sharing plan which covers substantially all employees upon completion of one month of service and attainment of 21 years of age. The Company's contribution to the plan consists of a matching contribution based on employee deferrals. Additional profit sharing contributions may also be made at the Company's discretion. The Company's 401(k) contributions were approximately \$504,000 and \$405,000 for the years ended December 31, 2023 and 2022, respectively.

9. Commitments and Contingencies

Debt

The Company is a joint borrower with the Parent, Operations, Harvest, and Real Estate for various debt obligations. Outstanding balances and related interest expense are recorded on the Parent's consolidated financial statements.

The Company is contingently liable as a borrower and guarantor with respect to certain indebtedness of the Parent. At December 31, 2023, the maximum future payments that the Company would be required to make as a borrower and guarantor on this debt totaled \$54,433,848. This includes term loans which mature on various dates from September 2024 through October 2028 with interest accruing at fixed and variable rates ranging from 3.28% to 8.38%. This debt is collateralized by substantially all assets of the Company and its affiliates. The Company is also contingently liable as a borrower with respect to certain unsecured indebtedness of the Parent. At December 31, 2023, the maximum future payments that the Company would be required to make as a borrower on this debt totaled \$28,000,000. This loan matures during December 2028 with interest accruing at 13.25%. As of the date of this report, the Company is aware of no instances where it is required to perform on the outstanding term loans.

Scooter's Coffee, LLC

(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2023 and 2022

Commitments

The Company, along with the Parent, Operations, Harvest, and Real Estate, has entered into an agreement with a third party creditor that provides financing to franchisees. Under this agreement, the Company is contingently liable as a guarantor on up to 10.00% of the indebtedness obtained by the franchisees with the creditor, subject to a minimum of \$1,000,000 and a maximum guarantee of \$10,000,000. As of December 31, 2023, the Company's exposure on the guarantee is approximately \$7,400,000. The terms of the guarantee expire when all indebtedness to the creditor is fully paid. As of the date of this report, the Company is aware of no instance where it is required to perform on this guarantee.

Area Representative Royalty Fees and Commissions

Under terms of various area representative agreements, the Company had agreed to pay royalties ranging from 2.5% to 3.0% of gross sales each month, which totaled \$2,658,797 and \$2,864,195 for the years ended December 31, 2023 and 2022, respectively, and are included in operating expenses in the accompanying statements of operations and member's equity.

In addition to royalties, the Company had agreed to pay commissions equal to 100% of the initial franchise fee received from a franchise in the area representative's territory. These commissions are earned by the area representative upon the opening of the franchise unit. Commissions totaled \$556,671 and \$660,006 for the years ended December 31, 2023 and 2022, respectively, and are included in operating expenses in the accompanying statements of operations and member's equity. Certain area representative royalty fees and commissions were paid to related parties.

In November 2023, the Company terminated all area representative agreements and executed options exercise agreements to purchase the development rights and royalties of the area representatives. Total consideration owed to area representatives under these options exercise agreements was \$12,043,521, of which \$8,593,644 was paid in cash, \$873,479 was used to satisfy existing notes receivable balances from the area representatives, and \$2,576,398 will be paid out in two installments in January 2024 and January 2025. The total buyout expense is included in operating expenses in the accompanying 2023 statement of operations and member's equity.

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Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless
Enterprises, LLC)

**Financial Statements and
Independent Auditors' Report**

December 31, 2022 and 2021



Scooter's Coffee, LLC

(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

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INDEPENDENT AUDITORS' REPORT

Member and Board of Directors
Scooter's Coffee, LLC
Omaha, Nebraska

Opinion

We have audited the financial statements of Scooter's Coffee, LLC (the Company), a Nebraska limited liability company and wholly owned subsidiary of Boundless Enterprises, LLC, which comprise the balance sheets as of December 31, 2022 and 2021, the related statements of income and member's equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Company adopted Accounting Standards Update 2016-02, *Leases (Topic 842)*, issued by the Financial Accounting Standards Board (FASB), related to the accounting treatment for leases. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after March 6, 2023.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Lutz & Company, P.C.

March 6, 2023

Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Balance Sheets

December 31, 2022 and 2021

ASSETS		<u>2022</u>	<u>2021</u>
CURRENT ASSETS			
Cash and Cash Equivalents	\$	1,964,044	\$ 14,816,479
Receivables		1,737,376	1,164,132
Prepaid Expenses		880,376	357,098
Current Portion of Notes Receivable		999,376	377,532
Total Current Assets		<u>5,581,172</u>	<u>16,715,241</u>
PROPERTY AND EQUIPMENT, NET		<u>1,052,234</u>	<u>976,318</u>
OTHER ASSETS			
Goodwill, Net of Accumulated Amortization of \$4,663,768 and \$4,080,797, Respectively		1,165,935	1,748,906
Due from Affiliates		41,025,565	21,213,604
Notes Receivable, Less Current Portion		2,120,134	1,659,895
Deposits		5,000	5,000
Total Other Assets		<u>44,316,634</u>	<u>24,627,405</u>
TOTAL ASSETS		<u>\$ 50,950,040</u>	<u>\$ 42,318,964</u>

Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Balance Sheets

December 31, 2022 and 2021

LIABILITIES		<u>2022</u>	<u>2021</u>
CURRENT LIABILITIES			
Payables	\$	1,773,901	\$ 832,622
Gift Card Liability		8,787,877	6,599,624
Franchisee Marketing Deposits		4,555,087	2,858,954
Current Portion of Deferred Revenue and Franchisee Development Deposits		9,165,204	6,768,413
Other Deposits		82,292	130,674
Accrued Compensation		1,320,139	1,552,725
Accrued Expenses		481,417	597,809
Total Current Liabilities		<u>26,165,917</u>	<u>19,340,821</u>
LONG-TERM LIABILITIES			
Deferred Revenue and Franchisee Development Deposits, Less Current Portion		16,087,325	12,246,241
Due to Affiliates		-	2,260,749
Total Long-Term Liabilities		<u>16,087,325</u>	<u>14,506,990</u>
Total Liabilities		<u>42,253,242</u>	<u>33,847,811</u>
COMMITMENTS AND CONTINGENCIES			
MEMBER'S EQUITY			
MEMBER'S EQUITY		<u>8,696,798</u>	<u>8,471,153</u>
TOTAL LIABILITIES AND MEMBER'S EQUITY		<u>\$ 50,950,040</u>	<u>\$ 42,318,964</u>

Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Statements of Income and Member's Equity

Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
REVENUES		
Royalty Fees	\$ 30,759,253	\$ 20,732,745
Franchise and Area Representative Fees	7,627,075	4,482,983
Affiliate Sourcing Fees	1,585,000	970,000
Gift Card Breakage	447,748	334,015
Total Revenues	<u>40,419,076</u>	<u>26,519,743</u>
OPERATING EXPENSES		
Operating Expenses	33,767,833	21,997,289
Parent Company Administration Fee	5,604,037	1,809,699
Depreciation	313,212	253,632
Amortization of Goodwill	582,971	582,971
Total Operating Expenses	<u>40,268,053</u>	<u>24,643,591</u>
Income from Operations	<u>151,023</u>	<u>1,876,152</u>
OTHER INCOME AND EXPENSE		
Interest Income	75,097	54,084
Loss on Disposal of Property and Equipment	(475)	(7,620)
Total Other Income and Expense	<u>74,622</u>	<u>46,464</u>
NET INCOME	<u>\$ 225,645</u>	<u>\$ 1,922,616</u>
Member's Equity, Beginning of Year	8,471,153	6,548,537
Member's Equity, End of Year	<u>\$ 8,696,798</u>	<u>\$ 8,471,153</u>

See Notes to Financial Statements.

Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Statements of Cash Flows

Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$ 225,645	\$ 1,922,616
Adjustments to Reconcile Net Income to		
Net Cash Provided by Operating Activities		
Depreciation	313,212	253,632
Amortization of Goodwill	582,971	582,971
Loss on Disposal of Property and Equipment	475	7,620
Increase in Operating Assets:		
Receivables	(573,244)	(644,228)
Prepaid Expenses	(523,278)	(195,785)
Increase (Decrease) in Operating Liabilities:		
Payables	941,279	308,666
Gift Card Liability	2,188,253	2,307,584
Franchisee Marketing Deposits	1,696,133	1,604,928
Deferred Revenue and Franchisee Development Deposits	6,237,875	11,114,816
Other Deposits	(48,382)	(224,772)
Accrued Compensation	(232,586)	37,806
Accrued Expenses	(116,392)	347,576
Net Cash Provided by Operating Activities	<u>10,691,961</u>	<u>17,423,430</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(389,603)	(547,917)
Issuance of Notes Receivable	(1,583,302)	(759,000)
Repayments of Notes Receivable	501,219	460,232
Increase in Due from Affiliates	(19,811,961)	(9,341,794)
Net Cash Used in Investing Activities	<u>(21,283,647)</u>	<u>(10,188,479)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in Due to Affiliates	<u>(2,260,749)</u>	<u>(3,184,308)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(12,852,435)	4,050,643
Cash and Cash Equivalents, Beginning of Year	14,816,479	10,765,836
Cash and Cash Equivalents, End of Year	<u>\$ 1,964,044</u>	<u>\$ 14,816,479</u>
NONCASH ACTIVITIES		
Issuance of Notes Receivable for Outstanding Receivables	\$ -	\$ 22,447

See Notes to Financial Statements.

Scooter's Coffee, LLC

(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2022 and 2021

1. Summary of Significant Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements is set forth below.

Organization and Nature of Business

Scooter's Coffee, LLC (the Company) is a franchisor of coffee retail stores. The Company is a wholly owned subsidiary of Boundless Enterprises, LLC (Parent).

The Parent is also the sole member of Boundless Operations, LLC (Operations), Harvest Roasting, LLC (Harvest), and Boundless Real Estate Holdings, LLC (Real Estate). The Company is engaged in various transactions with these related parties (see Note 2). Operations is principally involved in the operation of Company-owned retail coffeehouses. Harvest is principally involved in the wholesale of coffee products and related supplies to all franchisees of the Company and all Operations' stores. Real Estate is principally involved in the acquisition and leasing of certain real estate properties.

The following is a summary of total stores at December 31:

	Affiliated	Franchise	<u>Total</u>
Open, December 31, 2020	19	289	308
Opened	1	96	97
Closed	(1)	(4)	(5)
Transfers	2	(2)	-
Open, December 31, 2021	21	379	400
Opened	12	146	158
Closed	(1)	(2)	(3)
Transfers	(2)	2	-
Open, December 31, 2022	30	525	555

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2022 and 2021

Cash and Cash Equivalents

The Company considers short-term investments with an original maturity of three months or less to be cash and cash equivalents.

Receivables

Receivables include trade accounts receivable that are carried at original invoice amount. The Company considers trade accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

Receivables also include affiliate, franchisee gift card, franchisee direct mail, and franchisee advances receivables which are considered to be fully collectible. Accordingly, no allowance for doubtful accounts has been recorded. If amounts become uncollectible, they will be charged to operations when that determination is made.

Concentration of Risks

The Company has two types of financial instruments subject to credit risk. The Company maintains bank accounts in which balances sometimes exceed the Federal Deposit Insurance Corporation (FDIC) limit of \$250,000. At December 31, 2022 and 2021 there were cash balances in excess of FDIC limits at the bank of approximately \$2,104,000 and \$14,810,000, respectively.

The Company's receivables are also subject to credit risk.

Franchise Operations and Revenue Recognition

Revenue is recognized for the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods and services.

Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2022 and 2021

Revenues disaggregated by timing of revenue recognition and by major type for the years ended December 31, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>
Revenues Recognized Over Time		
Gift Card Breakage	\$ 447,748	\$ 334,015
Revenues Recognized at a Point in Time		
Royalty Fees	30,759,253	20,732,745
Franchise Fees	7,267,075	4,182,983
Area Representative Fees	360,000	300,000
Affiliate Sourcing Fees	1,585,000	970,000
Total Revenues Recognized at a Point in Time	39,971,328	26,185,728
Total Revenues	\$ 40,419,076	\$ 26,519,743

The Company's accounting policy for revenue recognition is detailed below.

Royalty Fees

Royalty fees are determined as a percentage of franchisee sales, typically 8% (6% royalty and 2% marketing contribution). Management has determined the royalty fees are payment for intellectual property over the term of the franchise agreement. These fees are recognized as revenue in the period sales are earned by the franchisee. These fees are typically pulled via ACH on either a weekly or monthly basis from each respective franchisee.

Franchise and Area Representative Fees

The Company sells individual franchises as well as area representative agreements that incentivize franchisees to develop or help manage multiple store locations. The franchise agreements and area representative agreements typically require the franchisee to pay an initial nonrefundable franchise fee prior to opening the respective franchisee unit. The initial term of a franchise or area representative agreement is generally 10 years. A franchisee may elect to renew the term of a franchise agreement and will pay a renewal fee upon execution of the new agreement.

The Company has determined that the initial franchise fee is a payment for preopening services including site selection, development, and training associated with opening a franchise location. The Company follows Accounting Standards Update 2021-02, *Franchisors – Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient*, and has elected to account for preopening services as a single performance obligation. As such, the franchise fee is initially recorded as deferred revenue and is recognized as revenue upon the completion of substantially all the preopening services, which is normally concurrent with the opening of a franchisee unit. If a franchise agreement is terminated prior to the opening of a franchisee unit, the Company will recognize the full amount to revenue in the year of termination.

Scooter's Coffee, LLC

(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2022 and 2021

Area representatives provide certain preopening services and continued franchisee support in a specific territory on behalf of the Company in exchange for commissions and royalties. The initial fee paid by the area representative is to cover the Company's assistance with preopening services. The area representative fee is recorded as a franchisee development deposit until substantially all services of the Company required by the area representative have been performed, which is normally concurrent with the opening of a franchisee unit within the area representative's territory.

Affiliate Sourcing Fees

The Company receives a sourcing fee from Harvest each time a franchisee unit is opened. The sourcing fee is deemed to be a commission to the Company for providing a new customer to Harvest and is recognized as revenue in the period the Company has satisfied its obligation to Harvest, which occurs upon the opening of the franchisee unit.

Gift Card Breakage

There are no expiration dates on the Company's gift cards and the Company does not charge service fees. While franchisees continue to honor gift cards presented for payment, the Company determines the likelihood of redemptions to be remote for certain cards due to long periods of inactivity. Gift card breakage revenue represents the amount of gift cards sold in which the probability of redemption is remote, if management also determines there is no requirement for remitting balances to government agencies under unclaimed property laws. In these circumstances, the gift card liability is reduced through the recognition of breakage revenue over time in proportion to actual gift card redemptions. Significant judgment is required in estimating breakage percentages on these gift cards. The Company uses industry-wide standards and its own historical experience to estimate breakage revenue. For the years ended December 31, 2022 and 2021, the Company estimated breakage percentages ranging from 1.75% to 3.25%, based on the type of gift card and the year of issuance. In addition, the Company has determined cards to be fully broken three years after issuance. Given the significant value of the gift card liability, changes in estimated breakage percentages could have a material impact on the breakage revenue recognized and the outstanding gift card liability.

