

## FRANCHISE DISCLOSURE DOCUMENT



JBR FRANCHISE CO  
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FRANCHISING@JEFFSBAGELRUN.COM

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The franchise offered is for "JEFF'S BAGEL RUN" stores (~~"JEFF'S BAGEL RUN" Store~~) that specializes in the sale of fresh-baked bagels, cream cheeses and other spreads, specialty coffees and teas, baked sweets and snacks, among other things. ~~We offer the following franchise programs:~~

~~1. A single "JEFF'S BAGEL RUN" Store.~~ The total investment necessary to begin operation of a "JEFF'S BAGEL RUN" franchise ~~ranges from~~ \$575,722~~565,530~~ to \$997,972~~;~~ ~~excluding~~ ~~and~~ 998,637. This includes ~~initial fees totaling between~~ \$240,141 to \$398,763 that must be paid to the franchisor or its affiliates.

~~2. Multiple "JEFF'S BAGEL RUN" Stores within a defined area under an Area Development Agreement.~~ The total investment necessary to begin operation of ~~a~~ the first "JEFF'S BAGEL RUN" franchise under an Area Development Agreement ~~ranges from~~ \$596,722~~586,530~~ to \$1,097,972~~1,098,637~~. This includes ~~initial fees totaling between~~ \$261,141~~260,141~~ and \$448,763~~438,763~~ that must be paid to the franchisor or its affiliates. ~~We will credit the development fee against the initial franchise fees (at the rate of \$10,000 for the second and each subsequent Franchise Agreement).~~

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, franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the Franchise Sales Team at [franchising@jeffsbagel.com](mailto:franchising@jeffsbagel.com) or (407) 213-1337.

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 an attorney 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

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franchises in any line of business and except as described above, we have no affiliates that provide products or services to franchisees.

The “JEFF’S BAGEL RUN” store concept was developed by Jeff and Danielle Perera in August 2019. Jeff Perera formed Jeff’s Bagel Run LLC in May 2020, and business through Jeff’s Bagel Run LLC. In July 2021, Jeff’s Bagel Run LLC opened the first “JEFF’S BAGEL RUN” Store.

“JEFF’S BAGEL RUN” Stores principally offer and sell fresh-baked bagels, cream cheeses and other spreads, specialty coffees and teas, baked sweets and snacks, as well as other related products which we approve from time to time (“**Approved Products**”), to consumers, at and from the location and on a limited mobile basis within the territory through third party delivery service providers such as Uber Eats and DoorDash. We offer separate franchise programs by this disclosure document (unit franchise and multi-unit area development franchises), though we may not necessarily allow you the opportunity to purchase under both of these programs.

You will sign a Franchise Agreement (Exhibit A), to operate a single “JEFF’S BAGEL RUN” Store at a location which you choose and which we approve.

If you participate in our area development program, we will assign a defined area within which you must develop and operate a specified number of “JEFF’S BAGEL RUN” Stores within the specified periods of time. The development area may be one or more cities, one or more counties, one or more states, or some other defined geographic area. You will sign an Area Development Agreement (Exhibit B) which will describe your development area and your development schedule and other obligations. For each “JEFF’S BAGEL RUN” Store you open under the Area Development Agreement, ~~promptly after our approval of the site for the “JEFF’S BAGEL RUN” Store, you will sign a separate~~then-current Franchise Agreement ~~on the then-current form used by JBR at the time, except to the extent otherwise provided in your Area Development Agreement, which may differ from~~ the Franchise Agreement included with this FDD.

We believe that the market for the sale of fresh-baked bagels, cream cheeses and other spreads, specialty coffees and teas, baked sweets and snacks is mature and consists of the general public. You will compete with other local, regional and national companies offering services similar to those offered by a “JEFF’S BAGEL RUN” Store. The typical “JEFF’S BAGEL RUN” Store will contain approximately 900-1500 square feet and will likely be mostly located in suburban areas in business districts. The “JEFF’S BAGEL RUN” Stores will typically be open year round, closing only on selected holidays.

You must comply with all local, state, and federal laws that apply to your “JEFF’S BAGEL RUN” Store operations, including, for example, zoning, building code, health, sanitation, no-smoking, EEOC, OSHA, discrimination, employment, sexual harassment, and tax laws. The Americans with Disability Act of 1990 and state equivalents require readily accessible accommodation for disabled persons and therefore may affect your building construction, site elements, entrance ramps, doors, seating, bathrooms, drinking facilities, etc. For example, you must obtain permits for your building, construction, outdoor patio, and zoning, as well as operational licenses. There are also regulations that pertain to sanitation, food and menu labeling (such as nutritional and caloric information), food preparation, food handling, food content (such as on trans fats), and food service. You must comply with all applicable federal, state, and local laws and regulations during the operation of your “JEFF’S BAGEL RUN” Store.

was the Director of Engineering, Technology & Support for UBIF Franchising Co d/b/a uBreakiFix. Mr. LeClair is located in Orlando, Florida.

Vice President, Marketing: Catriona Harris

Catriona Harris has been our Vice President of Marketing since April 2024. From May 2011 to March 2024, she was the CEO of Uproar PR in Annapolis, Maryland and Orlando, Florida. Ms. Harris is located in Orlando, Florida.

