

FRANCHISE DISCLOSURE DOCUMENT



Scooter's Coffee, LLC, is offering franchises for the right to operate a quick service coffee store, or quick-serve coffee store, offering drive-through, carry-out and in-store seating service of espresso drinks, smoothies, baked goods, and other items under the service mark "SCOOTER'S COFFEE". We also grant qualified persons, under our Area Developer Agreement, the right to solicit and refer to us qualified prospective franchisees and to provide ongoing supervision to our franchisees located in a particular geographic area.

Depending upon the type of store to be operated, the total investment necessary to begin operation of a SCOOTER'S franchise is between \$99,500 to \$523,500. This includes \$53,000 to \$57,000 that must be paid to the franchisor or an affiliate. Further information regarding the franchisee's anticipated investment can be found in Item 7 of this Disclosure Document.

If you execute a Multiple Store Development Agreement, the total investment necessary to begin operation of the appropriate number of SCOOTER'S franchises is between \$199,000 to \$1,047,000, for a two-store agreement, depending on the type of stores opened, with the investment increasing with the number of stores agreed upon. This includes \$106,000 to \$114,000 that must be paid to the franchisor or an affiliate.

If you execute an Area Developer Agreement, the total investment necessary to begin operation of the area-developer business is between \$324,000 and \$337,000. This includes \$300,000 for the Initial Area Development Fee and \$20,000 for the Initial Advertising Fee, both of which must be paid to the franchisor or an affiliate.

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.**

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: March 24, 2014

STATE COVER PAGE

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

Call the state franchise administrator listed in **Exhibit A** for information about the franchisor, or about franchising in your state.

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

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

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION AND ARBITRATION ONLY IN THE STATE OF NEBRASKA. OUT-OF-STATE LITIGATION AND ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE OR ARBITRATE WITH US IN THE STATE OF NEBRASKA THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT STATES THAT NEBRASKA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. THE FRANCHISE AGREEMENT DOES NOT PROVIDE FOR AN EXCLUSIVE TERRITORY.
4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

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

STATE EFFECTIVE DATES

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

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

California	May 2, 2014
Illinois	April 30, 2014
Indiana	January 25, 2013
Michigan	December 19, 2013
Minnesota	May 7, 2014
New York	October 22, 2013
North Dakota	January 9, 2014
Rhode Island	September 16, 2013
South Dakota	June 11, 2013
Virginia	January 28, 2014
Wisconsin	June 18, 2013

In all the other states not mentioned above, the effective date of this Franchise Disclosure Document is the issuance date of March 24, 2014.

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