Sponsorship Revenue

The Company generally hosts a corporate-wide franchisee meeting on an annual basis. The Company recognizes sponsorship revenue from vendors in the year the meeting occurs. Amounts received prior to the franchisee meeting date are recorded as deferred revenue. During 2022 and 2021, the Company recognized sponsorship revenue of approximately \$727,000 and \$209,000, respectively, which is included as an offset to operating expenses in the accompanying statements of income and member's equity.

Scooter's Coffee, LLC

(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2022 and 2021

Contract Assets

Contract assets reflect conditional rights to consideration in exchange for goods or services and are transferred to receivables when the rights become unconditional. As of December 31, 2022, 2021, and 2020, there were no contract assets as all receivables of the Company reflected unconditional rights to consideration. Receivables totaled \$1,737,376, \$1,164,132, and \$542,351 at December 31, 2022, 2021, and 2020, respectively.

Contract Liabilities

Contract liabilities are included in the balance sheets as deferred revenue and franchise development deposits.

Deferred revenue consists of initial franchise and area representative fees received at the signing of a franchise or area representative agreement. Franchisee development deposits consist of down payments for multi-store development agreements that will be applied to future franchise agreements. When a franchise agreement is signed with a multi-store developer, the down payment is used to reduce the initial franchise fee paid.

These fees are recognized to revenue upon the opening of the respective franchisee unit. The Company estimates the current and long-term portion of deferred revenue and franchisee development deposits based on the estimated opening dates of the franchisee units. Deferred revenue and franchisee development deposits totaled \$25,252,529, \$19,014,654, and \$7,899,838 at December 31, 2022, 2021, and 2020, respectively.

Property and Equipment

Property and equipment are stated at cost. Expenditures for additions and betterments are capitalized; expenditures for maintenance and repairs are expensed as incurred. The costs of assets disposed and the related accumulated depreciation are eliminated from the accounts in the year of disposal. Gains or losses from property disposals are recognized in the year of disposal.

Depreciation is computed using the straight line method over the following estimated useful lives:

	<u>Years</u>
CAD Drawings	3 - 5
Office Furniture, Equipment and Software	3 - 7
Training Equipment	3 - 5
Vehicles	5
Website and Product Development	3

Scooter's Coffee, LLC

(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2022 and 2021

Projects in process are recorded at cost and depreciation is recorded once the assets are placed into service. Projects in process at December 31, 2022 primarily related to construction costs for a new research and development lab and training kiosks which are expected to be placed in service in 2023. Projects in process at December 31, 2021 related to application development costs which were placed in service in 2022.

Goodwill

Goodwill represents the carrying amount of the cost in excess of the assets acquired in a business combination. The Company follows FASB Accounting Standards Update 2014-02, *Intangibles – Goodwill and Other (Topic 350): Accounting for Goodwill*, which allows the Company to amortize goodwill prospectively on a straight-line basis up to ten years. Management believes this method more accurately reflects periodic results of operations and has elected to amortize its existing goodwill over ten years, which represents the estimated useful life. Accordingly, amortization expense of \$582,971 was recorded during the years ended December 31, 2022 and 2021. The Company will continue to review goodwill for possible impairment when a triggering event has occurred. Amortization expense over the next two years is anticipated to be approximately \$583,000 annually.

Long-Lived Asset Impairment Policy

The Company evaluates the recoverability of the carrying value of long-lived assets when events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset are less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. Management does not believe any impairment existed at December 31, 2022 and 2021.

Franchisee Marketing Deposits

Franchisee marketing deposits represent amounts received from franchisees which will be used by the Company on behalf of franchisees for various marketing and grand opening costs.

Leases

Effective January 1, 2022, the Company adopted Accounting Standards Update 2016-02, Leases (Topic 842) ("ASU 2016-02") using the modified retrospective transition method, which allows for a cumulative-effect adjustment through retained earnings at the date of initial application. There was no cumulative-effect adjustment recorded as the Company's adoption of ASU 2016-02 did not have a material impact on the statements of income and member's equity.

Scooter's Coffee, LLC

(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2022 and 2021

Upon adoption of ASU 2016-02, the Company elected the transition relief practical expedients which specify that an entity does not need to reassess initial direct costs for existing leases, the lease classification for expired or existing leases, and whether any expired or existing contracts contain leases.

The new standard establishes a right-of-use (ROU) model that requires a lessee to recognize a ROU asset and lease liability on the accompanying balance sheets for all leases. The Company has elected the short-term lease practical expedient to exclude leases with terms of 12 months or less from recognition on the accompanying balance sheets. The Company does not have any leases with terms in excess of 12 months; therefore, no ROU assets or lease liabilities have been reflected.

Advertising and Promotion

The franchise agreement requires the Company to spend an amount at least 2% of franchisee sales on advertising and promotion. The Company expenses advertising and promotion costs as they are incurred. Advertising and promotion expenses totaled approximately \$8,869,000 and \$4,940,000 for the years ended December 31, 2022 and 2021, respectively.

Income Taxes

The Company is a single-member limited liability company and is treated as a disregarded entity under the Internal Revenue Code. Accordingly, the Company's activity is included on the income tax return of the Parent, and taxable income, deductions and credits flow through to the members of the Parent each year as earned and are reported on their personal income tax returns. Therefore, no provision or liability for income taxes has been included in the financial statements of the Company.

The Company follows the provisions of FASB Codification Topic 740-10 related to uncertain income tax positions. Management believes there are no uncertain income tax positions taken which would require the Company to reflect a liability for unrecognized tax benefits on the accompanying balance sheets.

The Company may make tax related distributions to the Parent in amounts sufficient to cover any income taxes the members of the Parent are required to pay on the Company's taxable income.

The Company believes it is no longer subject to federal, state and local income tax examinations for tax years before December 31, 2019.

Subsequent Events

Subsequent events are events or transactions that occur after the balance sheet date, but before the financial statements are available to be issued and may require potential recognition or disclosure in the financial statements. Management has considered such events or transactions through March 6, 2023. See Note 2 for a description of a subsequent event.

Scooter's Coffee, LLC

(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2022 and 2021

2. Related Party Transactions

Boundless Enterprises, LLC (Parent)

The Company is charged an expense allocation by the Parent for management support which totaled \$5,604,037 and \$1,809,699 for the years ended December 31, 2022 and 2021, respectively. The Company also provides cash advances to the Parent. There was \$34,493,328 and \$21,213,604 due from the Parent at December 31, 2022 and 2021, respectively, which is included in due from affiliates in the accompanying balance sheets.

Boundless Operations, LLC (Operations)

The Company charged continuing franchise royalty fees of \$1,206,921 and \$905,392 to Operations during the years ended December 31, 2022 and 2021, respectively.

The Company also charged initial franchise fees to Operations. Total franchise fee revenue recognized from Operations was \$160,000 and \$40,000 during the years ended December 31, 2022 and 2021, respectively. Initial franchise fees from Operations of \$800,000 (\$360,000 current and \$440,000 long-term) and \$1,160,000 (\$960,000 current and \$200,000 long-term) were included in deferred revenue and franchisee development deposits at December 31, 2022 and 2021, respectively. Certain initial franchise fees from Operations at December 31, 2021 were sold or transferred to third party franchisees during 2022.

There was \$1,480,236 due from Operations at December 31, 2022, which is included in due from affiliates in the accompanying 2022 balance sheet. There was \$684,581 due to Operations at December 31, 2021, which is included in due to affiliates in the accompanying 2021 balance sheet.