Vice President, Development: Ryann Frost

Ryann Frost has been our Vice President, Development since August 2023. From June 2022 to June 2023, she was the Vice President of Real Estate Development for M.H. Franchise Company Inc. d/b/a Teriyaki Madness in Denver, Colorado. From January 2014 to June 2022, she held various roles at UBIF Franchising Co d/b/a uBreakiFix in Orlando, Florida including the Director of Franchise Development and Franchise Development Manager. Ms. Frost is located in Denver, Colorado.

Vice President, General Counsel, and Secretary: Min Cho

Min Cho is our Vice President, General Counsel, and Secretary since our incorporation on March 13, 2023. He has also been the Vice President, General Counsel, and Secretary of Jeff's Bagel Run Holdings Co since July 26, 2023. Since May 2022, he has also been and continues to be the General Counsel of 1337 Capital Management LLC and its various affiliates in Orlando, Florida. From June 2021 to May 2022, he was a corporate attorney at Byrd Campbell, P.A. in Winter Park, Florida. From August 2019 to May 2021, he was Vice President, Legal for UBIF Franchising Co d/b/a uBreakiFix in Orlando, Florida. From August 2017 to August 2019, he was Vice President, General Counsel, and Secretary of UBIF Franchising Co d/b/a uBreakiFix and its various affiliates in Orlando, Florida. Mr. Cho is located in Orlando, Florida.

Director: David Reiff

David Reiff has been a director since March 13, 2023. From 2009 to April 2021, he was the Vice President of uBreakiFix and its various affiliates, including UBIF Franchise Co in Orlando, Florida. [Following the sale of his interest as a co-founder of uBreakiFix, he did not hold any employment from April 2021 through March 2023.](#) Mr. Reiff is located in Winter Park, Florida.

Director: Brandon Kruse

Brandon Kruse has been a director since March 13, 2023. From March 2017 to October 2022, he was the CEO of Comment Sold, Inc. He has been on the board for Comment Sold since October 2022. Mr. Kruse is located in Ardmore, Tennessee.

### **ITEM 3 LITIGATION**

No litigation is required to be disclosed in this Item.

## **ITEM 4 BANKRUPTCY**

On November 3, 2024, Franchise Group, Inc. ("FRG"), a company which is unrelated to us but was the former employer of Todd Evans, our current Vice President Franchise, and certain of FRG's affiliates, including several which operate franchise systems (Buddy's Franchising and Licensing LLC (Buddy's Home Furnishings), Vitamin Shoppe Franchising, LLC (The Vitamin Shoppe), PSP Franchising, LLC (Pet Supplies Plus), WNW Franchising, LLC (Wag N' Wash) and American Freight Franchisor, LLC (American Freight)) (collectively, the "Company") voluntarily filed multiple petitions to reorganize under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the District of Delaware, Case No. 24 - 12480. FRG commenced the proceedings to implement an agreed-upon restructuring with holders of approximately 80% of its first lien debt. The Company, other than American Freight, will continue to operate their businesses and manage their assets as a debtor -in-possession under bankruptcy court supervision. American Freight is being wound down and commencing store closing sales at locations nationwide and online. The proceedings are otherwise currently pending before the bankruptcy court.

Except as described above, no bankruptcy is required to be disclosed in this Item.

## **ITEM 5 INITIAL FEES**

You must pay a \$30,000 lump sum initial franchise fee and a \$10,000 initial training fee [to us](#) when you sign your first franchise agreement. The initial franchise fee and initial training fee are not refundable under any circumstances. We will waive the initial training fee for your second or subsequent franchise agreement, in our sole discretion, if you or your Operating Principal has previously completed the training program to our satisfaction and your existing "JEFF'S BAGEL RUN" Store(s) is/are operating in accordance with our standards and specifications. In addition, we may in our sole discretion defer collection of the initial franchise fee until the Store(s) open to the public, and may even waive the initial franchise fee, for certain sales to our officers, directors, affiliates and their respective family and friends.

If you (or your owner in the case of an entity) are an Experienced Manager, with at least 2 years of prior experience as a manager or assistant manager at a "JEFF'S BAGEL RUN" Store owned by us or our affiliate, the initial franchise fee for your first Franchise Agreement will be equal to \$20,000 and you will not pay an initial training fee.

Before you open your "JEFF'S BAGEL RUN" Store, you must purchase certain designated items which make up your pre-opening inventory of equipment, initial supplies and information systems hardware and related fees and initial food inventory, furniture, and signage from us or JBR Supply Co. We estimate that these designated items will cost between ~~\$190,141~~ [200,141](#) to ~~\$348,763~~ [358,763](#) which is not refundable under any circumstances. This does not apply if you sign a Franchise Agreement for the purchase of an existing "JEFF'S BAGEL RUN" Store, either from another franchisee or from JBR or an affiliate of JBR.

We will review three proposed sites for your “JEFF’S BAGEL RUN” Store at no charge. However, for the fourth site that we review, and for each additional site, you must reimburse us for all costs and expenses that we incur in reviewing the site, which we estimate to be about \$1,000, including our travel expenses in connection with any on-site review.

Except as described above, all initial fees are payable in a lump sum, including payments to us or our affiliates.

