DISCLOSURE DOCUMENT

U-Save Auto Rental of America, Inc.
A Mississippi Corporation
219 Industrial Drive
Ridgeland MS 39157
(601) 713-4333
www.usave.com

U-SAVE CAR AND TRUCK RENTAL®

As a U-Save 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 $64,700.00 to $687,500.00. This includes $10,000 to $250,000 for the Initial Franchise Fee, $2,000 to $18,000 for the initial insurance deposit and monthly premium, and $700 to $25,000.00 initial reservation deposit along with a $1,000 set-up fee for those franchisees utilizing the Global Distribution System 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 219 Industrial Drive, 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 "A Consumer's Guide to Buying a Franchise," 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 www.ftc.gov 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: February 22, 2022

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit A.
How much will I need to invest?	Item 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only U-Save business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a U-Save franchisee?	Item 20 lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need to Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change it's manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit F.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider about *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration, or litigation only in Mississippi. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with franchisor in Mississippi than in your own state.

2. **Sales Performance Required**. You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

3. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

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U-SAVE AUTO RENTAL

FRANCHISE DISCLOSURE DOCUMENT

ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The Franchisor and its Predecessor. The Franchisor is U-Save Auto Rental of America, Inc., referred to in this Disclosure Document as "U-Save®," "we," or "us." We do business only under our corporate name and the names "U-Save Auto Rental®" or "U-Save Car & Truck Rental®." Our principal address is 219 Industrial Drive, Ridgeland, Mississippi 39157. These offices comprise our Corporate Offices. U-Save originally was organized in North Carolina in 1979. On January 1, 1999, this company was merged into a Mississippi corporation of the same name. This was done solely to change U-Save's state of organization to Mississippi; none of U-Save's operations were affected by this action.

There is no predecessor to U-Save Auto Rental of America, Inc.

Our parent, U-Save Holdings, Inc. is also a Mississippi corporation and is located at our address. U-Save Holdings, Inc. is a wholly owned subsidiary of Trace Residential Properties, LLC, a Mississippi limited liability company located at 219 Industrial Drive, Ridgeland, Mississippi 39157.

We offer franchises for vehicle rental businesses trading under the names "U-Save Auto Rental®" or "U-Save Car & Truck Rental®" that provide new and used automobiles, vans, light-duty trucks and specialty vehicles for rent to neighborhood and leisure customers, local businesses, those in need of temporary replacement vehicles, airport travelers and government employees (the "Franchised Business"). Our predecessor began offering franchises under the name "U-Save Auto Rental®" in February 1979, and we continued offering franchises for the same type of business that you will be operating after the January 1999 merger.

In addition, from time to time, we may compensate our existing franchisees for referrals and/or for meeting with prospects as permitted by applicable law.

The Franchisor does not operate business of the type being franchised.

Our agents for service of process are listed in Exhibit G to this Disclosure Document.

U-Save's Subsidiaries and Affiliates. Our subsidiary, Peakstone Financial Services, Inc. ("Peakstone"), provides insurance agency services to franchisees of the U-Save® franchise system, along with other clients. This company, a Maryland corporation, is principally located at our corporate offices and has never offered franchises in any line of business.

On January 1, 2000, we acquired Auto Rental Resource Center, Inc. ("ARRC"). ARRC is a membership organization (and not a franchise system) offering access to rental fleet insurance and other services, such as training and consultation, to independently owned auto rental businesses. On February 1, 2005, ARRC purchased most of the assets of Auto Marketing, Inc. d/b/a Xpress Rent-A-Car Association, an Indiana corporation offering similar services. ARRC transferred those assets to its offices. ARRC is presently comprised of approximately 615 operating members (with an additional approximately 150 inactive members), and new members are joining each month. ARRC, which is now our wholly owned subsidiary, is incorporated in Arkansas and has its principal place of business at 219 Industrial Drive, Ridgeland, Mississippi 39157.

On March 2, 2004, we incorporated our wholly owned subsidiary, U-Save Car Sales, Inc. U-Save Car Sales, Inc. is a Mississippi Corporation that has offered franchises for vehicle sales businesses trading under the name "U-Save Car Sales®" that offer used automobiles, vans and trucks for sale to the general public. Its principal place of business is located at our Corporate Offices. U-Save Car Sales, Inc. sold nine (9) franchises from October 21, 2004 to March 21, 2007. U-Save Car Sales, Inc. does not currently offer franchises for sale.

Until December 19, 2018, U-Save Holdings, Inc. was a wholly owned subsidiary of Franchise Services of North America, Inc. ("FSNA"), a publicly-held Delaware business corporation located at 1052 Highland Colony Parkway, Suite 204, Ridgeland, Mississippi 39157. On December 19, 2018, FSNA transferred its interest in U-Save Holdings, Inc. to Trace Residential Properties, LLC.

On May 3, 2013, FSNA acquired Simply Wheelz LLC as a result of a merger with Adreca Holdings Corp. On May 1, 2017, Simply Wheelz LLC changed its name to FSW LLC. FSW LLC is currently a wholly-owned subsidiary of FSNA. FSW LLC does not franchise, but it operated Advantage Rent A Car in the United States. It does not offer any services to U-Save franchisees. Advantage was primarily engaged in airport-based car rental operations. As discussed in Item IV of this disclosure, substantially all of the Advantage business and related assets were sold on April 30, 2014 to an unrelated third party, The Catalyst Capital Group Inc.

Prior Experience. Neither we nor any of the affiliates described in this Item have ever conducted a business of the type that you will operate. Our CEO, Thomas McDonnell, however, has operated a U-Save® Franchised Business since 1994.

We have never offered franchises in any other business. With the exception of our subsidiary, U-Save Car Sales, Inc., neither we nor our affiliates have ever offered franchises in any other line of business.

The Franchise Offered. Franchised Businesses operate under our uniform format ("Operating System") and certain designs, service marks and commercial symbols, including "U-Save®," "U-Save Auto Rental®" and "U-Save Car & Truck Rental®" that we designate for use in connection with the system (the "Marks"). We grant to qualified persons and, in some cases, corporations and limited liability companies the right to use our Operating System, our marketing and distribution systems, support services and the Marks for the purpose of obtaining and keeping customers.

We grant you the right to operate a Franchised Business in a specific geographic area ("Exclusive Territory") according to a written franchise agreement ("Franchise Agreement"). You do not have the right to grant franchises to others or to sub-franchise.

The Car Rental Market. The market consists of two major segments: the airport segment and the local segment. The size of the airport segment is primarily influenced by the level of leisure and business air travel. The growth of the local segment is influenced by the temporary transportation needs of consumers in their own locales. We believe the airport segment is mature and that the local segment is developing. The airport outlet does experience fluctuations per market based upon the air carriers servicing each market.

The temporary vehicle needs of consumers are impacted by the variety of vehicles generally available, the practice by insurance companies, automobile manufacturers and dealers of reimbursing consumers for car rental expenses, and the frequency of use of rental vehicles by retail customers, local businesses, government agencies, religious and social groups. Auto rental sales are not seasonal.

U-Save and its franchisees are positioned to service the local auto rental segment by providing new and used automobiles, vans, light-duty trucks and specialty vehicles to neighborhood/leisure, local businesses and insurance replacement customers. Members of the U-Save system may also service airport customers from both on-airport and off-airport locations.

Regulations Specific to the Car Rental Industry. The car rental industry is regulated by federal and state governments. You should also inquire at municipal and local governments where you plan to operate a vehicle rental business; some cities and counties have enacted tax laws and vehicle registration fees that could affect your business plan. Some key laws that you should be familiar with include:

- The Americans with Disabilities Act
- State Collision/Loss Damage waiver laws (if applicable in your state)
- State Customer Responsibility laws (currently applicable in New York and Illinois)
- Age discrimination laws (Although our nationwide policy bars rentals to persons under the age of 21, at least two states, New York and Michigan, prohibit car rental companies from refusing to rent to persons who are 18 or older.)
- State vicarious liability laws (if applicable in your state)
- General regulation of rental operations (if applicable in your state/locality)
- Privacy provisions of the Gramm-Leach-Bliley Act to the extent that you offer insurance
- 2015 Highway Bill – Fixing America's Surface Transportation Act

Competition. You will compete with national and regional chains and local businesses that offer the same or similar services. Companies like Enterprise, Thrifty and Hertz Local Edition are important national suppliers to the local car rental market. It is important for you to know the names of, and the current prices charged by, all vehicle rental competitors.

Persons contemplating airport rentals should note that the air travel market is highly competitive. Well-known companies such as Hertz, Avis, Budget, Alamo, Dollar, Thrifty and National Car Rental specialize in serving air travelers.

We have the right to operate vehicle rental businesses and to offer similar franchises under different trade names in your Exclusive Territory.

ITEM 2

BUSINESS EXPERIENCE

Chief Executive Officer, President and Director: Thomas P. McDonnell, III

Mr. McDonnell currently serves as the Sole Member of Trace Residential Properties, LLC, which acquired U-Save Holdings on December 19, 2014. He served as Co-Chairman of the Board and Co-CEO of U-Save Auto Rental, Inc. from December 5, 2003 until present; CEO of U-Save Auto Rental of America from January 3, 2014 to present, and President of U-Save Auto Rental from November 30, 2013 to present.

Vice President, General Counsel and Secretary: O. Kendall Moore

Mr. Moore has served as Vice-President, General Counsel and Secretary of U-Save Auto Rental of America, Inc. from December 4, 2003 to present.

Chief Financial Officer: Ashley M. Chambliss, CPA

Ms. Chambliss has worked for U-Save Auto Rental of America, Inc. from March 5, 2001 to present. Ms. Chambliss has served as Treasurer of U-Save Auto Rental from 2015 to present and as Chief Financial Officer of U-Save Auto Rental of America, Inc. from June 10, 2020 to present.

Vice President, Operations: Trey Breckenridge

Mr. Breckenridge has served as Vice President of Operations from December 2019 to present.

Vice President, Business Development: Caleb Smith

Mr. Smith has worked for U-Save Auto Rental of America, Inc. from October 1, 2020 to present. He previously worked as Business Development lead for GC Logistics Management, LLC, a national government contracting business, from June 1, 2018 until he joined U-Save.

Vice President of Marketing: Jeremy Bass

Mr. Bass has served as the Vice President of Marketing & Communications for U-Save Auto Rental of America, Inc. from July, 2019 to present.

Director, Franchise Sales: Jason Brown

Mr. Brown has served as Director of Franchise Sales for U-Save Auto Rental of America, Inc. corporate office in Ridgeland, Mississippi, from June 16, 2014 to present.