Harvest Roasting, LLC (Harvest)

The Company receives a \$10,000 per store sourcing fee from Harvest for each franchise opening or renewal as consideration for designating Harvest as the preferred vendor of franchisees. The Company also periodically provides cash advances to Harvest.

There was \$5,052,001 due from Harvest at December 31, 2022, which is included in due from affiliates in the accompanying 2022 balance sheet. There was \$1,576,168 due to Harvest at December 31, 2021, which is included in due to affiliates in the accompanying 2021 balance sheet.

Franchisees and Area Representatives

The Company has various franchisees that are owned by employees, members or other affiliated parties of the Company or the Parent.

During 2022, the Company entered into a note receivable agreement with a certain executive and member of the Parent (see Note 4).

Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2022 and 2021

During 2020, the Company entered into an agreement with a certain member of the Parent to finance its area representative fees. The Company has recognized \$180,000 of revenue from this area representative agreement through December 31, 2022 based on the number of stores opening in the area representative's territory. The balance of the corresponding note receivable was \$190,000 at December 31, 2022 and 2021 (see Note 4).

During 2018, the Company entered into an agreement with a certain related party to finance its area representative fees. The Company has recognized \$770,000 of revenue from this area representative agreement through December 31, 2022 based on the number of stores opened in the area representative's territory. The balance of the corresponding note receivable was \$452,811 and \$837,160 at December 31, 2022 and 2021, respectively (see Note 4). Subsequent to December 31, 2022, an additional \$300,000 was added to the note receivable balance. Additionally, there was \$57,732 and \$123,914 included in notes receivable at December 31, 2022 and 2021, respectively, for deferred royalty fees, as allowed for in the area representative agreement.

3. Receivables

Receivables at December 31, 2022 and 2021 consist of the following:

	<u>2022</u>	<u>2021</u>
Receivables		
Trade Accounts	\$ 492,610	\$ 393,982
Affiliate	25,762	16,602
Franchisee Gift Card	475,448	421,992
Franchisee Direct Mail	-	118,171
Franchisee Advances	561,399	213,385
Other	182,157	-
Total Receivables	<u>\$ 1,737,376</u>	<u>\$ 1,164,132</u>

Franchisee direct mail receivables consisted of amounts paid on behalf of franchisees for direct mail campaigns, which are reimbursed monthly. This program was discontinued during 2022. Franchisee advances consist of short-term amounts paid on behalf of franchisees until their stores open, at which time the advances are repaid.

Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2022 and 2021

4. Notes Receivable

Notes receivable at December 31, 2022 and 2021 consist of the following:

	<u>Primary Purpose</u>	<u>Interest</u>	<u>Maturity Date</u>	<u>2022</u>	<u>2021</u>
*	Area representative agreement	5%	May 2024	\$ 452,811	\$ 837,160
	Franchise agreements and receivables	5%	August 2023	64,151	94,651
*	Area representative agreement	0%	&	190,000	190,000
	Store construction costs	5%	October 2024	24,571	32,702
*	Deferred royalty fees	5%	October 2023	57,732	123,914
#	Franchisee assistance program	0%	Various	1,259,000	759,000
\$	Franchisee assistance program	5%	Various	490,000	-
	Franchisee assistance program	5%	&	76,975	-
	Store equipment purchase	0%	December 2023	4,270	-
*	Franchisee assistance program	7%	&	500,000	-
Total Notes Receivable				3,119,510	2,037,427
Less Current Portion				999,376	377,532
Notes Receivable, Less Current Portion				<u>\$ 2,120,134</u>	<u>\$ 1,659,895</u>

* Related party. See Note 2.

& The original agreements on these notes expired in 2022 and are expected to be repaid during 2023.

In lieu of interest, the Company charges an additional 2% royalty to the franchisee.

The principal on these notes matures on various dates from October 2026 to February 2029.

\$ These notes bear interest at 5% until the associated franchisee unit opens, at which point the Company will charge an additional 2% royalty in lieu of interest. The principal on these notes matures on various dates from September 2027 to December 2027.

The aggregate maturities of notes receivable for the years ending after December 31, 2022 are as follows:

<u>Year Ending December 31,</u>	
2023	\$ 999,376
2024	371,134
2025	-
2026	625,000
2027	990,000
Thereafter	134,000
	<u>\$ 3,119,510</u>

Scooter's Coffee, LLC
(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2022 and 2021

5. Property and Equipment

Property and equipment at December 31, 2022 and 2021 consists of the following:

	<u>2022</u>	<u>2021</u>
CAD Drawings	\$ 7,615	\$ 7,615
Office Furniture, Equipment and Software	908,087	907,864
Training Equipment	136,828	126,167
Vehicles	38,147	38,147
Website and Product Development	354,979	354,979
Projects in Process	366,021	36,500
Total Cost	<u>1,811,677</u>	<u>1,471,272</u>
Less Accumulated Depreciation	<u>759,443</u>	<u>494,954</u>
Net Book Value	<u><u>\$ 1,052,234</u></u>	<u><u>\$ 976,318</u></u>

6. Payables

Payables at December 31, 2022 and 2021 consist of the following:

	<u>2022</u>	<u>2021</u>
Payables		
Trade Accounts	\$ 1,071,642	\$ 242,059
Affiliate	73,847	42,451
Franchisee Gift Card	<u>628,412</u>	<u>548,112</u>
Total Payables	<u><u>\$ 1,773,901</u></u>	<u><u>\$ 832,622</u></u>

7. Gift Cards

The Company and its franchisees sell/issue gift cards that are redeemable for product in store locations. The Company manages the gift card program and therefore collects all funds from the issuances of gift cards and reimburses franchisees for the redemption of gift cards in their stores. Upon the sale of a gift card at a franchisee location, the Company records a franchisee gift card receivable and a gift card liability. Gift cards redeemed are accounted for as a franchisee gift card payable and a reduction to the gift card liability. In addition to physical gift cards, the Company allows customers to load a prepaid balance through its mobile application. Upon the purchase of a prepaid balance through the mobile application, the Company records a gift card liability. Management expects gift card breakage percentage to decline as customers shift to the use of the mobile application over physical gift cards.

There was \$8,787,877 and \$6,599,624 of gift cards outstanding, net of estimated breakage, at December 31, 2022 and 2021, respectively, which are expected to be redeemed in future years.

Scooter's Coffee, LLC

(A Wholly Owned Subsidiary of Boundless Enterprises, LLC)

Notes to Financial Statements

December 31, 2022 and 2021

8. 401(k) Profit Sharing

The Company participates in the Parent's 401(k) profit sharing plan which covers substantially all employees upon completion of one month of service and attainment of 21 years of age. The Company's contribution to the plan consists of a matching contribution based on employee deferrals. Additional profit sharing contributions may also be made at the Company's discretion. The Company's 401(k) contributions were approximately \$405,000 and \$245,000 for the years ended December 31, 2022 and 2021, respectively.

9. Commitments and Contingencies

Debt

The Company is a joint borrower with the Parent, Operations, Harvest, and Real Estate for various debt obligations. Outstanding balances and related interest expense are recorded on the Parent's financial statements.

The Company is contingently liable as a borrower and guarantor with respect to all indebtedness of the Parent. At December 31, 2022, the maximum future payments that the Company would be required to make as a borrower and guarantor totaled \$26,010,706. This includes term loans which mature on various dates from June 2023 through October 2024 with interest at fixed and variable rates ranging from 3.28% to 8.00%. This debt is collateralized by substantially all assets of the Company and its affiliates. As of the date of this report, the Company is aware of no instances where it is required to perform on the outstanding term loans.