~~If the Franchise Agreement is executed with an assignment, including if you purchased your “JEFF’S BAGEL RUN” Store from an existing franchisee, the existing franchisee will pay us a non-refundable administrative/transfer fee and reimburse our associated out of pocket costs, in lieu of you paying an Initial Franchise Fee. Unless you are an existing Owner with an Experienced Manager or an Operating Partner who has previously completed the initial training program, you must attend our Initial Training Program and pay our Initial Training Fee.~~

~~If you have signed an Area Development Agreement that provides for payment amounts that differ from what is described above, your payments will be revised to reflect the terms of Area Development Agreement. Otherwise, the Initial Franchise Fee is uniform for franchises we are currently offering in this state.~~

### **Area Development Agreement**

When you sign our current form of Area Development Agreement, you must pay us a non-refundable initial development fee (“**Development Fee**”) equal to \$10,000 multiplied by the number of “JEFF’S BAGEL RUN” Stores that you must open (excluding the first “JEFF’S BAGEL RUN” Store). You will concurrently sign your first Franchise Agreement and pay \$30,000 (representing the Initial Franchise Fee) and \$10,000 (representing the Initial Training Fee) for your first Franchise Agreement. When we begin assisting you to locate a site for each subsequent site for your “JEFF’S BAGEL RUN” Store, you will sign a separate Franchise Agreement and pay us an Initial Franchise Fee of \$20,000, but we will credit the previously paid Development Fee against the Initial Franchise Fee at the rate of \$10,000 per “JEFF’S BAGEL RUN” Store until the Development Fee is exhausted.

If you or any of your Owners are: (1) an existing franchisee with an open and operational Store or (2) are an Experienced Manager, with at least 2 years of prior experience as a manager or assistant manager at a “JEFF’S BAGEL RUN” Store owned by another franchisee, Franchisor or one of our affiliates, and are now entering into an Area Development Agreement, you will not pay an Initial Training Fee, but you will pay a Development Fee equal to \$10,000 multiplied by the number of “JEFF’S BAGEL RUN” Stores you must open. When we accept the site for each subsequent “JEFF’S BAGEL RUN” Store, you will sign a separate Franchise Agreement and pay us an Initial Franchise Fee of \$20,000, but we will credit the previously paid Development Fee against the Initial Franchise Fee at the rate of \$10,000 per “JEFF’S BAGEL RUN” Store until the Development Fee is exhausted.

In all cases, the development fee is non-refundable, fully earned by us when paid, and is uniform for franchisees we are currently offering in this state (except as described above).

(1) Type of Fee	(2) Amount	(3) Due Date	(4) Remarks
	exceed 18%).		terminate the Franchise Agreement.
Late Fee	Interest of 18% per annum, or the highest interest rate allowable by law, on any unpaid amounts.	Upon demand.	Due only if you are late in paying any amounts owed to us.
Charges for unpaid checks, drafts or electronic payments	Our costs and expenses arising from the non-payment, including bank fees in the amount of at least \$50 and other related fees incurred by us, subject to limitations and restrictions under applicable law to the contrary.	Upon demand.	Payable only if any check, draft, electronic or other payment is unpaid because of insufficient funds or otherwise.
Renewal Fee	10% of our then-current initial franchise fee.	Upon signing a successor franchise agreement.	
Supplier Review Costs	Costs of review of application and inspection, currently \$1,000.	Upon demand.	<p>You or your proposed Supplier must pay us in advance (or if we request, reimburse us) our reasonably anticipated costs to review the Supplier's application and any current and future reasonable costs and expenses, to inspect and audit the Suppliers' facilities, equipment, and products, and all product testing costs paid by us to third parties.</p> <p>Currently, we estimate Supplier Review Costs to be \$1,000. We do not anticipate this to increase in the foreseeable future.</p>

(1) Type of Fee	(2) Amount	(3) Due Date	(4) Remarks
			<u>Any adjustment to the fee will not exceed 10% of the amount in effect during the preceding year.</u>
Architect Fee	\$2,500	Upon demand	You must employ licensed architects, engineers and general contractors, at your sole cost and expense, to prepare architectural, engineering and construction drawings and site plans, and to obtain all permits required to construct, remodel, renovate, and/or equip your “JEFF’S BAGEL RUN” Store. You must only use one of our pre-approved architects. You may, however, use a licensed architect that is not one of our pre-approved architects with approval, which we may approve or deny based on our sole discretion. If we consent to you using an architect that is not on our pre-approved list, you will be charged a \$2,500 fee for review and evaluation of your architect’s work by us or our designated architect.
Insurance	Cost of insurance plus our costs to obtain the insurance for you, currently approximately \$4,000 annually.	Upon demand, see Remarks.	If you do not obtain and maintain the requisite insurance coverage, we may, at our option, purchase the insurance for you and you must pay us the premiums and our costs to obtain the insurance, which we estimate will cost approximately \$4,000 per year.  <u>Any adjustment to the fee will not exceed 10% of the amount in effect during the preceding year.</u>
Email account fee	Currently, \$150 yearly per email account, but subject to change.	Upon demand, see Remarks.	You must also maintain a functioning e-mail address for your store, on our outsourced web hosting service. We reserve the right to require you to reimburse us for our actual costs associated with this service.  <u>Any adjustment to the fee will not exceed 10% of the amount in effect during the</u>