Franchise Service Manager/Regional Sales Director: Paul Wood

Mr. Wood has served as Franchise Service Manager/Regional Sales Director for U-Save Auto Rental of America, Inc. corporate office in Ridgeland, Mississippi, from March 1, 2005 to present.

Franchise Service Manager/Regional Sales Director: Torry Zerilla

Mr. Zerilla has served as Franchise Service Manager/Regional Sales Director from August, 2017 to present.

ITEM 3

LITIGATION

U-Save Auto Rental of America, Inc. v. RAC Enterprises L.L.C., and David Rapier (U.S. Dist. Ct. for the S.D. of Miss., Civil Action No. 3:12CV464 WHM-LRA). On July 5, 2012, U-Save Auto Rental of America, Inc. filed an action against its former franchisee, RAC Enterprises and an individual guarantor, Mr. Rapier, for failure to pay amounts due under a franchise agreement and for default under a promissory note arising out of the franchisee's performance under the franchise agreement. On December 13, 2013, the Court entered an Agreed Final judgment finding that the defendants owed U-Save $1,381,029.10 plus $89,124.18 in accrued interest.

U-Save Auto Rental of America, Inc. vs Sanford Miller (U.S. Dist. Ct. for the S.D. of Miss., Case No. 3:13-CV-127 HTW-LRA). On March 1, 2013, U-Save initiated legal proceedings against Sanford Miller, the former Co-Chair and Co-CEO of U-Save and Franchise Services of North America, Inc., in the U.S. District Court for the Southern District of Mississippi, in which it sought a determination from the court that U-Save owed no post-termination compensation or benefits to Mr. Miller under his employment agreement. Mr. Miller responded to U-Save’s lawsuit by claiming that he was entitled to receive such compensation and benefits, and by bringing claims against FSNA and U-Save for breach of contract, breach of the covenant of good faith and fair dealing, intentional infliction of emotional distress, and defamation. Mr. Miller also brought claims again U-Save’s Chief Executive Officer, Thomas P. McDonnell III, for interfering with contractual relations, fraud, and conspiracy to commit fraud, defamation, and intentional infliction of emotional distress. On August 7, 2014, the Court dismissed with prejudice all claims by all parties. The Court, on its own Motion, sealed the record and ordered all parties not to discuss the case further.

Sanford Miller and Narcoossee Place LLC v. Macquarie Group Limited, Macquarie Capital (USA), Inc., MIHI, LLC, Boketo, LLC, Adreca Holdings Corp., and Bruce Donaldson (In the Supreme Court of the State of New York, County of New York, Case No. 651 612/13, Filed 3 May 2013). Sanford Miller, the former Co-Chair and Co-CEO of Franchise Services of North America, Inc., asserted claims of tortuous interference with his purported contractual and prospective business relations, defamation, fraudulent inducement and intentional infliction of harm. On March 3, 2015, the Court entered an Order dismissing Adreca Holdings Corp. from the action.

Trek Auto Sales, Inc. v. U-Save Auto Rental of America, Inc. Trek Auto Sales, LLC v. U-Save Auto Rental of America, Inc., No. MID-L-06446-15 (Sup. Ct. N.J. - Middlesex Co.); Trek Auto Sales, LLC v. U-Save Auto Rental of America, Inc., No. 3:15-cv-08323-FLW-TJB (U.S. District Ct. N.J.); In re Trek Auto Sales, LLC, No. 16-10538 (U.S. Bankruptcy Ct. N.J.); Trek Auto Sales, LLC v. U-Save Auto Rental of America, Inc., Adversary Proceeding No. 16-1047 (U.S. Bankruptcy Ct. N.J.); Trek Auto Sales, LLC v. U-Save Auto Rental of America, Inc., No. 01-16-0000-8959 (American Arbitration Assoc.); U-Save Auto Rental of America, Inc. v. Valenti and Trek Auto Sales, LLC, No. CI2016-263-JR (Circuit Court of Madison Co., Miss.). U-Save and Trek Auto Sales, LLC (Trek Auto) entered into four franchise agreements during the period January 2015 to March 2015 which allowed Trek Auto to operate as a U-Save franchisee at locations in East Brunswick, New Jersey, Union, New Jersey, Westfield, New Jersey, and Newark, New Jersey. A dispute arose between the parties concerning the payment of fees owed under the franchise and related agreements. After U-Save notified Trek Auto of U-Save's intent to cancel the franchise agreements for certain U-Save franchise locations in New Jersey because of Trek Auto's default under the terms and conditions of the franchise agreements, Trek Auto commenced a civil action on October 29, 2015 in the Superior Court of New Jersey-Middlesex County styled *Trek Auto Sales, LLC v. U-Save Auto Rental of America, Inc.*, No. MID-L-06446-15 alleging breach of the contract and seeking an injunction requiring U-Save to continue to provide reservation and other services. On November 4, 2015, the Superior Court of New Jersey - Middlesex County entered an ex parte temporary restraining order (TRO). On November 30, 2015, U-Save removed the state court case to the United States District Court for the District of New Jersey and the civil action was styled *Trek Auto Sales, LLC v. U-Save Auto Rental of America, Inc.*, No. 3:15-cv-08323-FLW-TJB. On December 21, 2015, U-Save filed a motion to dissolve the TRO and a motion to compel arbitration. On December 29, 2015, the United States District Court entered an order finding that the TRO expired on December 14, 2015 and setting a hearing on U-Save's motion to compel arbitration for February 1, 2016. U-Save terminated the franchise and related agreements with Trek Auto after the entry of the December 29, 2015 order finding that the TRO had expired. On January 12, 2016, Trek Auto filed a Chapter 11 bankruptcy petition in the United States Bankruptcy Court for the District of New Jersey and the bankruptcy case was styled *In re Trek Auto Sales, LLC*, No. 16-10538. On January 20, 2016, the United States District Court entered an order referring *Trek Auto Sales, LLC v. U-Save Auto Rental of America, Inc.*, No. 3:15-cv-08323-FLW-TJB to the bankruptcy court. The civil action was treated as an adversary proceeding in the bankruptcy court and styled *Trek Auto Sales, LLC v. U-Save Auto Rental of America, Inc.*, Adversary Proceeding No. 16-1047. Trek Auto made a motion for preliminary injunction in the bankruptcy court seeking an order requiring U-Save to provide reservations services and other services to Trek Auto. On February 1, 2016, the bankruptcy court granted the motion and entered a 90-day preliminary injunction requiring U-Save to provide reservations and other services to Trek Auto, and requiring Trek Auto to pay U-Save $25,000.00 as a prepayment for amounts due under the franchise and related agreements for the month of February 2016 and to deposit $50,000.00 as a security deposit against future charges under the franchise and related agreements. On February 10, 2016, the bankruptcy court entered an order granting Trek Auto's motion to dismiss the Chapter 11 bankruptcy case with the bankruptcy court retaining jurisdiction to enforce the terms of its February 1, 2016 order. Trek Auto initiated arbitration against U-Save on March 16, 2016 by filing a demand for arbitration with the American Arbitration Association. The arbitration case was styled *Trek Auto Sales, LLC v. U-Save Auto Rental of America, Inc.*, No. 01-16-0000-8959 with venue of the proceeding in Mississippi. Trek Auto alleged that U-Save breached the franchise agreements, acted in bad faith, and committed fraud. Trek Auto also alleged that U-Save's conduct violated the New Jersey Franchise Practices Act, the New Jersey Consumer Fraud Act. Trek Auto sought $500,000.00 in damages. U-Save answered Trek Auto's demand for arbitration on April 27, 2016 and Trek Auto's statement of claim on August 8, 2016 denying liability. U-Save also asserted a counterclaim for Trek Auto's failure to pay amounts owed to U-Save under franchise agreement and related agreements and the related personal guaranties. Dustin Valenti (Valenti), a Trek Auto principal, was named as a counterclaim respondent based on personal guaranties he had given to U-Save. U-Save sought the following relief in the arbitration proceeding: (1) a finding that the franchise agreements may be terminated for cause; (2) an award against Trek Auto and Valenti, jointly and severally, in the amount owed for royalties, marketing, and reservations fees payable to U-Save; and (3) an award in favor of U-Save for attorney's fees, arbitration costs, arbitration expenses, expert fees, professional fees, and costs of investigation. U-Save's claims and Trek Auto's claims were disputed by the opposing parties. The preliminary injunction entered by the bankruptcy court on February 1, 2016 was extended several times. On December 15, 2016, U-Save filed a letter motion to dissolve the preliminary injunction on the grounds that Trek Auto was continuing to breach the franchise and related agreements by failing to pay amounts due for reservations, royalty, and marketing fees. An evidentiary hearing was conducted on the motion to dissolve the preliminary injunction on January 27, 2017. After the morning session of the evidentiary hearing, U-Save and Trek Auto entered into an agreement to dismiss *Trek Auto Sales, LLC v. U-Save Auto Rental of America, Inc.*, Adversary Proceeding No. 16-1047 with all claims between the parties to be submitted to the arbitrator in the arbitration proceeding. The bankruptcy court entered an order on January 31, 2017 dismissing *Trek Auto Sales, LLC v. U-Save Auto Rental of America, Inc.*, Adversary Proceeding No. 16-1047 and directing that the $50,000.00 security deposit money and additional money Trek Auto had deposited with its bankruptcy lawyer be transferred to the arbitrator's trust account. All franchise and related agreements between U-Save and Trek Auto were terminated after the entry of the January 31, 2017 bankruptcy court order. During the course of the arbitration proceeding, the arbitrator entered an order prohibiting Valenti from making disparaging posts at a weblog and Facebook page that Valenti had set up. Valenti violated the arbitrator's order and the arbitrator assessed monetary sanctions against Valenti in the amount of $12,000.00. U-Save initiated a civil action in the Circuit Court of Madison County, Mississippi on December 21, 2016 to collect $13,000.00 still owed on a $25,000.00 note payable executed by Trek Auto in favor of U-Save. The style of the case was *U-Save Auto Rental of America, Inc. v. Valenti and Trek Auto Sales, LLC*, No. CI2016-263-JR. U-Save also asserted a claim for business defamation for statements and comments Valenti had posted about U-Save and its personnel on a weblog and a Facebook page that Valenti had created. At a hearing conducted on May 9, 2018 on the defendants' motion to compel arbitration, the circuit court ruled that U-Save's claims would be referred to arbitration; however, the court did not enter an order to that effect prior to the parties resolving by compromise and settlement all claims at issue in the arbitration proceeding and in the Madison County civil action on July 11, 2018. Pursuant to the settlement agreement, Trek Auto, Valenti, and U-Save agreed to settle all claims with none of the parties admitting liability as to the disputed claims. In consideration of Trek Auto and Valenti releasing their interest in $57,932.30 deposited in the arbitrator's escrow account and directing payment of that money to U-Save, payment of $5,000.00 by Trek Auto and Valenti to U-Save in partial reimbursement of U-Save's costs of arbitration, dismissal with prejudice and on the merits of Trek Auto's claims asserted in the arbitration case, and Trek Auto and Valenti removing a certain weblog and Facebook page and promising never to activate the weblog and Facebook page and promising never to create a similar weblog and Facebook page, U-Save dismissed its counterclaim asserted in the arbitration case and the claims asserted in the *U-Save Auto Rental of America, Inc. v. Valenti and Trek Auto Sales, LLC* civil action thereby discharging Trek Auto and Valenti from all liability and damages arising out of the franchise and related agreements. The parties agreed to settle the disputed claims, in part, to avoid the risks and uncertainties of protracted litigation. The parties agreed to bear their own arbitration fees, court costs, expenses, and attorneys' fees (over and above the $5,000.00 Valenti paid U-Save in partial reimbursement of U-Save's costs of arbitration). Subsequent to the settlement agreement, U-Save discovered that Valenti breached the settlement agreement by failing to remove the weblog and Facebook page. U-Save filed a motion to enforce the settlement agreement in the Circuit Court of Madison County, Mississippi on July 23, 2018 seeking an order directing Valenti to remove the weblog and Facebook page. Shortly after the filing of the motion to enforce the settlement agreement, Valenti complied with the terms of the settlement agreement and removed the weblog and Facebook page. The circuit court entered orders terminating the motion to enforce the settlement agreement and dismissing the civil action on August 1, 2018.

