

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.

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

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. [From October 2018 to March 2020, he CEO of Vizzionary Brands, a Texas-based independent consulting firm based.](#) Prior to that role ~~he~~, [Mr. Thornton](#) 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. [From June 2022 to December 2022, she worked as an independent business consultant in Omaha, Nebraska.](#) 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.

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. [In the state of Maryland, we will not grant any MSD Agreements that permit the development of more than 7 Stores.](#)

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

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:

- 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%

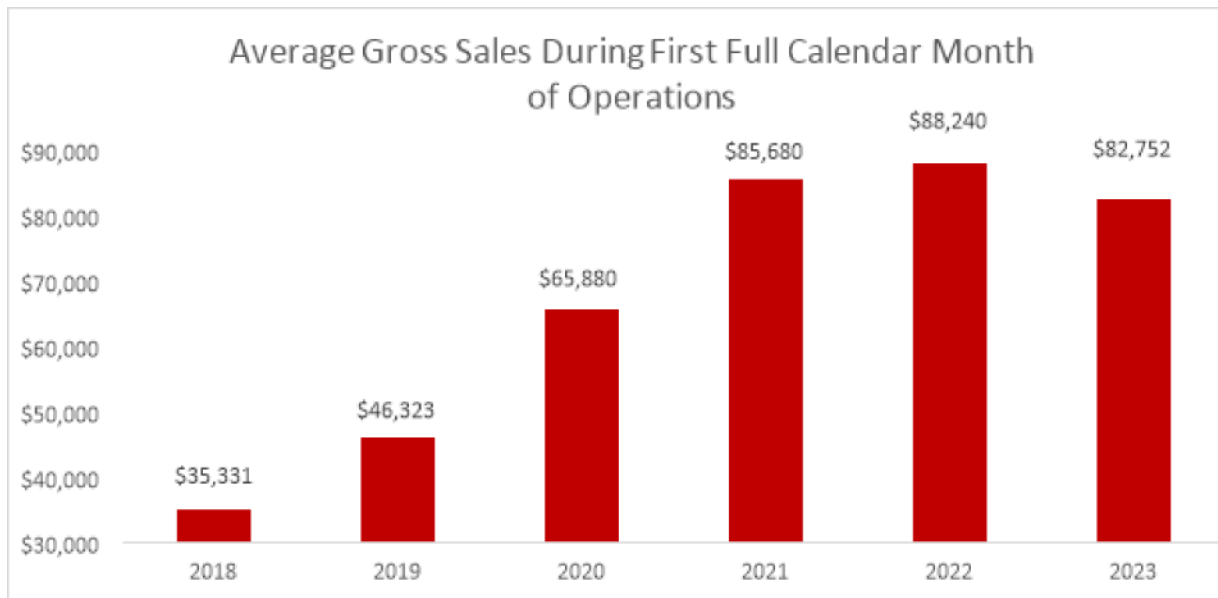
based upon the majority of time owned and operated by affiliate or franchisee during the measurement period.

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 – Kosk 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



**EXHIBIT G
(TO FRANCHISE DISCLOSURE DOCUMENT)**

State Addenda to FDD

**EXHIBIT I
(TO FRANCHISE DISCLOSURE DOCUMENT)
ACKNOWLEDGEMENT ADDENDUM**

Do not sign this Acknowledgement Addendum if you are a resident of Maryland or the business is to be operated in Maryland

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.~~

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
Hawaii	Pending May 3, 2024
Illinois	April 9, 2024
Indiana	April 2, 2024
Maryland	Pending
Michigan	April 2, 2024
Minnesota	Pending
New York	Pending April 23, 2024
North Dakota	Pending April 30, 2024
Rhode Island	Pending April 15, 2024
South Dakota	Pending April 2, 2024
Virginia	Pending April 19, 2024
Washington	Pending
Wisconsin	April 2, 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.