(1) Type of Fee	(2) Amount	(3) Due Date	(4) Remarks
			<a href="#">preceding year.</a>
Site Review Fees	Currently, \$0 for the first 3 sites and up to \$1,000 for each additional site.	Upon demand, see Remarks.	<p>We will review three proposed sites at no charge. However, for the fourth site that we review, and for each additional site, you must reimburse us for all costs and expenses that we incur in reviewing the site. These figures include our expenses for travel, food and lodging in connection with each on-site review.</p> <p><a href="#">Any adjustment to the fee will not exceed 10% of the amount in effect during the preceding year.</a></p>
Initial Kitchen Equipment, Utensils, Supplies and Product Inventory	Then current published wholesale prices for each particular item	Upon shipment.	<p>Your “JEFF’S BAGEL RUN” Store may only offer the public the products we approve. Before you open your “JEFF’S BAGEL RUN” Store, you must purchase a pre-opening inventory of kitchen equipment (estimated to cost between \$122,358 and \$222,141) and Initial Inventory (estimated to cost between \$8,555 and \$13,353).</p> <p>You will make ongoing purchases of supplies and product inventory from any approved supplier, including our affiliate JBR Supply Co.</p>
Promotional Campaigns	Not to exceed 100% of our actual costs.	Upon demand, See Remarks.	<p>We may establish and conduct promotional campaigns on a national or regional basis, which may by way of illustration and not limitation, promote particular products or marketing themes. You and each Co-op Advertising Region, if any, must participate in these promotional campaigns under the terms and conditions we may establish. Your participation may include purchasing point of sale advertising material, posters, flyers, product displays and other promotional material (unless provided at no charge through the Advertising Fund).</p>
Extension	\$1,500 for each		If you are in good faith using your best

(1) Type of Expenditure	(2) Amount		(3) Method of Payment	(4) When Due	(5) To Whom Paid
	Low	High			
					Suppliers
Grand Opening Fee <sup>(6)</sup>	\$10,000	\$10,000	Lump Sum	Prior to Opening	Vendors
Lease Security Deposits	\$4,808	\$15,665	As Arranged	As Arranged	Landlord
Security, Music, Internet, Digital Signage Subscriptions	\$1,235	\$16,315	Lump Sum	Prior to Opening	Vendors
Architectural Fee	\$7,500	\$18,775	As Arranged	As Arranged	Vendors
Licenses & Permits	\$2,346	\$14,714	As Arranged	As Arranged	Governmen t
Legal & Insurance <sup>(4)(5)</sup>	\$1,500	\$5,201	As Arranged	As Arranged	Vendors
Training Lodging & Travel	\$5,000	\$10,000	As Arranged	As Arranged	Vendors
Additional Funds – 3 Months <sup>(7)</sup>	<del>\$58,000</del> <u>43,000</u>	<del>\$85,000</del> <u>70,000</u>	As Arranged	As Arranged	Employees and Vendors
<b>TOTAL</b>	<del>\$575,722</del> <u>565,530</u>	<del>\$997,972</del> <u>998,637</u>			

\*\* We intend to waive the initial franchise fee and initial training fee for Franchise Agreements executed with our affiliated entities for our 9 (as of December 31, 2025) existing affiliate-owned “JEFF’S BAGEL RUN” Stores and any stores that they open in the future. If you purchase an existing “JEFF’S BAGEL RUN” Store owned by one of our Affiliates, you will pay a purchase price for the business as mutually agreed by you and that Affiliate. We may waive the initial training fee for your second or subsequent franchise agreement, in our sole discretion, if you or your Operating Principal have previously completed the training program to our satisfaction.

The above chart describes the estimated initial investment for a single “JEFF’S BAGEL RUN” Store. If you sign an Area Development Agreement, you must also pay us a non-refundable initial development fee equal to \$10,000 multiplied by the number of “JEFF’S BAGEL RUN” Stores (excluding the first “JEFF’S BAGEL RUN” Store) which

based on the development schedule listed in your area development agreement. You should plan on incurring additional payroll expenses for training associates for stores that are not open yet. In compiling the ‘Additional Funds’ estimates, we relied on the experience of our affiliates in the initial operation of “JEFF’s BAGEL RUN” Stores.

## YOUR ESTIMATED INITIAL INVESTMENT

### Area Development Agreement

(1) Type of Expenditure	(2) Amount		(3) Method of Payment	(4) When Due	(5) To Whom Paid
	Low	High			
Initial Development Fee <sup>(1)</sup>	\$20,000	\$40,000	Lump Sum	Upon Signing Area Development Agreement	Us
Legal and Accounting <sup>(2)</sup>	\$1,000	\$10,000	As Arranged	As Arranged	Vendors
Additional Funds – 3 Months <sup>(3)</sup>	\$0	\$50,000	As Arranged	As Arranged	Employees and Vendors
Initial Investment to Open Initial Store <sup>(4)</sup>	<del>\$575,722</del> <u>565,530</u>	<del>\$997,972</del> <u>98,637</u>	See Chart Above	See Chart Above	See Chart Above
<b>TOTAL</b>	<del>\$596,722</del> <u>586,530</u>	<del>\$1,097,97</del> <u>21,098,63</u> <u>7</u>			

- (1) There is an initial fee of \$10,000 multiplied by the number of Stores (excluding the first Store, at a minimum of 2 stores) which you must open plus \$30,000 representing the initial franchise fee and \$10,000 representing the initial training fee for your first Franchise Agreement. We may waive the initial training fee for your second or subsequent franchise agreement, in our sole discretion, if you or your Operating Principal have previously completed the training program to our satisfaction. The low estimate assumes an area development agreement for 3 stores and the high estimate assumes an area development agreement for 5 stores.
- (2) If you also sign an Area Development Agreement, we anticipate that your legal fees may be larger and range from \$1,000 to \$10,000.
- (3) If you also sign an Area Development Agreement, you should plan and budget accordingly based on the development schedule listed in your area development

agreement. In compiling the ‘Additional Funds’ estimates, we relied on the experience of our affiliates in the initial operation of “JEFF’S BAGEL RUN” Stores.