U-Save Auto Rental of America, Inc. v. Dream Car Rentals, Inc., et al. (Dist. Ct., Clark County, NV, Case No: A-16-748382-C). On December 24, 2016, U-Save Auto Rental of America, Inc. filed an action against its former franchisee, Dream Car Rentals, Inc., for failure to pay amounts due under a franchise agreement and a reservations agreement. Dream Car Rentals Inc. answered and filed a counter-claim alleging that U-Save breached the franchise agreement and acted in bad faith by failing to provide the services called for in the franchise agreement, breached the covenant of good faith and fair dealing and tortuously interfered with contractual and prospective business relations. U-Save answered and denied all counterclaims. Due to the small amount involved (less than $50,000.00), the case was originally set to be heard in a one-day non-binding judicial arbitration in May 2018.

After evaluating the parties’ respective claims, however, U-Save Auto Rental of America, Inc. determined that the breach of the franchise agreement warranted litigation pursuit of damages in excess of the $50,000 upper cap on Nevada Judicial Arbitrations and amended its claims accordingly. As a result, the Arbitration was vacated, and the case was returned to the Court.

On August 23, 2021, the Court entered a Stipulation and Order for Settlement and Judgment. The Court entered Judgment against Dream Car Rentals in the amount of $40,000. The Court dismissed all counterclaims against U-Save.

Bob Barton v. U-Save Auto Rental of America, Inc., AAA #69-166-57-14. On March 16, 2014, U-Save’s former Chief Operating Officer, Bob Barton initiated an arbitration action against U-Save. Barton’s employment was terminated by U-Save in November 2013 for “cause” based upon Barton’s alleged misconduct. In this action, Barton claimed that U-Save owed compensation and benefits to him pursuant to the employment agreement to which he and U-Save were parties (i.e., that U-Save breached its employment contract with Barton). Barton also alleged that he is entitled to receive payments pursuant to a “change of control” provision contained in his employment agreement with U-Save. U-Save thoroughly investigated Barton’s allegations and believed that they wholly lacked merit. Accordingly, U-Save vigorously defended against Barton’s claims, and denied any and all liability to him. An arbitration hearing was held on February 2-3, 2015, after which the parties submitted various position statements and documents to the tribunal. On May

6, 2015, the arbitrator issued an award, in Barton's favor, in the amount of $596,645.44, and each party was directed by the arbitrator to pay his/its own attorney fees and costs. On May 8, 2015, U-Save filed a motion to vacate the arbitrator's award in the U.S. District Court for the Southern District of Mississippi. See U-Save Auto Rental of America, Inc. v. Robert M. Barton, Civil Action No. 3:15-CV-348-DPJ-FKB (U.W. Dist. Ct. for the S.D. of Miss.). In addition, Mr. Barton and a former director brought claims against FSNA for the value of certain stock options and Mr. Barton brought claims against a local bank. On or about August 12, 2016, the parties reached a settlement. Mr. Barton and the former director will be paid $803,232.01 by all parties.

Other than these actions, no litigation is required to be disclosed in this Item.

Please see appendix for information specifically required by California Law concerning the franchisor and any person or franchise broker listed in Item 2 of this Franchise Disclosure Document.

ITEM 4

BANKRUPTCY

FSNA BANKRUPTCY

On June 26, 2017, Franchise Services of North America Inc. ("FSNA") filed its petition for relief under chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Mississippi, Case No. 17-02316-EE. All first day motions were granted, and FSNA is operating as debtor-in-possession. Jon Nash of Meadowlark Advisors LLC was approved as the Chief Restructuring Officer of FSNA. FSNA anticipated selling the stock of its wholly-owned subsidiary, U-Save Holdings, Inc., during the bankruptcy case and retained Equity Partners HG to market that stock. Because Tom McDonnell, the former CEO of FSNA, is a member of the limited liability company which is the court-approved DIP Lender and has made an offer to purchase the stock in U-Save Holdings, Inc., McDonnell has surrendered his role as CEO of FSNA, but remains in all other capacities, including as a board member of FSNA and as the CEO of the FSNA's subsidiaries, including U-Save Auto Rental of America, Inc. Bruce Donaldson has been appointed has the Interim Chairman of the Board of FSNA.

On December 18, 2017, the United States Bankruptcy Court for the Southern District of Mississippi dismissed the hapter 11 bankruptcy case originally filed by FSNA in June 2017. The Bankruptcy Court found that the bankruptcy case was improperly filed and FSNA appealed the Bankruptcy Court's decision to the United States Fifth Circuit Court of Appeals. On May 22, 2018, the Fifth Circuit affirmed the decision of the Bankruptcy Court.

The Company's initial decision to seek bankruptcy protection was necessitated by several factors, including liquidity issues associated with expenses incurred in pending litigation by and against its former financial advisor, Macquarie Capital (USA), Inc., and two Macquarie employees who also served as directors of FSNA, as well as other legacy claims against the FSNA. FSNA's litigation expenses relate to the Company's acquisition of Simply Wheelz LLC, d/b/a Advantage Rent A Car, which was led by Macquarie and its affiliates. FSNA also remains impaired by potential claims that arise from the Advantage acquisition.

While the bankruptcy case was on appeal to the Fifth Circuit, the Macquarie parties and FSNA reached an agreement to temporarily cease any adversary proceedings, including litigation, until the issuance of the mandate of the Fifth Circuit.

On May 22, 2018, the Fifth Circuit affirmed the decision of the Bankruptcy Court in an order and opinion filed May 22, 2018 and revised on June 14, 2018.

U-Save Auto Rental of America, Inc. is a wholly-owned subsidiary of U-Save Holdings, Inc., which was a wholly owned subsidiary of FSNA.

SIMPLY WHEELZ BANKRUPTCY

On November 5, 2013, Simply Wheelz LLC, d/b/a Advantage Rent A Car, a wholly-owned subsidiary of Franchise Services of North America Inc., filed for United States federal bankruptcy protection in the United States Bankruptcy Court for the Southern District of Mississippi, Case No. 13-03332-EE.

On December 17, 2013, the Bankruptcy Court declared The Catalyst Group, Inc. (on behalf of one or more funds managed by it) as the Prevailing Purchaser of the assets to be sold, which consists of substantially all of the assets related to the operation of Advantage Rent A Car.

On April 30, 2014, Simply Wheelz LLC completed and closed the sale of substantially all of the Advantage assets to Advantage Opco, LLC d/b/a Advantage Rent A Car, a subsidiary of the Catalyst Capital Group Inc. The Federal Trade Commission approved the sale of these assets to Catalyst.

On April 30, 2014, Simply Wheelz LLC, the Company, and Advantage Opco, LLC (the purchaser of the Advantage assets in the bankruptcy case) entered into a Transition Services Agreement ("TSA"). The TSA was expected to assist the parties in taking all actions necessary to consummate the asset purchase agreement. Through the TSA, Advantage Opco engaged Simply Wheels and the Company to provide certain temporary contract services, personnel related services, miscellaneous services, and certain specified goods. The basic term of the TSA was for one year, although certain services were anticipated to be completed within a few months. Advantage Opco reimbursed either Simply Wheelz or the Company as appropriate for the goods and services provided.

Simply Wheelz conducted a secondary sales process for certain locations that Catalyst chose not to acquire pursuant to an auction process approved by the Bankruptcy Court. Certain locations were sold to an affiliate of Avis Budget Group, Inc. and to Hertz Global Holdings, Inc. The Federal Trade Commission approved the sale of these assets.

Subsequently, Simply Wheelz conducted a tertiary sales process for certain locations not previously purchased by any party pursuant to a sales process approved by the Bankruptcy Court. One location was sold to an affiliate of Avis Budget Group, Inc. and one was sold to Sixt Rent A Car, LLC. The Federal Trade Commission approved the sale of these assets as well.

On December 30, 2015, the Bankruptcy Court entered an Agreed Order approving the assumption and assignment and sale to Advantage Opco of certain vehicle leases the Debtor had with Merchants Automotive Group, Inc.

On December 30, 2015, Simply Wheelz LLC filed its Motion for authority to approve a settlement agreement among Simply Wheelz LLC, Advantage Opco, LLC, Catalyst, Franchise Services of North America, Inc., and Merchants Automotive Group, Inc. and to dismiss the bankruptcy case.

On January 28, 2016, the Bankruptcy Court entered an Agreed Order approving the settlement agreement and dismissing the bankruptcy case.

ITEM 5

INITIAL FEES

We charge a non-refundable initial franchise fee ("Initial Franchise Fee") of $10,000 to $250,000, which is payable in full when the Franchise Agreement is signed. There is a minimum fee of $10,000 for neighborhood locations and a minimum fee of $25,000 for airport locations. Where an Exclusive Territory represents a township or city with a population that is clearly under 50,000, is not adjacent to or part of a larger populations, and does not contain airport servicing commercial carriers, the Initial Franchise Fee may be reduced to $10,000.

Population statistics are determined by using data from the following website: **http://www.census.gov/data.html**.

We may periodically offer other discounts or incentives to franchise candidates who possess qualifications or skills or have an existing business or who are located in a geographic area that we believe, in our sole business judgment, justifies the discount or incentive.