Commitments

The Company, along with the Parent, Operations, Harvest, and Real Estate, has entered into an agreement with a third party creditor that provides financing to franchisees. Under this agreement, the Company is contingently liable as a guarantor on up to 7.5% of the indebtedness obtained by the franchisees with the creditor, subject to a minimum of \$500,000 and a maximum guarantee of \$5,000,000. As of December 31, 2022, the Company's exposure on the guarantee is approximately \$2,600,000. The terms of the guarantee expire when all indebtedness to the creditor is fully paid. As of the date of this report, the Company is aware of no instance where it is required to perform on this guarantee.

Area Representative Royalty Fees and Commissions

Under terms of various area representative agreements, the Company has agreed to pay royalties ranging from 2.5% to 3.0% of gross sales each month, which totaled \$2,864,195 and \$2,159,529 for the years ended December 31, 2022 and 2021, respectively, and are included in operating expenses in the accompanying statements of income and member's equity.

In addition to royalties, the Company has agreed to pay commissions equal to 100% of the initial franchise fee received from a franchise in the area representative's territory. These commissions are earned by the area representative upon the opening of the franchise unit. Commissions totaled \$660,006 and \$562,672 for the years ended December 31, 2022 and 2021, respectively, and are included in operating expenses in the accompanying statements of income and member's equity. Certain area representative royalty fees and commissions are paid to related parties.

EXHIBIT G
(TO FRANCHISE DISCLOSURE DOCUMENT)

State Addenda to FDD

(CALIFORNIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT)

To the extent the California Franchise Investment Law, Cal. Corp. Code §§ 31000-31516 or the California Franchise Relations Act, Cal. Bus. & Prof. Code §§20000-20043 applies, the terms of this Addendum apply.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AND COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT WWW.DBO.CA.GOV(.

SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT, IN A FORM CONTAINING THE INFORMATION THAT THE COMMISSIONER MAY BY RULE OR ORDER REQUIRE, BEFORE A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE.

Item 3, Additional Disclosure:

Neither we nor any person described in Item 2 of the Disclosure Document is subject to any currently effective order of any National Securities Association or National Securities Exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq. suspending or expelling such persons from membership in such association or exchange.

Item 6, Additional Disclosure:

The highest interest rate allowed by law in California is 10% annually.

Item 17, Additional Disclosures:

The franchise agreement requires franchisee to execute a general release of claims upon renewal or transfer of the franchise agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order there under is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043).

The franchise agreement requires application of the laws of Nebraska. This provision may not be enforceable under California law.

The franchise agreement contains a liquidated damages clause. Under California Civil Code §1671, certain liquidated damages clauses are unenforceable.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. §101 et seq.)

The franchise agreement requires binding arbitration. The arbitration will occur in Omaha, Nebraska, with the cost being borne by the parties as determined by the arbitrator. Prospective franchisees are encouraged to consult with private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

Exhibit I, Additional Disclosure:

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.

CALIFORNIA ADDENDUM TO FRANCHISE AGREEMENT

To the extent the California Franchise Investment Law, Cal. Corp. Code §§ 31000-31516 or the California Franchise Relations Act, Cal. Bus. & Prof. Code §§20000-20043 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

The Franchise Agreement requires franchisee to execute a general release of claims upon renewal or transfer of the franchise agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order there under is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043).

The Franchise Agreement requires application of the laws of Nebraska. This provision may not be enforceable under California law.

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code §1671, certain liquidated damages clauses are unenforceable.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise. The Federal Bankruptcy Code also provides rights to franchisee concerning termination of the Franchise Agreement upon certain bankruptcy-related events. If the Franchise Agreement is inconsistent with the law, the law will control.

The Franchise Agreement requires binding arbitration. The arbitration will occur in Omaha, Nebraska, with the cost being borne by the parties as determined by the arbitrator. Prospective franchisees are encouraged to consult with private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

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.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
SCOOTER’S COFFEE, LLC

FRANCHISEE:

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

HAWAII ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§482E-1 – 482E-12 applies, the terms of this Addendum apply.

THESE FRANCHISES 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.

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

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

Exhibit I, Additional Disclosure:

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.

ILLINOIS ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Illinois Franchise Disclosure Act, Ill. Comp. Stat. §§705/1 – 705/44 applies, the terms of this Addendum apply.

Item 13, Additional Disclosures. The following statements are added to Item 13:

We have used the Marks since at least as early as March 23, 1998, and have several incontestable federal trademark registrations for the same as early as 2007. We are aware of a frozen custard business, Scooter's Frozen Custard ("SFC"), that has offered frozen custard, smoothies and frozen treats under the marks SCOOTER'S and SCOOTER'S FROZEN CUSTARD at its single store located at 1658 W. Belmont Ave., Chicago, IL 60657, since 2003. SFC has claimed that it has certain common law trademark rights to name "SCOOTER'S" in the greater Chicago, Illinois area.

Although we dispute that claim, if you decide to acquire a Scooter's Coffee® franchise in Illinois, Scooter's Coffee will amend the Franchise Agreement to indemnify you against any claims that your proper use of the Marks violates or infringes on SFC's rights respecting its marks.

Item 17, Additional Disclosures. The following statements are added to Item 17:

Illinois law governs the Franchise Agreement(s).

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that 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.

Your rights upon termination and non-renewal of a franchise agreement are set forth in section 19 and 20 of the Illinois Franchise Disclosure Act.

Exhibit I, Additional Disclosure:

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.

ILLINOIS ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Illinois Franchise Disclosure Act, Ill. Comp. Stat. §§705/1 – 705/44 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Illinois law governs the Franchise Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that 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.

Your rights upon termination and non-renewal of a franchise agreement are set forth in section 19 and 20 of the Illinois Franchise Disclosure Act.

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.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
SCOOTER'S COFFEE, LLC

FRANCHISEE:

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

MARYLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§14-201 – 14-233 applies, the terms of this Addendum apply.

Item 17, Additional Disclosures:

Our termination of the Franchise Agreement because of your bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 et seq.).

You 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.

The general release required as a condition of renewal, sale and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

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.

MARYLAND ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§14-201 – 14-233 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

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.

The general release required as a condition or renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

Nothing in the Franchise Agreement operates to reduce the 3-year statute of limitations afforded to a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law. Further, any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

The Federal Bankruptcy laws may not allow the enforcement of the provisions for termination upon bankruptcy of the franchisee.

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.

Section 23.11 of the Franchise Agreement is deleted.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
SCOOTER'S COFFEE, LLC

FRANCHISEE:

By: _____

Its: _____

Date: _____

By: _____

Its: _____

Date: _____

MARYLAND ADDENDUM TO DEVELOPMENT AGREEMENT

1. Notwithstanding anything to the contrary contained in the Development Agreement, to the extent that the Development Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

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.

The general release required as a condition or renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

This development agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

Nothing in the Development Agreement operates to reduce the 3-year statute of limitations afforded to a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law. Further, any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

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.

The undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
SCOOTER'S COFFEE, LLC

FRANCHISEE:

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

MINNESOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Minnesota Franchise Act, Minn. Stat. §§80C.01 – 80C.22 applies, the terms of this Addendum apply.

State Cover Page and Item 17, Additional Disclosures:

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside of Minnesota, requiring waiver of a jury trial or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Disclosure Document shall abrogate or reduce any of your rights as provided for in Minn. Stat. Sec. 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

Franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. A court will determine if a bond is required.