- (4) In addition to the Area Development fees disclosed in the Table above, an Area Developer will incur the initial expenses set forth in the first Item 7 Table for establishing each Store; the chart above includes the initial expenses for your first store and franchise agreement (including the initial franchise fee and the initial training fee).

### **General**

~~In compiling these estimates, we relied on the experience of our affiliates in the construction and development of “JEFF’S BAGEL RUN” Stores.~~

## **ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

### **Real Estate**

You are solely responsible for locating your “JEFF’S BAGEL RUN” Store site (the “**Location**”), subject to our acceptance. Unless we notify you in writing that the proposed site is acceptable within 30 days after you have submitted a site review request a package for a proposed site (or 15 days after receipt of additional information which we request), the site will be deemed rejected. You may not relocate your “JEFF’S BAGEL RUN” Store without our prior written consent.

If you do not already have a location when you sign your Franchise Agreement, you must promptly purchase or lease a site for your “JEFF’S BAGEL RUN” Store. You must submit your proposed lease to us for acceptance at least 15 days before you sign it. Our acceptance of your lease is based solely on our own interests and does not represent any guarantee or endorsement by us on the Location or confirmation that the lease complies with applicable law or that the terms of the lease are favorable to you. If we accept the proposed lease, we will notify you of our acceptance of the lease. Your lease must not (a) obligate us in any manner, (b) contain any provision inconsistent with your Franchise Agreement, or (c) contain a non-competition covenant which restricts us or our Affiliates. In addition, your lease must provide for a term at least as long as the term of your Franchise Agreement and must include the lease addendum attached to the Franchise Agreement as Exhibit D.

If you purchase the Location, you must submit the purchase contract to us for approval at least 15 days before you sign it, and provide a fully signed copy within 15 days following signing.

You must construct, equip and improve your “JEFF’S BAGEL RUN” Store in compliance with our current design criteria. You must employ one of our approved architects and general contractors. You may, however, use a licensed architect that is not one of our pre-approved architects with our prior written approval, which we may approve or deny based on our sole discretion; if we consent to you using an architect that is not on our pre-approved list, you will be charged a \$2,500 fee for review and evaluation of your architect’s work by us or our designated architect.

restriction, including in your Development Area, subject to the rights granted to you in your Territory established under any then existing Franchise Agreement, provided that, if you determine that further development of your Development Area is desirable after the term of your agreement, you must notify us in writing, including the number of proposed “JEFF’S BAGEL RUN” Stores and the proposed development schedule, within 180 days before the expiration of your Area Development Agreement. If we determine that your proposed additional development is unacceptable in any respect, we will negotiate with you in good faith for 60 days to try to agree upon a mutually acceptable development schedule. If we determine that your proposed additional development obligation is acceptable or if you and we reach an agreement on an alternative additional development obligation, you will have the right to enter into a new Area Development Agreement and undertake additional development of your Development Area. If you do not exercise your right to enter into a new area development agreement, we may own, operate, franchise or license others to operate additional “JEFF’S BAGEL RUN” Stores in your Development Area subject only to the territorial rights reserved to you in the individual Franchise Agreements.



Neither we nor our affiliate presently operates or plans to operate or franchise businesses under a different trademark that will sell similar goods or services to those of your “JEFF’S BAGEL RUN” Store.

### ITEM 13 TRADEMARKS

#### Franchise Agreement

We license you the right to operate a “JEFF’S BAGEL RUN” Store under the name “JEFF’S BAGEL RUN.” You may also use our other designated current or future principal trademarks to operate your “JEFF’S BAGEL RUN” Store. By principal trademark we mean primary trademarks, service marks, names, logos, and commercial symbols used to identify your “JEFF’S BAGEL RUN” Store.

We have registered the following principal trademarks on the Principal Register of the U.S. Patent and Trademark Office [and all required affidavits have been filed:](#)

MARK	REGISTRATION NO.	REGISTRATION DATE
	Registration No. 7373264	April 30, 2024
	Registration No. 7373036	April 30, 2024

MARK	REGISTRATION NO.	REGISTRATION DATE
	Registration No. 7401561	May 28, 2024
	Registration No. 7524933	October 1, 2024
JEFF'S BAGEL RUN	Registration No. 7490179	August 27, 2024
	Registration No. 7406983	June 4, 2024
DON'T SLEEP IN!	Registration No. 7737605	March 25, 2025
ALWAYS BOILED. NEVER TOASTED.	Registration No. 8027275	November 18, 2025
AU-DOUGH-MATION	Registration No. 7776010	July 29, 2024

As of the date of this disclosure document, there are no currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, or any state trademark administrator or court; or any pending infringement, opposition, or cancellation proceeding; or any pending material federal or state court litigation involving the trademarks. As of the date of this disclosure document, we know of no prior rights or infringing uses that could materially affect your use of the principal trademarks.

~~You must follow our rules when you use these principal trademarks. You cannot use a name or mark as part of a corporate name or with modifying words, designs or symbols except for those which we license to you. You may not use our registered name in connection with the sale of an unauthorized product or in a manner not authorized in writing by us.~~

We do not know of either superior prior rights or infringing uses in the state in which your “JEFF’S BAGEL RUN” Store will be located that could materially affect your use of the principal trademarks.