Where an Exclusive Territory will contain an airport serving commercial carriers, the Initial Franchise Fee will be established for that area based upon the most current deplanement figures and/or the most recent car rental revenue figures for that airport, with a minimum fee of $25,000. For the top 50 airports (in terms of rental revenues reported), we calculate the Initial Franchise Fee by multiplying the annual rental revenue at the airport as published in the *Auto Rental News Fact Book* by a factor of 0.05%. For all other airports (i.e., those not in the top 50), we currently charge a flat, non-refundable rate of $25,000 for the Initial Franchise Fee.

For example, the annual rental revenue at Denver International Airport (DEN) is in excess of $500,000,000 per year. Our franchise fee for that market would be (.05) x ($500,000,000) or $250,000.

As described in the Reservation System Agreement, you will pay to us the initial deposit of (1) $700.00 for Option 1 Booking Services and, or (2) a deposit of $2,000 to $25,000, plus a $1,000 set-up fee for Option 2 (Global Distribution System). The deposit is refundable provided that the franchisee's account is current and the franchisee requests the return of the deposit within ninety (90) days of termination of the Reservation System Agreement. The set-up fee is non-refundable. All deposits are held by U-Save as security for fees incurred under the Reservation System Agreement.

If you participate in a liability or physical damage program provided or arranged by us, you will pay deposits and premiums to us or to our affiliate, Peakstone Financial Services, Inc. We require the posting of a refundable insurance deposit equal to 15% of the estimated annual premium or an amount between no less than $2,000 and no more than $18,000, whichever is greater. The estimated annual premium is based on $60 per vehicle per month on a fleet size of 20 vehicles or above. If your required deposit is greater than $10,000, we may, in our sole discretion, allow you to post a letter of credit for the required amount in lieu of paying a cash deposit. If your fleet size changes, we have the right to increase or decrease the size of the deposit. Automobile insurance coverage must be included in your periodic rental rates; you may not charge customers separate fees for drivers' automobile liability coverage that is required by state law or the Franchise Agreement. Costs for programs arranged by U-Save are assessed on a per unit basis. These amounts will vary depending upon your fleet size. Surcharges may be added if your loss experience is deemed by the insurance carrier or U-Save to be excessive. You may arrange vehicle insurance with any carrier that meets the requirements described in Item 8. Franchisees must purchase broad form commercial general liability insurance, and possibly a garage liability policy, with combined limits of at least $1,000,000 on both policies.

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ITEM 6

OTHER FEES

Name of Fee[i]	*Amount*	*Due Date*	*Remarks*
Royalty[ii]	6% of the total of gross rental revenue and damage waiver revenue for airport market; $1,000 minimum. 4% of the total of gross rental revenue and damage waiver revenue for neighborhood market; $500 minimum.	15 days after the date of the monthly invoice	Assessed on a percentage of gross revenue and damage waiver revenue
Monthly Marketing Fee[iii]	2% of the total of gross rental revenue and damage waiver revenue for airport market; $225 minimum. 1% of the total of gross rental revenue and damage waiver revenue for neighborhood market: $125 minimum. 3% of time and mileage revenue should be spent by the franchisee on direct marketing efforts. Expenses such as directory listings, online and print advertising, media promotion, pay-per-click, display ads, or other related marketing activities meet this requirement. Personnel costs are not eligible as part of this expense. A marketing report must be submitted each month to the Franchise Service Manager confirming the location has met the monthly expenditure requirement.	15 days after the date of the monthly invoice	Assessed on a percentage of gross revenue and damage waiver revenue

Name of Fee[i]	*Amount*	*Due Date*	*Remarks*
Cooperative Marketing[iv]	Up to 2% of Gross Rental Revenue and Damage Waiver Revenue to the Local Marketing Cooperative weekly, monthly, or as otherwise specified by 50% or more of the U-Save Franchises operating in the ACA	Determined by members	Franchisees and U-Save representatives form co-ops
Reservation System Agreement Fees[v] Alternate Schedule A[v]	Per reservation fee of $3.95 to $10.95, plus online third-party imposed time and mileage commission, and/or minimum fee and commission guarantees, where applicable. Call Center/Non-GDS Booking Services: Mandatory participation Initial deposit: $700.00 Global Distribution System: Additional deposit of $1,300 for a total deposit of $2,000. (Mandatory participation for airport locations) Monthly Support Fee: $75.00 Initial (set-up) fees of $1,000. Additional satellite locations require a $500 set-up fee per location. Car Count/Web Hosting Fees: $15.00 per month $ 0.15 per reservation customer complaint fee	All amounts not described as set-up fees and/or deposits are due the 15th day of each following month's invoice Deposit due when Reservation Agreement signed Initial set-up fees due when Reservation Agreement signed	See Reservation Systems Agreement *infra*
Additional Training[vi]	$200 per trainee or $50.00 per hour per trainer if done on franchisee's site	In advance	
Liability Insurance Physical Damage Deposit[vii]	$2,000 or 15% of estimated annual premium, whichever is greater	Before beginning operation	May be increased as fleet grows; refundable

Name of Fee[i]	*Amount*	*Due Date*	*Remarks*
Vehicle Liability Insurance Premiums[vii]	Varies by locale and experience	15 days after the date of the monthly invoice	Collected on behalf of insurance carrier; refund ability governed by state law and policy
Vehicle Physical Damage Coverage[vii]	Varies by value of vehicle and loss history	15 days after the date of the monthly invoice	None
Failure to Return All Manuals[viii]	$1,000	On occurrence	None
Transfer Fee and Finder's Fee[ix]	$10,000 Transfer Fee; plus Finder's Fee equal to 8% of sales price if we assist you in finding the purchaser for the franchised business	Transfer Fee is payable upon transfer; Finder's Fee is payable on closing sales of assets or stock	No charge on assignment to corporation you control; Finder's Fee not applicable in all states, including Illinois
Inspection and Audit[x]	Our costs	Post audit	Payable if you fail to comply with Franchise Agreement
Late Fees[xi]	1.5% per month	See "Remarks"	Late fees accrue on any amount not received by due date
Attorneys' Fees and Costs of Suit[xii]	Amount of Attorneys' Fees, Expert and Witness Fees, Professional Fees, Costs of Investigation and Costs of Suits	On demand	See Note 12

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[i]All fees are non-refundable, uniformly imposed by and payable to us unless otherwise stated.

[ii]*Royalties*. The royalty rates for new franchisees entering into an initial franchise agreement with us is 6% of the total of Gross Rental Revenue and Damage Waiver Revenue for the airport market and 4% of the total of Gross Rental Revenue and Damage Waiver Revenue for the neighborhood market. Gross Rental Revenue is defined as the total revenue from time and mileage rental fees and Damage Waiver Revenue means revenue you generate from a collision damage waiver, a loss damage waiver and any other damage waiver you charge to your customers. However, the minimum royalty fee you will be required to pay us is $500.00 for neighborhood locations and $1,000.00 per month for airport locations. Royalties are due and payable on the 15th day of the following month. Except as noted above, they are uniform for persons currently being granted a franchise. Royalties are not refundable and are not imposed or collected for any third party.

[iii]*Marketing Fee*. You will pay us a non-refundable marketing fee of 2% of the total of Gross Rental Revenue and Damage Waiver Revenue for the airport market (subject to a $225 minimum fee) and 1% of the total of Gross Rental Revenue and Damage Waiver Revenue for the neighborhood market (subject to a $125.00 minimum fee) to cover the costs of designing and creating marketing materials (and the costs of educating you about use of the materials), including costs associated with the U-Save® internet site(s). If we choose to begin regional, national or international advertising programs, the marketing fee may be increased beyond 2% of the total of Gross Rental Revenue and Damage Waiver Revenue for the airport market and 2% of the total of Gross Rental Revenue and Damage Waiver Revenue for the neighborhood market.

[iv]*Local Cooperative Marketing Fee*. We have the right to organize local marketing cooperatives among franchisees. If we do so, your participation in the local marketing cooperative will be mandatory, and fees will

be assessed. The voting power of franchisor-owned outlets will be determined on an equal basis with the voting power of franchisee-owned outlets. Franchisor-owned outlets will not have controlling voting power by virtue of their ownership status. As of the date of this disclosure, there are no active local marketing cooperatives.

[v] *Reservation Fees*. If you service a commercial airport, we require you to participate in a commercial reservation system either provided by us or through a third-party vendor selected by us. You may not solicit as "U-Save Auto Rental®" or "U-Save Car & Truck Rental®" on any commercial reservation system not selected by us, nor may you solicit in any commercial reservation system under any name other than "U-Save Auto Rental®" or "U-Save Car & Truck Rental®." The alternate Schedule A is used for franchisees who are not on the reservation system and pay for web hosting through TSD.

[vi] *Additional Training*. There is no fee for initial training of you and your employees as this cost is included in the Initial Franchise Fee. Ongoing training programs will be available to your current or future personnel through regularly scheduled programs for which you will be charged a nominal registration fee. The current fee is $200 per trainee, an amount that is subject to change. Ongoing training at your site, if you want it and if we can provide it, costs $50 per hour, per instructor, plus travel and lodging expenses.

[vii] *Insurance*. If you participate in a liability or physical damage program provided or arranged by us, you will pay deposits and premiums to us. We require the posting of a refundable insurance deposit equal to 15% of the estimated annual premium based on a minimum fleet size of 20 vehicles or $2,000, whichever is greater. If your required deposit is greater than $10,000, we may, in our sole discretion, allow you to post a letter of credit for the required amount in lieu of paying a cash deposit. If your fleet size changes, we have the right to increase or decrease the size of the deposit. Upon termination, expiration or transfer of this Agreement, we may apply, in our sole discretion, any excess insurance deposit to any balances or other amounts that you owe to us or to our Affiliates under this or any other agreement. If you have not claimed any remaining deposit within ninety (90) days of the effective date of termination, expiration or transfer of this Agreement, the deposit becomes the sole property of U-Save. Automobile insurance coverage must be included in your periodic rental rates; you may not charge customers separate fees for drivers' automobile liability coverage that is required by state law or the Franchise Agreement. A portion of your liability insurance premium is collected for a third party.

[viii] *Failure to Return the Manual*. U-Save® policy and training materials (collectively referred to as the "Manual") are the sole property of U-Save. Upon termination or expiration of your Franchise Agreement, you must return the Manual and all other U-Save® materials to us. If you fail to return all copies of these items, you must pay us $1,000.

[ix] *Transfer Fee*. You may transfer the assets of the Franchised Business, or the stock of your operating corporation (subject to our right of first refusal to purchase the interest(s) being transferred) conditioned upon, among other things, your payment of our then-current transfer fee. Our transfer fee currently is $10,000. If we assist you in locating a purchaser for the Franchised Business, we may charge a finder's fee equal to 8% of the sale price. This fee is not applicable in all states, including Illinois.

