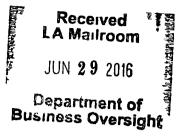


FRANCHISE DISCLOSURE DOCUMENT

Zippy Shell Incorporated A Delaware corporation 3050 K Street NW, Suite 170 Washington D C 20007 202-999-4740 www zippyshell com



Zippy Shell Incorporated is offering franchises for the operation of a mobile self storage and moving business under the brand name "Zippy Shell®)" If you qualify, the franchise may also include moving services outside your Territory under the brand name Zippy Shell®

The total investment necessary to begin operation of a Zippy Shell franchised business with a Territory that consists of one Standard Territory is between \$505,485 to \$891,200 This includes \$264,750 to \$424,000 that must be paid to the Franchisor or its affiliates for one Standard Territory A Standard Territory is a geographic area that includes a population of approximately 400,000 people We often grant franchises for Territories that consist of more than one Standard Territory and sometimes for Territories that consist of less than one Standard Territory

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 us or any of our affiliates 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 to you To discuss the availability of disclosures in different formats, please contact Zippy Shell Incorporated, Attention Franchise Sales and Administration, 3050 K Street NW, Suite 170, Washington D C 20007 and 202-999-4740

The terms of your contract will govern your Franchise relationship Do not rely on the Franchise Disclosure Document alone to understand your contract Read your entire contract carefully Show your contract and this Franchise Disclosure Document to an advisor, like an attorney or an accountant or both

Buying a franchise is a complex investment The information in the 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 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, 20850 You can also visit your FTC's home page at <u>www ftc gov</u> 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

Issued May 24, 2016



STATE COVER PAGE

Your state may have franchise laws that require 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 Us, 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 STATES THAT THE LAWS OF THE DISTRICT OF COLUMBIA GOVERN THE FRANCHISE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW YOU MAY WANT TO COMPARE THESE LAWS

2 THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY SUING IN THE DISTRICT OF COLUMBIA OR PERMITTING US TO SUBMIT ANY CLAIMS AGAINST YOU TO BINDING ARBITRATION IN THE DISTRICT OF COLUMBIA. OUT OF STATE ARDITRATION AND LITIGATION MAY FORCE FRANCHISEES TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES AND IT MAY COST THE FRANCHISEE MORE TO ARBITRATE AND LITIGATE WITH THE FRANCHISOR IN THE DISTRICT OF COLUMBIA THAN ITS OWN STATE

3 A SPOUSE NOT PARTY TO THE FRANCHISE AGREEMENT MAY BE REQUIRED TO GIVE A PERSONAL GUARANTY BY SIGNING THE FRANCHISE AGREEMENT, A SPOUSE WILL BE JOINTLY AND SEVERALLY LIABLE FOR ALL OBLIGATIONS OF THE FRANCHISE WHETHER OR NOT THE SPOUSE IS INVOLVED IN THE OPERATION OF THE FRANCHISE BUSINESS THIS PLACES THE PERSONAL AND MARITAL ASSETS OF THE OWNERS AND THE OWNERS' SPOUSE AT RISK.

4 YOUR STATE MAY HAVE SPECIFIC LAWS, INCLUDING LICENSING REGULATIONS, GOVERNING THE MOBILE SELF



STORAGE BUSINESS AND ARE NOT THE SAME IN EACH STATE YOU MUST COMPLY WITH THESE LAWS

5 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

Information comparing franchisors is available Call the state administrators listed in <u>Exhibit A</u> or your public library for sources of information

We may use the services of one or more Franchise Brokers, or independent contractor consultants or referral sources to assist us in selling our Franchises A franchise broker, independent contractor, or referral source represents us, not you We pay these people 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

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

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

State	Effective Date
California	Penidng
Hawaii	Not registered
Illinois	Pending
Indiana	Pending
Maryland	Pending
Minnesota	Pending
Michigan	Pending
New York	Pending
North Dakota	Not registered
Rhode Island	Pending
South Dakota	Not registered
Virginia	Pending
Washington	Pending
Wisconsin	Pending

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