

FRANCHISE DISCLOSURE DOCUMENT

U-Save Auto Rental of America, Inc. A Mississippi Corporation 1052 Highland Colony Parkway, Suite 204 Ridgeland MS 39157 (601) 713-4333 <u>www.usave.com</u>

U-SAVE CAR AND TRUCK RENTAL®

As a franchisee, you will operate a U-Save Car and Truck Rental[®] store that rents new and used automobiles, vans, light-duty trucks and specialty vehicles to the public.

The total investment necessary to begin operation of a U-Save Car and Truck Rental[®] franchised business is from \$83,600 to \$711,150. This includes \$10,000 to \$250,000 for the Initial Franchise Fee and \$3,600 to \$18,000 for the initial insurance deposit and monthly premium that must be paid to the franchisor or its affiliate(s).

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.

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 Department at 1052 Highland Colony Parkway, Suite 204, Ridgeland, Mississippi 39157, (601) 713-4333 or (800) 438-2300.

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 <u>"A Consumer's Guide to Buying a Franchise,"</u> which can help you to 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 <u>www.ftc.gov</u> for additional information. Call your state agency or visit 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: May 30, 2018



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 F 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 OR LITIGATION ONLY IN MISSISSIPPI. OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN MISSISSIPPI THAN IN YOUR OWN STATE.
- 2. THE FRANCHISE AGREEMENT STATES THAT MISSISSIPPI LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
- 3. SIMPLY WHEELZ LLC, A WHOLLY-OWNED SUBSIDIARY OF U-SAVE'S PARENT COMPANY, FILED A VOLUNTARY PETITION FOR RELIEF UNDER CHAPTER 11 OF THE UNITED STATES BANKRUPTCY CODE AND, AS SUCH, U-SAVE'S FUTURE OPERATIONS ARE DEPENDENT UPON THE PARENT'S ABILITY TO DISCHARGE ITS OBLIGATIONS ASSOCIATED THROUGH THE SUBSIDIARY THROUGH THE BANKRUPTCY PROCEEDINGS. U-SAVE'S FUTURE OPERATIONS ARE ALSO DEPENDENT UPON THE PARENT'S ABILITY TO MAINTAIN PROFITABLE OPERATIONS AND OBTAIN ADDITIONAL CAPITAL TO MEET ITS CASH FLOW NEEDS.
- 4. YOUR SPOUSE MUST SIGN A DOCUMENT THAT MAKES YOUR SPOUSE LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT, EVEN THOUGH YOUR SPOUSE HAS NO OWNERSHIP INTEREST IN THE BUSINESS. THIS GUARANTEE WILL PLACE BOTH YOU AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS, PERHAPS INCLUDING YOUR HOUSE, AT RISK IF YOUR FRANCHISE FAILS.

2018 USAR Disclosure Document



5. THE FRANCHISOR'S ULTIMATE PARENT COMPANY, FRANCHISE SERVICES OF NORTH AMERICA INC., FILED A CHAPTER 11 BANKRUPTCY WHICH CREATES SUBSTANTIAL DOUBT ABOUT THE FRANCHISOR'S ABILITY TO REMAIN IN BUSINESS. THIS MEANS THAT THE FRANCHISOR MAY NOT HAVE THE FINANCIAL RESOURCES TO PROVIDE SERVICES OR SUPPORT TO YOU.

THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We have used the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchises. 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.

State effective dates appear below:

STATE EFFECTIVE DATES

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

	EFFECTIVE
STATE	DATE
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

2018 USAR Disclosure Document

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: https://franchisepanda.com/franchises/u-save-car-and-truck-rental