Item 13, Additional Disclosures:

The Minnesota Department of Commerce requires that a franchisor indemnify Minnesota Franchisees against liability to third parties resulting from claims by third parties that the franchisee's use of the franchisor's trademark infringes upon the trademark rights of the third party. The franchisor does not indemnify against the consequences of a franchisee's use of a franchisor's trademark except in accordance with the requirements of the franchise agreement, and as the condition to an indemnification, the franchisee must provide notice to the franchisor of any such claim immediately and tender the defense of the claim to the franchisor. If the franchisor accepts tender of defense, the franchisor has the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim.

Item 17, Additional Disclosures:

Any condition, stipulation or provision, including any choice of law provision, purporting to bind any person who, at the time of acquiring a franchise is a resident of the State of Minnesota or in the case of a partnership or corporation, organized or incorporated under the laws of the State of Minnesota, or purporting to bind a person acquiring any franchise to be operated in the State of Minnesota to waive compliance or which has the effect of waiving compliance with any provision of the Minnesota Franchise Law is void.

We will comply with Minn. Stat. Sec. 80C.14, subds. 3, 4 and 5, which requires, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure), 180 days notice for nonrenewal of the Franchise Agreement, and that consent to the transfer of the franchise will not be unreasonably withheld.

Minnesota Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§80C.01 – 80C.22.

The limitations of claims section must comply with Minn. Stat. Sec. 80C.17, subd. 5.

Exhibit I, Additional Disclosure:

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 ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Minnesota Franchise Act, Minn. Stat. §§80C.01 – 80C.22 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

With respect to franchises governed by Minnesota Franchise Law, franchisor shall comply with Minn. Stat. Sec. 80C.14, subd. 4 which requires that except for certain specified cases, that franchisee be given 180 days' notice for non-renewal of this Franchise Agreement.

The Minnesota Department of Commerce requires that franchisor indemnify franchisees whose franchise is located in Minnesota against liability to third parties resulting from claims by third parties that the franchisee's use of franchisor's trademarks ("Marks") infringe upon the trademark rights of the third party. Franchisor does not indemnify against the consequences of a franchisee's use of franchisor's trademark but franchisor shall indemnify franchisee for claims against franchisee solely as it relates to franchisee's use of the Marks in accordance with the requirements of the Franchise Agreement and franchisor's standards. As a further condition to indemnification, the franchisee must provide notice to franchisor of any such claim immediately and tender the defense of the claim to franchisor. If franchisor accepts tender of defense, franchisor has the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim.

Franchisee will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 – 80C.22.

With respect to franchises governed by Minnesota Franchise Law, franchisor shall comply with Minn. Stat. Sec. 80C.14, subd. 3 which requires that except for certain specified cases, a franchisee be given 90 days' notice of termination (with 60 days to cure). Termination of the franchise by the franchisor shall be effective immediately upon receipt by franchisee of the notice of termination where its grounds for termination or cancellation are: (1) voluntary abandonment of the franchise relationship by the franchisee; (2) the conviction of the franchisee of an offense directly related to the business conducted according to the Franchise Agreement; or (3) failure of the franchisee to cure a default under the Franchise Agreement which materially impairs the goodwill associated with the franchisor's trade name, trademark, service mark, logo type or other commercial symbol after the franchisee has received written notice to cure of at least twenty-four (24) hours in advance thereof.

According to Minn. Stat. Sec. 80C.21 in Minnesota Rules or 2860.4400J, the terms of the Franchise Agreement shall not in any way abrogate or reduce your rights as provided for in Minn. Stat. 1984, Chapter 80C, including the right to submit certain matters to the jurisdiction of the courts of Minnesota. In addition, nothing in this Franchise Agreement shall abrogate or reduce any of franchisee’s rights as provided for in Minn. Stat. Sec. 80C, or your rights to any procedure, forum or remedy provided for by the laws of the State of Minnesota.

Any claims franchisee may have against the franchisor that have arisen under the Minnesota Franchise Laws shall be governed by the Minnesota Franchise Law.

The Franchise Agreement contains a waiver of jury trial provision. This provision may not be enforceable under Minnesota law.

Franchisee consents to the franchisor seeking injunctive relief without the necessity of showing actual or threatened harm. A court shall determine if a bond or other security is required.

The Franchise Agreement contains a liquidated damages provision. This provision may not be enforceable under Minnesota law.

Any action pursuant to Minnesota Statutes, Section 80C.17, Subd. 5 must be commenced no more than 3 years after the cause of action accrues.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
SCOOTER’S COFFEE, LLC

FRANCHISEE:

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

NEW YORK ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the New York General Business Law, Article 33, §§680 - 695 applies, the terms of this Addendum apply.

Cover Page, Additional Disclosure.

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 FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

Item 3, Additional Disclosure. The last sentence in Item 3 is deleted and replaced with the following:

Neither we, nor any of our predecessors, nor any person identified in Item 2 above, nor any affiliate offering franchises under our trademark, has any administrative, criminal, or a material civil or arbitration action pending against him alleging a violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property, or comparable allegations.

Neither we, nor any of our predecessors, nor any person identified in Item 2 above, nor any affiliate offering franchises under our trademark, has been convicted of a felony or pleaded nolo contendere to any other felony charge or, during the ten-year period immediately preceding the application for registration, been convicted of a misdemeanor or pleaded nolo contendere to any misdemeanor charge or been found liable in an arbitration proceeding or a civil action by final judgment, or been the subject of any other material complaint or legal or arbitration proceeding if such misdemeanor conviction or charge, civil action, complaint, or other such proceeding involved a violation of any franchise law, securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property, or comparable allegation.

Neither we, nor any of our predecessors, nor any person identified in Item 2 above, nor any affiliate offering franchises under our trademark, is subject to any currently effective injunctive or restrictive order or decree relating to franchises, or under any federal, state,

or Canadian franchise, securities, antitrust, trade regulation, or trade practice law as a result of a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

Item 4, Additional Disclosure. Item 4 is deleted and replaced with the following:

Neither we nor any of our predecessors, affiliates, or officers, during the 10-year period immediately before the date of the Disclosure Document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the Bankruptcy Code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within one year after the officer or general partner of the franchisor held this position in the company or partnership.

Item 5, Additional Disclosures.

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

Item 17, Additional Disclosures.

The following is added to the Summary sections of Item 17(c) and 17(m): To the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Section 687.4 and 687.5 be satisfied.

The Summary section of Item 17(d) is deleted and replaced with the following language: You may terminate the agreement on any grounds available by law.

The following is added to the Summary section of Item 17(j): No assignment will be made except to an assignee who in good faith and judgment of the franchisor is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

The following is added to the Summary sections of Items 17(v) and 17(w): The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

NEW YORK ADDENDUM TO FRANCHISE AGREEMENT

To the extent the New York General Business Law, Article 33, §§680 - 695 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Any provision in the Franchise Agreement that is inconsistent with the New York General Business Law, Article 33, Section 680 - 695 may not be enforceable.

Any provision in the Franchise Agreement requiring franchisee to sign a general release of claims against franchisor does not release any claim franchisee may have under New York General Business Law, Article 33, Sections 680-695.

The New York Franchise Law shall govern any claim arising under that law.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
SCOOTER'S COFFEE, LLC

FRANCHISEE:

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

NORTH DAKOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the North Dakota Franchise Investment Law, N.D. Cent. Code, §§51-19-01 – 51-19-17 applies, the terms of this Addendum apply.

Item 17, Additional Disclosures. The following statements are added to Item 17:

Any provision requiring franchisees to consent to the jurisdiction of courts outside North Dakota or to consent to the application of laws of a state other than North Dakota may be unenforceable under North Dakota law. Any mediation or arbitration will be held at a site agreeable to all parties. If the laws of a state other than North Dakota govern, to the extent that such law conflicts with North Dakota law, North Dakota law will control.