You must notify us immediately when you learn about an infringement of or challenge to your use of our trademarks. We will take the action we think appropriate. We will have sole discretion to take the action we deem appropriate and will have the right to control exclusively any litigation or U.S. Patent and Trademark Office proceeding arising out of any infringement, challenge or claim relating to any principal trademark. You must sign all documents, render assistance and do all things that our counsel deems necessary to protect our interests in any litigation or U.S. Patent and Trademark Office proceeding or otherwise to protect our interest in the principal trademarks.

communicating with us about business, operational and other ongoing matters concerning your “JEFF’S BAGEL RUN” Store. The Operating Principal must have the authority and responsibility for the day-to-day operations of your “JEFF’S BAGEL RUN” Store.

You (or your Operating Principal) must have completed the training program to our satisfaction and you must have a “JEFF’S BAGEL RUN” Store Manager and a staff of employees who have been trained to our satisfaction. Your Operating Principal, if applicable, must (a) devote his or her full time and best efforts solely to the operation of your “JEFF’S BAGEL RUN” Store; (b) meet our educational, experience, financial and other reasonable criteria for the position, as contained in the Manuals or otherwise in writing; and (c) be accepted by us.

At our request, your Operating Principal and “JEFF’S BAGEL RUN” Store Manager(s) must sign a written confidentiality agreement regarding trade secrets described in Item 14 and to conform with the covenants not to compete described in Item 17.

Each individual who owns a 10% or greater interest in the franchise entity must sign an agreement (Exhibit D – Guaranty) assuming and agreeing to discharge all obligations of the “Franchisee” under the Franchise Agreement.

~~During the term of your Franchise Agreement, you must maintain a business credit card with an available credit limit of not less than \$10,000 against which you will authorize us to charge amounts due from you, which are not drawn down by us by EFT. You will be responsible for any bank and credit card company charges imposed on us on account of credit card payments and the costs of these charges will be added to the amounts you owe us. We have the right to terminate your franchise agreement if we are not able to collect amounts due from your business credit card.~~

## **ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You must sell and offer all and only the products that we authorize at or from your “JEFF’S BAGEL RUN” Store (i.e., “Approved Products”). Approved Products may differ among our franchisees, and may vary depending on the operating season and geographic location of your “JEFF’S BAGEL RUN” Store or other factors. Upon receipt of written notice from us, you must sell and provide additional approved products according to the instructions and within the time specified in the notice. You must stop selling any previously approved or discontinued products that you must sell. You may not stop offering any approved product without our express written approval. At our request, you must also sell certain test products and/or offer certain test services. If you are asked to do so, you must provide us with reports and other relevant information regarding the test products and services. There are no limits on our right to make changes to the types of authorized goods and services during the term of the franchise agreement.

You must offer and sell all Approved Products in accordance with our “System Standards.”

Our “System Standards” include the specifications, standards, operating procedures, policies, rules, regulations, procedures, protocols, restrictions, recommendations and guidelines we establish for the operation of a “JEFF’S BAGEL RUN” Store.

stores include “Jeff’s Bagel Run” stores that are owned, directly or indirectly, by us, an affiliate of ours, or by any person identified in Item 2.

We have excluded four affiliate-operated stores from the analysis in ~~Table~~Tables 1, 2 and 3, but their Sales are included in Table 4. Two of those stores are considered affiliate-operated stores because David Reiff, a Director identified in Item 2, owns 65% of the entity that owns and operates those stores (the “Reiff Stores”). We have excluded these stores from the analysis in Item 19 because JBR Franchise Co does not have direct day-to-day operational control and does not maintain its books or accounting. As a result, we do not have access to its profit and loss statements or other financial records and therefore cannot include its financial performance information in the Tables below.

The two additional excluded stores are considered affiliate-operated stores because they are partially or wholly owned by Justin Wetherill, the President and Director of JBR Franchise Co (the “Wetherill Stores”). We have excluded these two stores from the analysis in Table 1, 2, and 3 due to their unique entity structure, unique compensations structure (including a larger than usual base salary, a profit-sharing component, and options to acquire equity that owns the store(s)), and Mr. Wetherill does not have direct day-to-day operational control.

One additional affiliate-operated store is excluded from Tables 1 through 4, because it opened in mid-December 2025 and was not open for the minimum periods required for inclusion.

As of December 31, 2025, there were fourteen franchisee-operated stores in operation, including two affiliate-operated stores that were sold to franchisees in 2025. JBR Franchise Co has not yet collected financial statements from its franchisees, thus it cannot provide full financial information on the performance of its franchisees. The franchisees listed in this disclosure document may be a good source of that information. JBR Franchise Co does, however, collect Sales information through its POS system for its franchise-operated stores, which is included in Table 4 below.

**Table 1-A: Statement of Average Sales and Expenses for Affiliate-Operated Jeff’s Bagel Run Stores Months 1-3, Months 4-6, Months 7-9, Month 10-12 of Operations**

Table 1-A contains the average monthly sales and expenses for the eight Jeff’s Bagel Run affiliate-operated stores for the first 12 months of their operation, broken out by Months 1-3, Months 4-6, Months 7-9 and Months 10-12. The first Jeff’s Bagel Run affiliate-operated store opened in July 2021. Prior to the store opening, the co-founders conducted a bagel delivery business out of their home from November 2019 to June 2021. The second Jeff’s Bagel Run affiliate-operated store was purchased in April of 2022 from an independent competitor who had operated under a different brand for approximately 2 years. The first month used in this table for these two legacy stores is July 2023, which is the first month those stores operated under the JBR Franchise Co operating system.