[x] *Inspection and Audit Fees*. We may inspect your Franchised Business and its records and vehicles, without prior notice, during business hours. These inspections will be made at our expense, unless we make inspections due to your failure to comply with the Franchise Agreement. In that event, we have the right to charge you for all costs of the inspection or audit, including our employees' or agents' travel, living expenses and compensation.

[xi] *Late Fees*. All overdue payments will accrue interest at 1.5% per month or the highest legal rate for open account business credit in the state where the Franchised Business is located.

[xii] *Attorneys' Fees and Costs of Suit*. You must reimburse us for any costs that we incur if we succeed in obtaining injunctive or equitable relief against you, or if we succeed in any action against you for the payment of any fees due under the Franchise Agreement or any Collateral Agreement (as defined in the Franchise Agreement).

Rates Applicable to U-Save® Franchisees with Original Contracts
Dated After 01/01/1999 and Before 01/01/2005

Number of Fleet Vehicles	*Royalties Per Vehicle*	
	2010	2011 and beyond
0 – 100	$34.58	See below*
101 – 200	$31.36	See below*
201 Plus	See below**	See below*

* For existing franchisee, each year during the term of the Franchise Agreement, starting with January 1, 2011, we have the right to increase the then-current minimum monthly royalty fee and standard royalty rate schedule by an amount not to exceed the *greater* of (a) the increase in the general level of consumer prices (determined by calculating the increase in the Consumer Price Index, All Cities, All Items (CPI-U) during our most recently completed fiscal year), or (b) 4% of the then-current fee or rate.

**For franchisees with more than 200 fleet vehicles in a given Exclusive Territory, we reserve the right, in our sole discretion, to set lower per vehicle royalty.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT[1]

Type of Expenditure	*Amount*	*Method of Payment*	*When Due*	*To Whom Made*
Initial Franchise Fee*[2]	$10,000 to $250,000	Lump sum	At signing of Franchise Agreement	U-Save
Opening Inventory**[3]	$20,000 to $250,000	Deferred financing	As incurred	Suppliers
Real Estate and Improvements**[4]	$6,000 to $24,000	Lease payments	As incurred	Suppliers
Furniture, Fixtures, Signs and Equipment**[5]	$6,000 to $17,500	Lump sum or deferred financing	Before opening	Suppliers
Computer Hardware and Software, including Training**[6]	$4,000 to $40,000	As arranged by you	Before opening	Suppliers

Type of Expenditure	*Amount*	*Method of Payment*	*When Due*	*To Whom Made*
Reservation System[7]	$700.00 to $25,000.00 Call Center/Non-GDS Booking Sources: Initial deposit: A minimum of $700.00; will be adjusted based on volume On-line booking services: Initial Set-Up Fee is included in U-Save's preferred pricing plan with The System Distributors, Inc. – "TSD") Global Distribution System[7] Initial deposit: $2,000.00 to $25,000.00 $1,000.00 set-up fee (Additional satellite locations require a $500 set-up fee per location) $75.00 monthly support fee and $0.15 per reservation customer complaint fee	Credit Card, Debit Card or checking account electronic debit	At signing of Reservation Agreement	U-Save or other Suppliers
Additional Funds Initial Period (3 months)[*8]	$10,000 to $50,000	As incurred	As incurred	Employees, Suppliers, Utilities, etc.
Insurance*[9]	$2,000 to $18,000	Deposit and monthly payment	Before opening	Peakstone Financial Services, Inc. or other suppliers
Travel and Living Expenses while Training*[10]	$1,000 to $3,000	As incurred	Before opening	Suppliers
Marketing and Advertising Expense*[11]	$5,000 to $10,000	As incurred	As incurred	Suppliers
Total	$64,700.00 to $687,500.00	* non-refundable ** refund ability not within our control, customarily not refundable		

[1] We have based these estimates on your first three (3) months in business. Neither U-Save, nor an affiliate of U-Save, offers direct or indirect financing, nor does U-Save guarantee your note, lease or obligation.

[2] The Initial Franchise Fee (for new start-up franchises) is used to cover our costs of recruiting and processing new franchises and other assistance up to the point of opening. This Fee also covers administrative and legal costs associated with registration and development of the franchise, registration and protection of the Marks, the drafting and production of this Disclosure Document. The calculation of the specific amount of the Initial Franchise Fee is discussed in great detail in Item 5. We do not finance the payment of the Initial Franchise Fee.

[3] Inventory consists primarily of automobiles, vans, light duty trucks and specialty vehicles. This estimate assumes that you will lease or finance the purchase of fleet vehicles, and the figures represent estimated down payments and/or initial lease payments, deposits, and delivery costs for these vehicles. These amounts will vary depending upon your fleet size and current cost of vehicles. If you choose to purchase your fleet vehicles outright, your initial investment will be much higher. U-Save does not require or recommend a minimum number of vehicles in your opening fleet.

[4] Real estate rental costs depend on area, location and improvements, with $2,000 to $8,000 per month the usual range. These costs include any rental deposits. This figure may increase based on the amount of renovation desired. Franchised Businesses are usually located in sites zoned for auto sales and service uses. Franchised Businesses can be operated as stand-alone retail operations, or along with an automobile related business, such as a new or used car dealership, body shop, transportation company or service facility.

5 Equipment includes furniture, other office equipment, one set of hand controls for disabled, signage and telephone lines as recommended in the Manual. The costs incurred will be less if the franchisee has access to the equipment and furniture of an existing ancillary business. U-Save does not provide monetary assistance in obtaining required services, products, equipment, signs, fixtures, opening inventory, and supplies.

6 This category covers the purchase of hardware, computers, software, printers, peripherals and training you elect for the required computer system. The amount is dependent upon the equipment purchased and whether the equipment is purchased or leased. We do not provide any basic computer training on software or hardware (including Microsoft Office or similar products.) TSD provides training for the use of its software.

[7] The reservation system deposits are held by U-Save as security for fees incurred under the Reservation Agreement. Upon termination of this agreement, any outstanding fees will be deducted from the Initial Deposit and the balance, if any, will be returned to the Franchisee if requested within 90 days. Our Reservation Agreement requires the franchisee to maintain a deposit on file for the reservation system equal to one month's average reservation bill. Reservation history will be analyzed periodically and additional deposits may be required.

[8] This category covers items like security deposits, supplies, payroll, legal and accounting fees, other services and payments to government agencies and others. In addition, you should be prepared to have cash available for personal and miscellaneous expenditures during start-up. These figures are estimates and we cannot guarantee that you will not have additional expenses during start-up. Your actual costs will depend on your experience, management skills, local economic conditions, prevailing wage rates in your area, competition and the level of sales you achieve in this period. This additional amount was developed over 20 years of assisting hundreds of franchisees open their rental business. Each opening is unique and offers variable opening expenses.

[9] If you participate in a liability or physical damage program provided or arranged by us, you will pay deposits and premiums to us. We require the posting of a refundable insurance deposit equal to 15% of the estimated annual premium or $2,000, whichever is greater. The estimated annual premium is

based on $60 per vehicle per month on a fleet size of 20 to 100 vehicles. If your required deposit is greater than $10,000, we may, in our sole discretion, allow you to post a letter of credit for the required amount in lieu of paying a cash deposit. If your fleet size changes, we have the right to increase or decrease the size of the deposit. Automobile insurance coverage must be included in your periodic rental rates; you may not charge customers separate fees for drivers' automobile liability coverage that is required by state law or the Franchise Agreement. Costs for programs arranged by U-Save are assessed on a per car basis. These amounts will vary depending upon your fleet size. Surcharges may be added if your loss experience is deemed by the insurance carrier or U-Save to be excessive. You may arrange vehicle insurance with any carrier that meets the requirements described in Item 8. Franchisees must purchase broad form commercial general liability insurance, and possibly a garage liability policy, with combined limits of at least $1,000,000 on both policies.

[10] You are responsible for transportation, lodging, meals and other expenses for you and your employees who attend Initial Training.

[11] U-Save® franchisees rely on local advertising and public relations initiatives. The distribution of specialty or premium items or local advertising costs should average $1,000 to $5,000 during the initial start-up period.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

We specify certain fixtures, equipment, supplies and other items that you must have before opening and must maintain for as long as you own your franchise. Certain fixtures, equipment, supplies, and other materials required to operate the franchised business must be procured from us, or from suppliers that we designate or approve. We will provide you with our Manual and various bulletins and notices that will contain the specifications, standards and restrictions for your purchase of products and services. Periodically, we may notify you of changes to our standards through amendments to the Manual, articles, newsletters, or other bulletins.

We or our affiliates may sell or lease certain fixtures, equipment, supplies and insurance to you and our other franchisees. At this time, there are no products or services for which any of our affiliates are the sole approved source, except for rental agreements and rental jackets, which must be obtained from us.

A list of approved vendors will be provided to you. We must approve any pre-printed material that comes from an outside vendor which incorporates the Marks you intend to use in the Franchised Business. U-Save does not provide monetary assistance in obtaining required services, products, equipment, signs, fixtures, opening inventory, and supplies.

If you wish to procure any items from a supplier other than us or a supplier we designate, you must obtain our approval in advance by identifying the proposed supplier, its name and address, and the items you desire to purchase from that supplier. If product specifications for the item are not in the Operations Manual, we will furnish the specifications to you at your request. We may condition our approval on the supplier agreeing in writing not to disclose any confidential information regarding us or our operations, to comply faithfully with our specifications for the items it sells, to sell any materials bearing our marks only to our franchisees, and on the supplier demonstrating to our reasonable satisfaction that it is able to supply commodities meeting our specifications on a continuing basis, and that the supplier is, and will continue to be, of good standing in the business community with respect to its financial soundness and the reliability of its product and service. We will approve or disapprove any supplier within 30 days after our receipt of written notification and all other information which we request in order to evaluate a proposed supplier. We do not charge any fees to secure our approval of suppliers. If at any time we believe that a supplier is no longer meeting our criteria, we will notify you and the supplier in writing of our decision to revoke approval of the supplier.

None of our officers hold any interest in any approved supplier.

Vehicle Liability Insurance. You must provide liability insurance for rental customers against claims for bodily injury, death and property damage in at least those amounts required by the financial responsibility laws of the state where the Franchised Business is located. In addition, you must carry $1 million vehicle owner's liability coverage. All liability insurance policies must list us as an additional insured, and you must provide to us a copy of the additional insured endorsement along with a notice of cancellation endorsement. You must provide to us a copy of the declarations page for all policies. The policies must be placed with an insurer that is rated "A" or higher by A. M. Best & Company that we approve in advance. We do not currently maintain a list of approved insurers.