Any general release the franchisee is required to assent to as a condition of renewal is not intended to nor shall it act as a release, estoppel or waiver of any liability franchisor may have incurred under the North Dakota Franchise Investment Law.

Covenants not to compete during the term of and upon termination or expiration of the franchise agreement are enforceable only under certain conditions according to North Dakota law. If the Franchise Agreement contains a covenant not to compete that is inconsistent with North Dakota law, the covenant may be unenforceable.

The Franchise Agreement includes a waiver of exemplary and punitive damages. This waiver may not be enforceable under North Dakota law.

The Franchise Agreement stipulates that the franchisee shall pay all costs and expenses incurred by franchisor in enforcing the agreement. For North Dakota franchisees, the prevailing party is entitled to recover all costs and expenses, including attorneys' fees.

The Franchise Agreement requires the franchisee to consent to a waiver of trial by jury. This waiver may not be enforceable under North Dakota law.

The Franchise Disclosure Document and Franchise Agreement state that franchisee must consent to the jurisdiction of courts outside that State of North Dakota. That requirement may not be enforceable under North Dakota law.

The Franchise Disclosure Document and Franchise Agreement may require franchisees to consent to termination or liquidated damages. This requirement may not be enforceable under North Dakota law.

The Franchise Agreement requires the franchisee to consent to a limitation of claims within one year. To the extent this requirement conflicts with North Dakota law, North Dakota law will apply.

NORTH DAKOTA ADDENDUM TO FRANCHISE AGREEMENT

To the extent the North Dakota Franchise Investment Law, N.D. Cent. Code, §§51-19-01 – 51-19-17 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Any release executed in connection with a renewal shall not apply to any claims that may arise under the North Dakota Franchise Investment Law.

Covenants not to compete during the term of and upon termination or expiration of the franchise agreement are enforceable only under certain conditions according to North Dakota law. If the Franchise Agreement contains a covenant not to compete that is inconsistent with North Dakota law, the covenant may be unenforceable.

The choice of law other than the State of North Dakota may not be enforceable under the North Dakota Franchise Investment Law. If the laws of a state other than North Dakota govern, to the extent that such law conflicts with North Dakota law, North Dakota law will control.

The waiver of punitive or exemplary damages may not be enforceable under the North Dakota Franchise Investment Law.

The waiver of trial by jury may not be enforceable under the North Dakota Franchise Investment Law.

The requirement that arbitration be held outside the State of North Dakota may not be enforceable under the North Dakota Franchise Investment Law. Any mediation or arbitration will be held at a site agreeable to all parties.

The requirement that a franchisee consent to termination or liquidated damages has been determined by the Commissioner to be unfair, unjust and inequitable within the intent of the North Dakota Franchise Investment Law. This requirement may not be enforceable under North Dakota law.

The Franchise Agreement states that franchisee must consent to the jurisdiction of courts located outside the State of North Dakota. This requirement may not be enforceable under North Dakota law.

The Franchise Agreement requires the franchisee to consent to a limitation of claims within one year. To the extent this requirement conflicts with North Dakota law, North Dakota law will apply.

Franchise Agreement stipulates that the franchisee shall pay all costs and expenses incurred by Franchisor in enforcing the agreement. For North Dakota franchisees, the prevailing party is entitled to recover all costs and expenses, including attorneys' fees.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
SCOOTER'S COFFEE, LLC

FRANCHISEE:

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

RHODE ISLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Rhode Island Franchise Investment Act, R.I. Gen. Law ch. 395 §§19-28.1-1 – 19-28.1-34 applies, the terms of this Addendum apply.

Item 17, Additional Disclosure. The following statement is added to Item 17:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that: “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”

RHODE ISLAND ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Rhode Island Franchise Investment Act, R.I. Gen. Law ch. 395 §§19-28.1-1 – 19-28.1-34 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that: “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
SCOOTER’S COFFEE, LLC

FRANCHISEE:

By: _____

Its: _____

Date: _____

By: _____

Its: _____

Date: _____

VIRGINIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Virginia Retail Franchising Act, Va. Code §§13.1-557 – 13.1-574 applies, the terms of this Addendum apply.

Item 17, Additional Disclosures:

Any provision in any of the contracts that you sign with us which provides for termination of the franchise upon the bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. 101 et. seq.).

“According 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.”

Exhibit I, Additional Disclosure:

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.

VIRGINIA ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Virginia Retail Franchising Act, Va. Code §§13.1-557 – 13.1-574 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

“According 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 ground 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.”

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.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
SCOOTER’S COFFEE, LLC

FRANCHISEE:

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

WASHINGTON ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Washington Franchise Investment Protection Act, Wash. Rev. Code §§19.100.010 – 19.100.940 applies, the terms of this Addendum apply.

Item 17, Additional Disclosure:

The state of Washington has a statute, RCW 19.100.180 which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel.

Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

WASHINGTON ADDENDUM TO FRANCHISE AGREEMENT

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____ 20_____.

FRANCHISOR:
SCOOTER'S COFFEE, LLC

FRANCHISEE:

By: _____

Its: _____

Date: _____

By: _____

Its: _____

Date: _____

WISCONSIN ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Wisconsin Franchise Investment Law, Wis. Stat. §§553.01 – 553.78 or Wisconsin Fair Dealership Law, Wis. Stat. §§135.01 – 135.07 applies, the terms of this Addendum apply.

Item 17, Additional Disclosures:

For all franchisees residing in the State of Wisconsin, we will provide you at least 90 days' prior written notice of termination, cancellation or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation or substantial change in competitive circumstances and will provide that you have 60 days in which to cure any claimed deficiency. If this deficiency is cured within 60 days, the notice will be void. If the reason for termination, cancellation or substantial change in competitive circumstances is nonpayment of sums due under the franchise, you will have 10 days to cure the deficiency.

For Wisconsin franchisees, Ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of the Franchise Agreement or a related contract which is inconsistent with the Law.

WISCONSIN ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Wisconsin Franchise Investment Law, Wis. Stat. §§553.01 – 553.78 or Wisconsin Fair Dealership Law, Wis. Stat. §§135.01 – 135.07 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

To the extent any of the provisions regarding notice of termination or change in dealership are in conflict with Section 135.04 of the Wisconsin Fair Dealership Law, the Wisconsin law shall apply.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
SCOOTER'S COFFEE, LLC

FRANCHISEE:

By: _____

Its: _____

Date: _____

By: _____

Its: _____

Date: _____

EXHIBIT H
(TO FRANCHISE DISCLOSURE DOCUMENT)

General Release

General Release

(Form only; subject to change)

For and in consideration of the Agreements and covenants described below, Scooter's Coffee, LLC ("Scooter's"), _____ ("Franchisee"), and _____ ("Franchisee Principals") enter into this Release of Claims ("Agreement").

RECITALS

A. Scooter's Coffee LLC and Franchisee entered into a SCOOTER'S COFFEE Franchise Agreement dated _____, 20____.

B. [NOTE: Describe the circumstances relating to the release.]

C. Subject to and as addressed with greater specificity in the terms and conditions noted below, Scooter's, Franchisee and Franchisee Principals now desire to settle any and all disputes that may exist between them relating to the Franchise Agreement.

AGREEMENTS

1. **Consideration.** [NOTE: Describe the consideration paid.]

2-3. [NOTE: Detail other terms and conditions of the release.]