**Table 1-B: Derivation Tables for Table 1-A**

Tables 1-B are the derivation tables for the data included in Table 1-A and represent, for each applicable line item identified in Table 1-A, the actual historical highest, lowest, average, median, and the number and percentage of Jeff’s Bagel Run affiliate-operated stores that meet or

exceed the applicable average for each line item. [Neither the Reiff Stores nor the Wetherill Stores are included in this Table.](#)

**Table 2-A: 2025 Statement of Sales and Expenses for Affiliate-Operated Jeff's Bagel Run Stores Open the Entire Year**

Table 2-A represents the average annual sales and expenses for [the six](#) Jeff's Bagel Run affiliate-operated stores for year ending December 31, 2025. Jeff's Bagel Run sold two affiliate-operated stores to franchisees during calendar year ending December 31, 2025; thus, those stores are not included in Table 2. [One additional affiliate-operated store is excluded from this Table, because it opened in mid-December 2025 and was not open for the entire year. Neither the Reiff Stores nor the Wetherill Stores are included in this Table.](#)

Figures are presented for the affiliate-operated stores within the following ranges of annual sales: Over \$1.4 million, between \$1.2 million and \$1.39 million, and below \$1.2 million.

**Table 2-B: Derivation Tables for Table 2-A**

Tables 2-B are the derivation tables for the data included in Table 2-A and represent, for each applicable line item identified in Table 2-A, the actual historical highest, lowest, average, median, and the number and percentage of Jeff's Bagel Run affiliate-operated stores that meet or exceed the applicable average for each line item.

**Table 3: Statement of Quarterly Comp. Store Sales for Jeff's Bagel Run Affiliate-Operated Stores Open the Entire Quarter**

Table 3 represents the third quarter 2024 versus the third quarter 2025, and the fourth quarter 2024 versus the fourth quarter 2025 sales increases for [the six](#) Jeff's Bagel Run Affiliate-Operated stores that were open the entirety of each quarter. ~~Again, Jeff's Bagel Run sold two affiliate-operated stores to franchisees during calendar year ending December 31, 2025, thus those stores are not included in Table 3.~~

**Table 4-A: Monthly Sales for All Jeff's Bagel Run Stores Affiliate-Operated Stores and Franchise-Operated Stores for the First Eighteen Months of Operations**

Table 4-A represents the average monthly Sales for each affiliate-operated and franchise-operated Store from their first full month of operation up to their eighteenth month of operation, grouped into the store grouping of all Jeff's Bagel Run stores, and franchise-operated Jeff's Bagel Run Stores. [Table 4-A excludes one affiliate-operated store, because it opened in mid-December 2025 and was not open for the minimum periods required for inclusion.](#)

**Table 4-B: Derivation Tables for Table 4-A**

Tables 4-B are the derivation tables for the data included in Table 4-A and represent, for each applicable grouping identified in Table 4-A, the actual historical highest, lowest, average, median, and the number and percentage of Jeff's Bagel Run affiliate-operated stores that meet or exceed the applicable average for each grouping.

**TABLE 2-B**

**Derivation Table for 2025 Statement of Sales and Expenses for  
~~Affiliated-Operated~~Affiliate-Operated Jeff's Bagel Run Stores Open  
the Entire Year**

	<b>Sales Over \$1.4M</b>	<b>Sales between \$1.2M - \$1.39M</b>	<b>Sales below \$1.2M</b>
Highest Total Sales (Note 1)	\$1,433,298	\$1,317,275	\$835,718
Lowest Total Sales	\$1,410,622	\$1,204,163	\$807,113
Average Total Sales	\$1,421,960	\$1,260,719	\$821,416
Median Total Sales	\$1,421,960	\$1,260,719	\$821,416
# of Stores Higher than Group Average	1	1	1
% of Stores Higher than Group Average	50%	50%	50%
Highest COGS (Note 2)	\$402,572	\$368,656	\$267,967
Lowest COGS	\$392,679	\$365,264	\$266,474
Average COGS	\$397,626	\$366,960	\$267,220
Median COGS	\$397,626	\$366,960	\$267,220
# of Stores Higher than Group Average	1	1	1
% of Stores Higher than Group Average	50%	50%	50%
Highest Gross Margin (Note 3)	\$1,030,725	\$952,012	\$569,244
Lowest Gross Margin	\$1,017,943	\$835,507	\$539,147
Average Gross Margin	\$1,024,334	\$893,759	\$554,196
Median Gross Margin	\$1,024,334	\$893,759	\$554,196
# of Stores Higher than Group Average	1	1	1
% of Stores Higher than Group Average	50%	50%	50%

Table 3

Statement of Quarterly Comp. Store Sales for  
~~Affiliate-Operated~~Affiliate-Operated Jeff's Bagel Run Stores Open the Entire Quarter