Although we are not obligated to do so by the Franchise Agreement, we currently provide vehicle liability insurance for you through a program that we organize, and for which we are an agent of record. The insurance covers your rental customers and provides owner excess liability coverage. It also covers you in some, but not all, instances when you drive your own vehicles while owned and operated by your rental franchise. Insurance coverage purchased through us is a program coverage and will be cancelled whenever the Franchise Agreement is terminated, canceled or expires and you are no longer a member of the program. See the Manual for details.

Our ability to secure liability insurance and maintain a liability insurance program for you and other franchisees depends on each franchisee maintaining an acceptable loss history. Therefore, if we determine, in our sole discretion, that your loss history is unacceptable, we have the right to terminate your participation in our insurance program.

If you secure liability insurance from sources other than us, you must provide us with certificates showing the required insurance in force. Policies must be written on an occurrence basis by an insurer that we approve in advance. We will approve only insurers rated "A" or higher by A. M. Best & Company. The policies must name us as an additional insured, and contain covenants giving us at least 30 days' advance written notice of termination, cancellation or material change. If you provide your own vehicle insurance, you must also provide us with copies of your monthly premium billing statements, or other documents from the insurer, showing the number of vehicles insured under the policy, and other fleet data we may require.

Physical Damage Coverage. Although we are not obligated by the Franchise Agreement to do so, we currently arrange physical damage coverage for our franchisees. The purchase of physical damage coverage is optional.

General Business Liability Insurance. You must purchase broad form commercial general liability insurance with a limit of at least $1,000,000. You may also need a garage liability policy with a limit of at least $1,000,000. We may arrange this coverage and may earn income on your purchase of these insurance products. All liability insurance policies must list us as an additional insured, and you must provide to us a copy of the additional insured endorsement, along with a notice of cancellation endorsement. You must provide to us a copy of the declarations page for all policies.

SLI and Supplemental Counter Products. You may offer supplemental liability insurance ("SLI") and/or other supplemental counter products to your rental customers. You must meet all state license requirements prior to offering this product. If you offer SLI, the insurance must be obtained from insurers rated "A" or higher by A. M. Best and Company and must provide minimum coverage of $1 million inclusive of state financial responsibility minimums. We may have the ability to make arrangements for you, at your option, to purchase SLI through us. We may also offer other supplemental counter products including, but not limited to, Personal Accident Insurance (PAI) and Personal Effects Coverage (PEC) that you may, at your option, purchase through us. If you offer a similar insurance product from another insurer 1) we must approve the product, 2) the insurer must be rated "A" or higher by A. M. Best and Company, 3) the policy must be on admitted paper, and 4) you must file a copy of the policy declarations page with our corporate headquarters.

U-Save Insurance Replacement Reservations. We may require you to participate in a nationwide insurance replacement reservations service, which may be provided through us or our affiliates or through a third-party vendor. As part of this service, you may be required to provide information about your prices and fleet availability. We do not currently require franchises to participate in this type of program.

Initial Décor Package. You must purchase from our vendors an initial décor package, as defined in the Operations Manual, consisting of at least one exterior sign, one interior sign and one rental counter logoed floor mat prior to opening the Franchised Business. These items must be maintained in good condition and replaced when necessary.

In addition, U-Save approved uniform apparel must be purchased for staff. Currently, U-Save does not derive any significant profit from the purchase of the items in the initial décor package.

Required Signs. Except as otherwise disclosed in this Disclosure Document, the exterior sign and the interior sign required as part of the initial décor package must be purchased from our then-current approved vendor and must meet the current specifications set forth in the Manual. Our then current approved vendor(s) may perform an initial site survey, obtain necessary permits and install each sign. An inspection of these signs may be performed after installation to ensure compliance. We have the right to require an additional exterior sign, in our sole discretion, to provide additional visibility for your facility.

If you would like to purchase required signs from another vendor, an artist's sketch of the sign(s) (showing the size and color scheme) must be submitted to our Corporate Offices for approval. If approved, the sign(s) installed by the other vendor must pass an inspection, for which you will be charged a fee. All required signs must be approved by the staff at the Corporate Offices prior to purchase.

Additional Signs. You may purchase additional signs for use in the Franchised Business as long as they meet the specifications outlined in the Manual and are approved by us in advance of installation. To obtain approval of a supplier other than us, you must submit an artist's sketch of the sign, showing size and color scheme, to our Corporate Offices.

Supplies and Forms. You must use only our vehicle rental agreement forms and other forms that we require. Prior to your opening the Franchised Business, we will provide you with a reasonable initial supply of rental agreements and other forms required by us to be used in the Franchised Business. Through designated, approved vendors, we will make available to you, at prices uniform to all franchisees, additional supplies of rental agreements, required forms and business cards, as well as other promotional materials, advertising formats and uniforms for use in the Franchised Business. We must approve any pre-printed material which incorporates the Marks which you intend to use in the Franchised Business. Approval will be deemed given if you purchase these items through an approved vendor, as listed in the Manual. To obtain our approval (which must be in writing) for another vendor to produce items containing the Marks, you must submit a sketch of the form, showing size, color and the Marks, to our Corporate Offices.

Reservation System and Call Center. We require you to participate in the Call Center, online booking services and other online booking services as outlined in our Reservation System Agreement that we develop and maintain, or which is developed and maintained by a designated third-party service provider. We may also require you to participate in other requirements of the Reservation System Agreement that we develop and maintain, or which is developed and maintained by a designated third-party service provider.

Specifications and Standards. Specifications and standards for signs, supplies, business forms and other items (which may include uniforms) that we impose are published in the Manual. Modifications to specifications and standards are made by publishing amendments to the Manual. You may direct requests for specifications and standards not found in the Manual to the Corporate Offices in writing. We will respond to such requests within 30 days after receipt.

Grant and Revocation of Supplier Approval. You may purchase goods and services (including those that must meet our specifications) from any source. Through the U-Save® Products and Services Alliance (PSA), we actively seek and recommend specific vendors' products and services tailored to the specific needs of our franchisees. A supplier remains approved until such time as U-Save receives substantial complaints about the quality of the supplies, product, or service.

U-Save may receive commissions from PSA members in the form of fixed or percentage-based payments based upon the participation of the franchise with the PSA member. PSA members may also contribute sponsorship fees to U-Save's convention or other activities.

Rental Vehicles. There are no approved or designated suppliers of vehicles used in the Franchised Business. We do require rental vehicles to be the age and type specified in the Manual. As of this date, your fleet may not include autos older than the current model year minus 3 model years, nor may it include cargo vans or trucks older than current model year minus 6 model years. We require a portion of your auto fleet to contain newer vehicles with limited mileage. As of this date, at least 80% of your fleet must consist of vehicles no older than current model year minus 3 model years, with no more than 60,000 miles. Reservation services may also require newer vehicles or vehicles of a certain type or class. You may maintain the mix of vehicles that best suits your market (subject to the specifications contained in the Manual). You must, however, have a fleet consisting of at least 60% passenger vehicles. While many locations offer trucks, U-Save is primarily a car rental company.

Fleet Acquisition. The U-Save Fleet Department assists qualified franchisees with the purchase and disposal of fleet vehicles through U-Save® branded programs, repurchase programs and volume incentives, normally not available to independent businesses or individuals.

Computer Equipment and Software. You must use operating software purchased from our approved vendor. Credit card processing equipment is mandatory and will include additional costs associated with hardware and software.

Gross Revenue from Franchisee Purchases. We derive income from franchisee purchases and leases to the extent that franchisees purchase products or services directly from us. In prior years, we have received certain incentives from car manufacturers (ranging from $500 to $5,500 per vehicle, depending on its year, make and model) in connection with our participation in the fleet acquisition program. We have returned (but are not required to return) a percentage (typically 75-80%) of these incentives to the franchisees purchasing the vehicles. In fiscal year 2021, we and our subsidiaries had total gross revenues of $10.3 million, 2.7 million (26.2%) which were derived as a result of franchisee purchases. We also may earn income - or experience losses - if we elect to purchase liability coverage that obligates us to be responsible for the first layer of insured losses arising out of claims against you and your rental customers. If so, we alone will be responsible for deficit premiums and, conversely, we alone will be entitled to return premiums, if any.

Our affiliate, Peakstone Financial Services, Inc., derives revenue as a commissioned agent to the extent that insurance products are provided to franchisees. In fiscal year 2021, Peakstone Financial Services, Inc. derived revenue of approximately $326,000 from providing, and agency commissions of approximately $68,400 from the sale of liability insurance to franchisees.

We estimate that your required purchases or leases will account for 35% to 50% of your total purchases and leases in connection with establishing the Franchised Business, and 35% to 50% of your purchases and leases in connection with operating the Franchised Business on an ongoing basis.

Except as otherwise disclosed in this Item 8, we do not currently negotiate purchase arrangements with third-party suppliers for the benefit of franchisees, although we may do so in the future. There are no purchasing or distribution cooperatives in existence with respect to the franchise system, except as described in this Item 8. We do not provide material benefits to you (for example, renewal or granting additional franchises) based on your purchase of particular products or services or use of particular suppliers.

ITEM 9

FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about obligations in these agreements and in other items of this Franchise Disclosure Document.

Obligation	*Section in Franchise Agreement*	*Disclosure Document Item*
a. Site selection and acquisition/leases	4.1	11
b. Pre-opening purchases/leases	11.8, 11.9	7
c. Site development and other pre-opening requirements	4.1, 11.8, 11.9	None
d. Initial and on-going training	10.1-10.3	11
e. Opening	11.1	11
f. Fees	2.4, 5, 6.1, 6.2, 7.1, 7.5, 7.6, 9.1, 10.2-3, 11.5, 11.9, 11.20-21, 15.1, 20.1(e, i), 20.2(d, f, g), 24.3	5-7
g. Compliance with Standards and Policies; Operating Manual	12.6-7, 13, 15.1-4	8, 11, 12
h. Trademarks and proprietary information	11.6, 11.12, 17	13, 14
i. Restrictions on products/ services offered	11.4, 15	8, 16
j. Warranty and customer service requirements	11.3, 11.4, 11.15, 11.23	None
k. Territorial development and sales quotas	3.1, 3.3, 4.3	12
l. Ongoing product/service purchases	8, 9, 11.8-9, 12.2-5	8
m. Maintenance, appearance and remodeling requirements	11.3	8, 11
n. Insurance	15	5, 6, 7, 11
o. Advertising	7, 8.2-3	8, 11
p. Indemnification	17.3, 24.6	None
q. Owner's participation/ management/staffing	11.2	15
r. Records/reports	2.3(c), 13	None

Obligation	*Section in Franchise Agreement*	*Disclosure Document Item*
s. Inspections/audits	14	6
t. Transfer	19, 20, 22	17
u. Renewal	2.3, 3.3	17
v. Post-termination obligations	18.3, 23	17
w. Non-competition covenants	11.18, 23	17
x. Dispute resolution	24.1	17
y. Personal guaranties	Attachment III	14
z. Fleet condition/size	11.4, 11.25	12, 16
aa. Assistance to other system members	11.11	None
bb. Use of public figures	11.14	18
cc. Financial reports to U-Save	2.3(c), 13.2	None
dd. Change of location/additional sites	4.2, 4.3	12
ee. Telephone numbers	8.1, 11.17, Attachment II.A and II.B	None
ff. Vehicle titling	11.4	None
gg. Reservation Fees	9; Reservation Agreement, Section I.A.	6
hh. Customer Satisfaction Program	11.23; Reservation Agreement, Section I.B.	None
ii. Email Address	7.7; Email Address	None
jj. Airport Concession	11.24	None

ITEM 10

FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or obligation.

