

**FRANCHISE DISCLOSURE DOCUMENT  
BARTECARD USA, INC. d/b/a BUCQI USA**

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Received  
LA Mailroom

APR 3 2017

Department of  
Business Oversight

**bucqi**

You will own and operate a Bucqi franchise that signs up consumers and merchants whereby consumers download a Bucqi app to their cell phone and use it to pay at Bucqi merchants and thereby earn digital “bucqs” which can be spent at any Bucqi merchants and redeem for cash discounts on future purchases from any Bucqi merchants.

The total investment necessary to begin operation of a Bucqi franchise is \$9,500 - \$20,900. This includes \$5,000 that must be paid to the Franchisor or 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, 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 availability of disclosures in different formats, contact Paul Bolte at Bartercard USA, Inc. 125 River Landing Drive, Suite 104, Charleston, SC 29492 at (843) 471-2000.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read your entire 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](http://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: January 23, 2017

## STATE COVER PAGE

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

Call the state franchise administrator listed in Exhibit A for information about the franchisor or 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 MEDIATION AND LITIGATION ONLY IN THE STATE OF SOUTH CAROLINA. OUT OF MEDIATION AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE AND LITIGATE WITH US IN SOUTH CAROLINA THAN IN YOUR HOME STATE.

2. THE FRANCHISE AGREEMENT STATES THAT SOUTH CAROLINA LAW GOVERNS THE AGREEMENT AND THIS LAW MAY NOT PROVIDE YOU WITH THE SAME PROTECTIONS AND BENEFITS AS YOUR LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

3. THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$9,500 TO \$20,900. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDER'S EQUITY AS OF JUNE 30, 2016, WHICH IS AN ACCUMULATED DEFICIT OF \$4,137,260.

4. OUR JUNE 30, 2016 AUDITED FINANCIAL STATEMENTS SHOW THAT WE HAD A WORKING CAPITAL DEFICIENCY OF (\$1,036,435), A LOSS FROM OPERATIONS OF (\$1,119,498), AN ACCUMULATED DEFICIT OF (\$4,250,840), AND A DEFICIT IN STOCKHOLDERS' EQUITY OF (\$4,137,260), WHICH INDICATE WE MAY NOT BE ABLE TO MEET OUR OBLIGATIONS.

5. YOU MUST MAINTAIN MINIMUM SALES PERFORMANCE LEVELS. YOUR INABILITY TO MAINTAIN THESE LEVELS MAY RESULT IN LOSS OF ANY

TERITORIAL RIGHTS YOU ARE GRANTED, TERMINATION OF YOUR FRANCHISE,  
AND LOSS OF YOUR INVESTMENT.

6. FRANCHISOR IS IN THE EARLY STAGES OF DEVELOPMENT AND HAS LIMITED EXPERIENCE FRANCHISING. THEREFORE, THIS FRANCHISE OPPORTUNITY PRESENTS MORE RISK THAN THAT OF A COMPANY WITH A LONGER OPERATING HISTORY AND NAME RECOGNITION.

7. THIS IS A NEW FRANCHISE OFFER AND THE MARKET FOR BUCQI IS NEW AND NOT WELL DEVELOPED. IT IS SPECULATIVE AND INVOLVES RISK.

8. OUR TRADEMARK DOES NOT HAVE A FEDERAL REGISTRATION WITH THE USPTO. IF OUR RIGHT TO USE THE TRADEMARK IS CHALLENGED, YOU MAY HAVE TO CHANGE TO AN ALTERNATIVE TRADEMARK, WHICH MAY INCREASE YOUR EXPENSES.

97. THE FRANCHISOR HAS LIMITED FINANCIAL RESOURCES WHICH MIGHT NOT BE ADEQUATE TO FUND THE FRANCHISOR'S PRE-OPENING OBLIGATIONS TO EACH FRANCHISEE AND PAY OPERATING EXPENSES.

1083. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

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

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