Store #	Q3 2024	Q3 2025	% Sales Incr.	Q4 2024	Q4 2025	% Sales Incr.
Store 1	\$285,460	\$321,375	12.6%	\$307,977	\$349,570	13.5%
Store 2	\$163,563	\$219,956	34.5%	\$178,355	\$207,783	16.5%
Store 3	\$279,582	\$367,269	31.4%	\$307,977	\$370,760	20.4%
Store 4	\$205,151	\$320,616	56.3%	\$221,805	\$334,929	51.0%
Store 5	\$244,190	\$392,754	60.8%	\$293,126	\$395,838	35.0%
Store 6	Not open entire Quarter			\$150,916	\$233,966	55.0%
<b>Average Increase:</b>			<b>39.1%</b>	<b>Average Increase:</b>		<b>31.9%</b>

Table 4-A

Monthly Sales for All Jeff's Bagel Run Affiliate-Operated Stores and Franchise-Operated Stores for the First Eighteen Months of Operations

Month #	Average Monthly Sales		Store Counts	
	All Stores	Franchise Stores	All Stores	Franchise Stores
1	90,976	96,897	24	12
2	86,458	89,625	24	12
3	82,412	80,903	22	10
4	80,193	81,252	20	8
5	76,442	73,427	18	6
6	81,749	64,170	15	4
7	78,705	65,162	15	4
8	84,068	70,893	13	3
9	90,457	75,797	12	2
10	91,729	83,566	12	2
11	97,053	81,628	12	2
12	95,228	77,505	11	1
13	101,371		10	0
14	102,717		9	0
15	104,962		9	0
16	106,072		7	0
17	105,633		7	0
18	114,305		6	0

One additional affiliate-operated store is excluded from Tables 1 through 4, because it opened in mid-December 2025 and was not open for the minimum periods required for inclusion.

inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. Any statements or representations signed by a franchisee purporting to understand any fact or its legal effect shall be deemed made only based upon the franchisee's understanding of the law and facts as of the time of the franchisee's investment decision. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

Any provision of a franchise agreement, franchise disclosure document, acknowledgment, questionnaire, or other writing, including any exhibit thereto, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable:

- (a) Representations made by the franchisor or its personnel or agents to a prospective franchisee.
- (b) Reliance by a franchisee on any representations made by the franchisor or its personnel or agents.
- (c) Reliance by a franchisee on the franchise disclosure document, including any exhibit thereto.
- (d) Violations of any provision of this division.

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's Franchise Investment Law \(Corporations Code sections 31512 and 31512.1\) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying \(i\) representations it, its employees, or its agents make to you, \(ii\) your ability to rely on any representations it makes to you, or \(iii\) any violations of the law.](#)

## STATE ADMINISTRATORS

Commissioner of Department of Financial  
Protection and Innovation

~~320 West 4th~~ [651 Bannon](#) Street, Suite  
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Hawaii Commissioner of Securities  
Department of Commerce & Consumer  
Affairs

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Honolulu, Hawaii 96813

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Chief

Franchise Bureau

Office of Attorney General

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Franchise Section

Indiana Securities Division

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Baltimore, Maryland 21202

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Minnesota Department of Commerce

85 7th Place East, Suite 280

Saint Paul, Minnesota 55101

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NYS Department of Law

Investor Protection Bureau

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New York, New York 10005

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Franchise Examiner

North Dakota Securities Department

600 East Boulevard Avenue

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Department of Business Regulation

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Cranston, Rhode Island 02920

(401) 462-9500

Division of Insurance

124 S. Euclid Avenue 2<sup>nd</sup> Floor

Pierre, South Dakota 57501-3185

(605) 773-3563

State Corporation Commission

Division of Securities and Retail

Franchising

1300 E. Main Street, Ninth Floor

Richmond, Virginia 23219

(804) 371-9051

## AGENTS FOR SERVICE OF PROCESS

Commissioner of the Department of  
Financial Protection and Innovation  
~~2102 Arena Blvd.~~ [651 Bannon Street, Suite  
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Corporations and Securities Bureau  
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Physical: 2407 N. Grand River Ave  
Lansing, MI 48906

Commissioner of Commerce  
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Department of Commerce  
Registration Division  
85 7th Place East Suite 280  
Saint Paul, Minnesota 55101

Secretary of State  
New York Department of State  
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Albany, New York 12231-0001

North Dakota Securities Commissioner  
600 East Boulevard Avenue  
State Capitol, 5th Floor  
Bismarck, North Dakota 58505-0510

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Director of the Department of Consumer and  
Business Services  
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Salem, OR 97310  
(503) 378-4100

Director of Business Regulation  
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Cranston, Rhode Island 02920

Director of the Division of Insurance  
Securities Regulation  
Department of Labor and Regulation  
124 South Euclid Avenue, 2nd Floor  
Pierre, South Dakota 57501

Clerk, State Corporation Commission  
1300 East Main Street, First Floor  
Richmond, Virginia 23219

Administrator of Securities  
Department of Financial Institutions  
150 Israel Rd. SW  
Tumwater, WA 98501

Division of Securities  
4822 Madison Yards Way, North Tower  
Madison, Wisconsin 53705  
(608) 266-0448

In all other states:

Min Cho  
4190 Millenia Boulevard  
Orlando, Florida 32839

### 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	Pending
Hawaii	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	<del>Pending</del> <a href="#">October 6, 2025</a>
Minnesota	Pending
New York	Pending
North Dakota	<del>Pending</del> <a href="#">March 24, 2026</a>
Rhode Island	Pending
South Dakota	<del>Pending</del> <a href="#">March 24, 2026</a>
Virginia	Pending
Washington	Pending
Wisconsin	<del>Pending</del> <a href="#">March 24, 2026</a>

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.