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ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, U-Save Auto Rental of America, Inc. is not required to provide you with any assistance.

Before you open the Franchised Business, we will fulfill these obligations to you:

Franchise Service Manager. Once the Franchise Agreement is executed, we will assign to you a Franchise Service Manager (FSM) who will serve as your personal business consultant and as your liaison to the Corporate Offices. Your FSM will guide you through a detailed pre-opening checklist and will make an initial visit to you to discuss site selection, fleet planning, personnel and other business-related topics. A current list of U-Save's FSM's is contained in Exhibit E.

Site Selection. It is your responsibility to locate a site for the Franchised Business, but because we have the right to approve the location of, and, if applicable, the lease for, your site, we will review the site before opening. Our approval of a site will not be unreasonably withheld, and our approval is not a warranty or guaranty that the location will be successful.

To have a site approved by us, you must submit to our Corporate Offices the site address, a photograph of the exterior of the site, an interior floor plan and an indication of the amount of available parking at the site.

We will review your site information to determine whether or not: a) the site is located within the Exclusive Territory described in the Franchise Agreement you submit with the site application; b) there is sufficient space to park rental vehicles; and c) the site, and its surrounding area, have an image consistent with the image we determine appropriate for the Franchised Business [See Franchise Agreement, Section 4.1]. Some Franchise Agreements may be executed prior to our approval of a site, in which case the site address will be filled in on Attachment I once the site is approved.

We do not provide any assistance in conforming the premises to local ordinances and building codes, obtaining any required permits or constructing, remodeling, or decorating the premises.

If you fail to select a suitable site within 120 days after the effective date of the Franchise Agreement, we can terminate the Franchise Agreement [See Franchise Agreement, Section 11.1]. We will approve or disapprove your site within 30 days of your submission of the site application. If we cannot agree on a site within 120 days after the effective date of the Franchise Agreement, we can terminate the Franchise Agreement.

U-Save does not locate or purchase a site for the franchisee, nor does it purchase a site to lease to a franchisee.

Opening. The typical length of time between signing a Franchise Agreement and opening the Franchised Business is 60 to 120 days. Conditions that affect the length of time are: your ability to locate a site, completion of the initial training program, availability of fleet and other equipment necessary to operate the business. If you fail to open the Franchised Business within 120 days after the effective date of the Franchise Agreement (whether due to your inability to locate an approved site or otherwise), we can terminate the Franchise Agreement [See Franchise Agreement, Section 11.1].

Forms and Supplies. We provide a reasonable initial supply of rental agreement contracts and other forms that we require in the operation of the Franchised Business (including business cards for the owner and manager of the Franchised Business). The use of some of these forms and supplies are required by U-Save and are available at no charge including the Rental Agreement and Rental Jacket. We also provide a one-time $500.00 allowance for marketing supplies prior to opening. There are forms and supplies available which are not required by U-Save, but may be useful in the daily operation of the Franchised Business. You are responsible for the cost of shipment of all forms, whether or not required by us [See Franchise Agreement, Sections 11.10 and 12.7].

Initial Training and Opening Support. You and the approved manager of the Franchised Business (if someone other than you) must attend and complete to our satisfaction our initial training program prior to opening the Franchised Business ("Initial Training"). We reserve the right to delay this requirement based upon our assessment of your experience in the rental industry. Additional employees may attend the Initial Training. Initial Training consists of Management Training required for you and your approved manager, and Rental Center Training (required for your manager and one other employee). Initial Training is conducted in the training center offices of our Corporate Offices in Ridgeland, Mississippi, or at a regional site within the United States, selected by us, or, at our option, at a Flagship location (discussed below). If a regional site is selected, it will be an office or a hotel meeting room.

Management Training offers classroom instruction on building the rental business, including planning, fleet, profit structure, personnel and marketing. Rental Center Training offers "hands-on" training in proper rental procedures, operation of the Franchised Business and use of computers at the rental counter.

Paul Wood oversees our training program. Mr. Wood joined U-Save in June 1984 as a Franchisee in Toledo, Ohio. The U-Save franchise was an add-on business to his car sales and leasing company. Mr. Wood began to consult with U-Save in 1992 as an independent contractor responsible for assisting franchise sales, service, and training. Mr. Wood became a Franchise Service Manager for U-Save in 2005 and has been coaching U-Save franchisees on how to run daily rental operations in our system. Mr. Wood has been conducting the Rental Center Management Training since 2017.

Mr. Wood is assisted by Torry Zerilla, who joined U-Save in August 2017 as Franchise Service Manager. Prior to joining U-Save, Mr. Zerilla served as Territory Performance Manager with Avis Budget Group from 2009 to 2013 and later as Airport Manager with Avis Budget Group from 2013 to 2016.

Other members of our staff or our vendor's staff may come in and speak or demonstrate how to use certain of our software programs, but our primary training is conducted by Mr. Wood, and any such demonstrations conducted are a part of their training and under their supervision. For example, Jeremy Bass, our Vice President of Marketing, reviews our marketing program, how franchisees can benefit from it, and how to use the tools that we provide. Brian Roach, our Director of Claims and Insurance for over 20 years, reviews insurance products that a typical franchisee needs and how those products may be procured through us. As discussed below under "Computer Systems," TSD, our current vendor, provides a staff trainer who conducts a maximum of 6 hours training specific to the TSD rental and reservation software used by the franchisee to conduct rental transactions. Each trainer has completed 160 hours of training to become a certified TSD trainer and has a minimum of four years' experience as a dedicated trainer, training the TSD software, and/or in car rental operations.

More specifically, Initial Training at the Corporate Offices consists of the following:

TRAINING PROGRAM

Subject Taught	***Classroom Hours Per Subject***	***Approximate On the Job Hours Per Subject***	***Location***
Management Training			Ridgeland, Mississippi
• Business Planning	4	0	Ridgeland, Mississippi
• Fleet	4	0	Ridgeland, Mississippi
• Insurance	2	0	Ridgeland, Mississippi
• Plan for Profit	6	0	Ridgeland, Mississippi
• Rental Process	4	0	Ridgeland, Mississippi
• Counter Sales	4	0	Ridgeland, Mississippi
• Marketing	8	0	Ridgeland, Mississippi
Rental Center Training			Ridgeland, Mississippi
• Counter Procedures	0	1	Ridgeland, Mississippi
• Customer Service & Reservations	0	1	Ridgeland, Mississippi
• Fleet Maintenance and Control	0	1	Ridgeland, Mississippi
• Location Management & Essential Reports	0	1	Ridgeland, Mississippi

Initial Training spans four consecutive business days. Each training day begins at approximately 8:00 a.m. and concludes at approximately 5:00 p.m.

Our Training consists of oral presentations, written materials and PowerPoint presentations. Training classes are held every four (4) months at our corporate offices in Ridgeland, Mississippi. We require that you complete training one (1) month prior to opening your business.

There is no charge for the Initial Training attended prior to opening the Franchised Business. You may also re-enroll or enroll subsequently hired employees in Initial Training class for a nominal registration fee of $100.00. You are responsible for all costs of travel, meals and lodging for yourself and your employees incurred while attending any Initial Training class [See Franchise Agreement, Section 10].

No additional training programs or refresher courses are required.

During the first week that your Franchised Business is open, your FSM will be available (on site, if possible) to provide advice and guidance.

Assistance with Marketing Programs. We will provide assistance in the development of local sales promotions, marketing programs and advertising programs. This assistance will include advice, as deemed appropriate by us, regarding the form and content regarding online directory listings, website content customization, and direct marketing materials designed to enhance the U-Save name. You may not use any advertising material for local advertising unless we have expressly approved it in writing before publication or use, and it complies with our requirements concerning the Marks, format, content and media. During our site visits, we will conduct a competitive rate survey of the competition and recommend pricing based upon market demand and location supply. The location is not required to use the recommendation given. We will approve or disapprove any submissions within 30 days. [See Franchise Agreement, Section 12.8]

Assistance with Purchases and Leases. We will assist you with the purchases of vehicle liability insurance, SLI, Personal Accident Insurance (PAI) and Personal Effects Coverage (PEC) and physical damage coverage, if you choose, and qualify, to participate in our programs [See Franchise Agreement, Sections 12.4, 12.5]. We also may assist you with the lease of vehicles for your rental fleet.

After you open the Franchised Business, we will fulfill the following obligations:

Advice and Guidance. We will provide you with reasonable operating assistance as we deem from time to time to be necessary for the operation of the Franchised Business. The franchisee may use any advertising material for local advertising once we have expressly approved it in writing before publication or use. Any and all advertising must comply with our requirements concerning the Marks, format, content and media. We currently provide a toll-free phone line for franchise support service at our Corporate Offices. You will not be charged for reasonable operating assistance [See Franchise Agreement, Section 12.1].

Services and Products. We research, advise and provide information to you regarding vendors who offer products and services useful in the operation of the Franchised Business. Currently, this is done through the U-Save Products and Services Alliance (PSA), whereby we actively seek and recommend specific vendors' products and services tailored to the specific needs of our franchisees [See Franchise Agreement, Section 12.2].

Flagship Locations. We may designate certain Franchised Businesses as "Flagship Locations." These locations will be used to test new programs and develop new procedures. These locations may be used to demonstrate the U-Save® Operating System to potential franchisees or managers of existing franchisees [See Franchise Agreement, Section 10.4].

Ongoing Training. We offer ongoing training in the form of regional training programs, franchisee meetings and conventions where topics of interest to the vehicle rental business are discussed. If a trained manager leaves your employ, you must promptly enroll another manager in Initial

Training (at a Flagship Location if we approve) and that manager must successfully complete the course. You are responsible for all costs of attending additional training including registration fees, room, board and travel expenses. You and your employees are strongly encouraged to attend ongoing training sessions. We may offer incentives for attending these training programs [See Franchise Agreement, Section 10.5].