4. **Release of Claims by Franchisee.** Franchisee and Franchisee Principals (individually and as owners of Franchisee) and each of their respective heirs, successors, assigns, affiliates, shareholders, members, directors, employees, and agents, and on behalf of any other party claiming an interest through them (collectively and individually referred to as the "Releasing Parties" for purposes of Sections 3 and 4), release and forever discharge Scooter's, its predecessors, successors and affiliates, and past and present directors, officers, shareholders, agents, employees and assigns (collectively and individually referred to as the "Scooter's Parties" for purposes of Sections 4 and 5) of and from any and all claims, debts, liabilities, demands, costs, expenses, actions and causes of action, whether known or unknown, vested or contingent, which Releasing Parties may now or in the future own or hold, that in any way relate to the Franchise Agreement or any other agreement between Franchisee and/or the Franchisee Principals and Scooter's or the relationship by and among the Franchisee, the Franchisee Principals and Scooter's through the Effective Date (collectively, "Claims"), for known or unknown damages or other losses including, but not limited to, any alleged violations of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules or regulations, and any alleged violations of the Franchise Agreement or any other agreement between Franchisee and/or the Franchisee Principals and Scooter's through and including the Effective Date.

5. **Acknowledgement of Release.** The release of Claims set forth in Section 4 is intended by the Releasing Parties to be a full and unconditional general release, as that phrase is

used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of the Releasing Parties against the Scooter's Parties. In making this voluntary express waiver, the Releasing Parties acknowledge that claims or facts in addition to or different from those which are now known to exist with respect to the matters mentioned herein may later be discovered and that it is the Releasing Parties' intention to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. The Releasing Parties acknowledge that they have had adequate opportunity to gather all information necessary to enter into this General Release, and need no further information or knowledge of any kind that would otherwise influence the decision to enter into this General Release. This release is and shall be and remain a full, complete, and unconditional general release. The Releasing Parties acknowledge and agree that the foregoing waiver is an essential, integral and material term of this General Release. The Releasing Parties further acknowledge and agree that no violation of this General Release shall void the release set forth in Section 4.

6. **Reservation of Claims Against Non-Settling Parties.** Scooter's and Franchisee expressly reserve their right and claims against any non-settling persons, firms, corporations, or other entities for whatever portion or percentage their damages are found to be attributable to the wrongful conduct of said non-settling parties.

7. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties relative to the subject matter contained herein, and all prior understandings, representations and agreements made by and between the parties relative to the contents contained in this Agreement are merged into this Agreement.

8. **Voluntary Nature of Agreement.** The parties acknowledge and agree that they have entered into this Agreement voluntarily and without any coercion. The parties further represent that they have had the opportunity to consult with an attorney of their own choice, that they have read the terms of this Agreement, and that they fully understand and voluntarily accept the terms.

9. **Governing Law and Jurisdiction.** This Agreement will be construed and enforced in accordance with the law of the state of Nebraska.

10. **Attorneys' Fees.** All rights and remedies under this Agreement shall be cumulative and none shall exclude any other right or remedy allowed by law. In the event of a breach of this Agreement that requires one of the parties to enforce the terms and conditions of this Agreement, the non-prevailing party shall pay the prevailing party's attorneys' fees and costs incurred by reason of the breach.

FRANCHISOR:
SCOOTER'S COFFEE, LLC

FRANCHISEE:

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

EXHIBIT I
(TO FRANCHISE DISCLOSURE DOCUMENT)
ACKNOWLEDGEMENT ADDENDUM

Applicant _____
(If corporation) State of Incorporation _____
Address of Applicant _____

Location (Territory) Applied For _____

1. I have received all appropriate disclosure documents for the State(s) of _____ at least fourteen (14) calendar days, exclusive of the day I received them and the day I signed them, before signing the Franchise Agreement and/or payment of any monies.

2. I have signed and returned to Franchisor the acknowledgment of receipt for each disclosure document given me.

3. I have had an opportunity to read the Franchise Agreement thoroughly and understand all of Franchisor's covenants and obligations and my obligations as a franchisee of the SCOOTER'S COFFEE® system. I understand that the Franchise Agreement contains all obligations of the parties and that Franchisor does not grant to me under the Franchise Agreement any right of first refusal.

4. I understand that this franchise business, as in all business ventures, involves risk and despite assistance and support programs, the success of my business will depend primarily upon me and my ability.

5. Except for fill in the blank provisions or for negotiated changes that I initiated, I received a copy of the revised Franchise Agreement or related agreement at least seven (7) calendar days before the date on which the Franchise Agreement or related agreement was signed.

6. If I was referred to Franchisor by a franchise broker or referral source, the name of that franchise broker(s) or referral source(s) is _____.

7. I have had no promises, guarantees or assurances made to me and no information provided to me relative to earnings, revenues, profits, expenses or projected revenues for this franchise, except as disclosed in the disclosure document. If I believe that I have received any such promises, guarantees, assurances or information, I agree to describe it below (otherwise write "None").

Applicants' Acknowledgment:

Name: _____
Date: _____

Name: _____
Date: _____

Do not sign this Acknowledgement Addendum if you are a Maryland resident, or the franchise is to be located in Maryland.
Scooter's 2024 FDD (amended 12/24)

EXHIBIT J
(TO FRANCHISE DISCLOSURE DOCUMENT)
STATE EFFECTIVE DATES
&
RECEIPT PAGES

State Effective Dates

The following states have franchise laws that 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.

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:

State	Effective Date
California	April 2, 2024, as amended December 31, 2024
Hawaii	May 3, 2024 [Amendment Pending]
Illinois	April 9, 2024 [Amendment Pending]
Indiana	April 2, 2024, as amended December 31, 2024
Maryland	April 29, 2024 [Amendment Pending]
Michigan	April 2, 2024, as amended December 31, 2024
Minnesota	May 7, 2024 [Amendment Pending]
New York	April 23, 2024, as amended December 31, 2024
North Dakota	April 30, 2024 [Amendment Pending]
Rhode Island	April 15, 2024 [Amendment Pending]
South Dakota	Pending April 2, 2024, as amended December 31, 2024
Virginia	April 19, 2024 [Amendment Pending]
Washington	Pending April 2, 2024, as amended December 31, 2024
Wisconsin	April 2, 2024, as amended December 31, 2024

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.

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Scooter's Coffee, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. If Scooter's Coffee, LLC offers you a franchise in Iowa or New York, it must give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Scooter's Coffee, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and your State's regulatory agency listed on Exhibit A.

The name, principal business address, and telephone number of each franchise seller offering the franchise are: Tim Arpin, Kevin Brandt, Dan Brown, Don Eckles, Zach Keller, Trissja-Rey Lehtio, Leslie Manes, ~~Matt Sawicki~~Brandon Moore, Rob Webb and Samantha Wilson, 11808 Miracle Hills Drive, Suite 400, Omaha, Nebraska 68154, or is listed below (with address and telephone number) or will be provided to you separately before you sign a franchise agreement:

The issuance date is: April 2, 2024, as amended December 31, 2024

The name and address of the franchisor's registered agent authorized to receive service of process are stated in Exhibit A to this disclosure document.

I received a disclosure document dated April 2, 2024, as amended December 31, 2024 that included the following Exhibits:

- A List of State Agencies/Agents for Service of Process
- B Franchise Agreement
- C Multiple Store Development Agreement
- D List of Stores and Franchisees
- E Franchisees Who Have Left the System
- F Financial Statements
- G State Addenda
- H Sample Release
- I Acknowledgement Addendum
- J State Effective Dates & Receipts

Date: _____
(Do not leave blank)

Signature of Prospective Franchisee

Print Name

Prospective Franchisee's State of Residency

Copy for Prospective Franchisee

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Signature of Prospective Franchisee

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Copy for Scooter's Coffee, LLC

[4915-1923-7636, v. 4](#)