

FRANCHISE DISCLOSURE DOCUMENT



Across Town or Around the World – We're Your Neighborhood Shipping Company!®

SHIPPING FRANCHISE HOLDING CORP
(A Florida Corporation)
6260 Dupont Station Court East, Suite C
Jacksonville, Florida 32217
(386) 677-7909
www.safeship.com
franchise@safeship.com

Safe Ship® businesses are full service mail sorting, handling, receiving, packing, shipping, storage and transportation facilities featuring mail, freight, parcels, packages, regular delivery and overnight delivery by ground and air carriers, packing, shipping, mail boxes, copying, printing, business services and other goods and services.

The total investment necessary to begin operation of a Safe Ship® franchised business is between \$49,900 and \$153,900. This high-end investment includes \$99,800 that must be paid to the Franchisor or its affiliates, which amount includes the franchise fee of \$19,900. For all non-RFD stores we require franchisees to purchase our buildout package for \$79,900, which is part of the high-end investment number noted above. The total RFD store configuration is \$49,900, which is the low-end investment number noted above.

You may qualify for a single, one-time-only \$5,000 credit against the \$19,900 franchise fee if you or your spouse is on active duty or are a veteran honorably discharged from the US armed forces. This does not apply to RFD Stores.

Our RFD Store Program is for people who have an existing business, like a gas station or a convenience store, and who wish to add a Safe Ship® location as an add-on business. The RFD Store franchise fee is \$14,900 and its annual support payment is \$1,200.

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 SHIPPING FRANCHISE HOLDING CORP at 6260 Dupont Station Court East, Suite C, Jacksonville, Florida 32217 and (386) 677-7909.

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 government 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 at the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 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 or information on franchising.

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

Issuance Date: March 15, 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 AGENCIES 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:

THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION/ARBITRATION/MEDIATION ONLY IN FLORIDA. OUT-OF-STATE LITIGATION/ARBITRATION/MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO SUE/ARBITRATE/MEDIATE WITH US IN FLORIDA THAN IN YOUR OWN STATE.

THE FRANCHISE AGREEMENT STATES THAT FLORIDA 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.

MINIMUM SUPPORT PAYMENT PAYMENTS ARE REQUIRED TO MAINTAIN YOUR RIGHTS IN YOUR FRANCHISE; I.E., \$600 PER CALENDAR MONTH. HOWEVER, THE MINIMUM SUPPORT PAYMENT WILL BE \$200 PER MONTH DURING THE INITIAL 52 CALENDAR WEEKS WHICH BEGINS AFTER THE FIRST CHRISTMAS YOU ARE IN OPERATION DURING THE TERM AND \$400 PER MONTH DURING THE SUBSEQUENT 52 CALENDAR WEEKS AND \$600 PER MONTH FOR THE REMAINDER OF THE TERM. NON-PAYMENT OF THE MINIMUM SUPPORT PAYMENT IS A VIOLATION OF THE FRANCHISE AGREEMENT AND MAY RESULT IN ITS TERMINATION.

WE HAVE LIMITED FINANCIAL RESOURCES WHICH MIGHT NOT BE ADEQUATE TO FUND OUR PRE-OPENING OBLIGATIONS TO EACH FRANCHISEE AND PAY OPERATING EXPENSES.

THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$49,900 TO \$153,900. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDERS EQUITY AS OF December 31, 2015 of \$69,785.

THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Information comparing franchisors is available. Call the state administrators listed in Exhibit "AGENCIES" or your public library for sources of information.

Effective Date: March 15, 2017

(See state registration dates noted on next page.)

This document may be given to persons in the following states:

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|-------------|---------------|----------------|
| Alabama | Louisiana | North Carolina |
| Alaska | Maine | Ohio |
| Arizona | Massachusetts | Oklahoma |
| Arkansas | Mississippi | Oregon |
| Colorado | Missouri | Pennsylvania |
| Connecticut | Montana | South Carolina |
| Delaware | Nebraska | Tennessee |
| Georgia | Nevada | Vermont |
| Idaho | New Hampshire | West Virginia |
| Iowa | New Jersey | Wyoming |
| Kansas | New Mexico | |
| Kentucky | | |

This document may be given to persons in the following states **ONLY** if a registration date is filled in after the name of the state:

State	Effective Date	State	Effective Date
California	Not Applied For	New York	Not Applied For
Florida	January 25, 2017	North Dakota	
Hawaii	Not Applied For	Rhode Island	Not Applied For
Illinois		South Dakota	
Indiana	[24 month exemption]	Texas	[one-time registration filed]
Maryland		Utah	Not Applied For
Michigan	March 21, 2017	Virginia	
Minnesota		Washington	September 16, 2016
		Wisconsin	

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