Our Marketing/Advertising Program. Our marketing/advertising program is accomplished by means of an in-house marketing/advertising department. We design and create marketing materials, including print and digital that can be used to promote your business. We also provide both a corporate website and a local website including ongoing maintenance of each. We provide training and support for email marketing, social media and listing management. These services are funded by a Marketing Fee. All Franchisees must pay the marketing fee. You will be charged a non-refundable monthly marketing fee of 2% of Gross Rental Revenue and Damage Waiver Revenue for the airport market (subject to a minimum fee of $225) and 1% of Gross Rental Revenue and Damage Waiver Revenue for the neighborhood market (subject to a minimum fee of $125). We have the right to increase the Marketing Fee beyond 2% of Gross Rental Revenue and Damage Waiver Revenue for the airport market and 2% of Gross Rental Revenue and Damage Waiver Revenue for the neighborhood market at any time during this Franchise Agreement. The Marketing Fee is used to cover costs incurred by us and our affiliates in the design and creation of marketing materials and to educate you about the use and availability of these materials, including costs associated with the U-Save internet website and ongoing email marketing campaigns. Marketing materials may include reproducible advertising art, handouts, radio and television commercials, public relations and other devices that we deem appropriate. The Marketing Fee is not used for media placement; those costs must be borne by you if you elect to use the marketing materials we create [See Franchise Agreement, Section 7]. You will also be responsible for the costs of shipping, printing, production and distribution of the materials you use.

There are no franchisor-owned outlets. Thus, no franchisor-owned outlets contribute any Marketing Fees.

We direct all uses and management of the Marketing Fee and Advertising Program.

The fund created by the marketing fee is audited annually in conjunction with our fiscal year end audit. During our most recently completed fiscal year (i.e., September 30, 2021), 40% of the marketing fees spent were used for production of materials, 13% were used for advertising and search engine optimization and 47% were spent on development of internet marketing technology. Financial statements of the fund are available for review by any franchisee.

In addition, you should spend three percent (3%) of time and mileage revenue on digital and/or direct marketing efforts. Expenses such as online display, search engine marketing, print or media promotion, pay per click, or other related marketing activities meet this requirement. Personnel costs are not eligible as part of this expense. A marketing report must be submitted each month to the Franchise Service Manager confirming the location has met the monthly expenditure requirement.

We have not determined whether or not we will form an advertising council composed of franchisees, and, therefore, cannot disclose how a council will be selected, funded or governed.

However, the Franchise Agreement gives us the option to form an advertising council and to make reasonable decisions respecting its formation and operation [See Franchise Agreement, Section 7.1].

The marketing fees are not used for advertising that are principally solicitations for new franchisees. If we begin local, regional, national, or international advertising, we do not guarantee that the advertising portion of the marketing fee that you pay will be used in your Exclusive Territory.

Marketing/advertising fees may not be entirely expended in the fiscal year in which they are collected, and, if not, will be carried over to the following fiscal year. For example, marketing/advertising fees collected in fiscal year 2021 may be carried over to fiscal year 2022. Upon your written request to the Corporate Office (219 Industrial Drive, Ridgeland, MS 39157), we will provide you with an income statement of the Marketing Fund.

Local Marketing Cooperatives. We may designate an advertising coverage area ("ACA") in which two or more U-Save franchisees are located in order to seek to establish a cooperative advertising program ("Local Marketing Cooperative"). An ACA is the area covered by the particular advertising medium recognized in the industry. We will require all franchisees in the ACA to participate. Each U-Save franchisee operating in the ACA will have one vote.

If a Local Marketing Cooperative is established for your ACA, your franchise and each other franchises in the ACA must contribute up to 2% of Gross Rental Revenue and Damage Waiver Revenue to the Local Marketing Cooperative weekly, monthly, or as otherwise specified by 50% or more of the U-Save franchises operating in the ACA. Any amounts you contribute to a Local Marketing Cooperative will count toward the Marketing Fee you are required to pay us under the Franchise Agreement.

We have the power to form, change, dissolve, or merge any Local Marketing Cooperative. Local Marketing Cooperatives will not operate from any written governing documents. We will make available for your review any records showing payments to and expenses of any Local Marketing Cooperative in which you participate.

As of the date of this disclosure, there are no active local marketing cooperatives.

Franchise Advisory Council. U-Save activated a Franchise Advisory Council "FAC" in 2015 and hosted its first meeting on February 9, 2015 at our Corporate Offices. The FAC members are selected by U-Save management and the FAC acts in an advisory capacity only. It is not a true advertising advisory council, though the FAC may comment on advertising. The purpose of the FAC is to work closely with U-Save management on new initiatives, present concerns and suggestions from the existing franchisees, and to help with planning as the U-Save system grows. The franchisor has the power to form, change or dissolve the FAC.

National Accounts. We may create and implement a national accounts program to market and sell Brand services to national accounts such as business entities, franchise systems, voluntary membership cooperatives and organizations, non-governmental institutions and organizations engaged in not-for-profit activities, federal, state, and local governmental and quasi-governmental agencies, branches or facilities that operate within and outside your Territory. The program may result in agreements with national accounts that require you to honor a single price for a similar vehicle class or a mandatory discount from your standard rates, waive certain incidental charges and fees, provide additional services for no additional charge, or other terms and services consistent with what services you are obligated to make available to other customers under our method of operation. You will not be obligated to fulfill national account contracts in which the fees and charges you will receive are less than your costs of fulfillment [See Franchise Agreement Section 3.5].

Internet Website. We currently maintain one or more websites through which we advertise and offer to the public the services and products offered by U-Save vehicle rental businesses generally. In connection with each such website, we may (but are not required to) post on the website information about the Franchised Business or permit or require you to advertise the Franchised Business on an interior page of the website. If we permit or require you to advertise on an interior page, you must (a) strictly follow our instructions and guidelines in developing the page (which includes, without limitation, adhering to all content requirements and restrictions), (b) comply with all privacy requirements that we impose, (c) comply with all applicable laws and regulations, (d) enter into all agreements that we require concerning the development, maintenance, hosting, and use of the interior page, and (e) pay to us or our designee all reasonable fees that we impose in connection with the development, maintenance and/or hosting of your interior page. We have the right to disable or remove your interior page at any time, in our sole discretion, including during any period that you are in default of this Agreement, and upon termination or expiration of this Agreement. You may not use the U-Save® trademark on any website without our prior written approval. You may not develop, maintain, or authorize any Website that mentions or describes your U-Save® business or displays any of the Marks without prior written approval by U-Save Auto Rental of America, Inc. [See Franchise Agreement, Section 7.6].

U-Save Manual. We lend you one copy of the Manual along with operating bulletins, marketing bulletins or similar material containing mandatory and suggested procedures, and specifications and rules that we require. You must follow the practices and procedures stated in the Manual that are mandatory for all franchisees. The Manual is our property, and all copies must be returned to us whenever a Franchise Agreement is terminated or expires. If you fail to return all copies of the Manual, you must pay us $1,000. The contents of the Manual and all operating procedures, standards and rules for the Franchised Business are confidential and may not be disclosed to others without our prior approval. A copy of the Table of Contents of the Manual and its page count are attached as Exhibit H [See Franchise Agreement, Sections 11.5, 12.6].

Our current Manual consists of 544 total pages, with 33 pages devoted to controls, 41 pages devoted to introducing to U-Save Auto Rental®, 9 pages devoted to Marketing, 16 pages devoted to Key Performance Indicators, 64 pages devoted to Managing the Fleet, 13 pages devoted to Establishing Your Rates, 41 pages devoted to Recommended Policies, 82 pages devoted to Operating Your Location, 35 pages devoted to Operational Reports, 21 pages devoted to Understanding Insurance and Managing Your Risks, 56 pages devoted to Accounting, 17 pages devoted to Ensuring Safety and Security, 101 pages devoted to Attracting and Keeping Motivated Staff, and 15 pages devoted to Servicing Your Customers.

Reservation System. We require you to participate in a reservation system that we develop and maintain, or which is developed and maintained by a designated third-party service provider. We will provide a Reservation System which may be utilized for the solicitation, reception and transmission of national and international reservations for and on behalf of franchisees. We also agree to use the facilities, equipment and personnel, in part, to conduct research and development to enhance the Reservation System [See Exhibit I, Reservation Agreement Section II].

Computer Systems. You must purchase computer equipment featuring the following minimal configurations:

- PC with Intel i5 or AMD Athalon processor or better
- Operating System: Microsoft Windows 10
- Ethernet Card 100/1000 Mbps
- Mouse
- Keyboard
- Monitor (15" VGA color monitor or better)
- High-speed Internet Access (T1, DSL, Cable, etc.). The internet line speed must be greater than the number of workstations at your location multiplied by 100kb. For example: if you have five (5) workstations your bandwidth must be rated higher than 500kb up and 500kb down. *Wireless, Satellite and Dialup are not approved forms of Internet connectivity.*
- If a VOIP solution is being used for telecommunications, add an additional 10MB down and 1MB up per 10 consecutive voice lines.
- Microsoft Internet Explorer v11 or later (i.e., 11, Edge, etc)

These specifications are subject to change and you may be required to upgrade these items with new technology and in accordance with the provisions in the Manual. In addition, you must have high speed internet access at your rental location. There is no contractual limitation on the frequency and cost of the obligation of the franchisee to upgrade the computer system.

You must also use the internet based rental counter software purchased from The System Distributors, Inc. (TSD), our current approved vendor. TSD is located at 1620 Turnpike Street, North Andover, Massachusetts, 01845 and can be reached at (800) 743-1200 or (978) 794-1400. We and our franchisees have used this operating software continuously since 1996. You are required to purchase credit card processing equipment. Please note that in order to participate in pre-paid reservations, you must purchase a credit card processing module through TSD. The purchase of this equipment will include additional costs associated with hardware and software. You must participate in RezCentral (on-line booking system) as more fully outlined in our Reservation System Agreement (Exhibit I to this DISCLOSURE DOCUMENT).

Neither we nor TSD are contractually required to upgrade or update any hardware component or software program during the term of the franchise. When you sign the Franchise Agreement, you also must enter into a license and maintenance agreement with TSD, and pay to TSD a monthly fee. TSD will manage your database backup, TSD Rental Management Software Updates and the connection from your TSD system to the U-Save® Reservation Channels.

You will use the computer systems to make rentals, to complete check-ins and to generate rental returns and receipts. We have the right to independently access the information and data compiled by your computer system. There is no contractual limitation on our right to access this information.

Reservation and Computer Systems Costs. The initial investment for the reservation and computer system is based on average car count. The initial set up fee is $999.00 for franchises with an average car count greater than 100 vehicles and $1,999.00 for franchises with an average car count greater than 100 vehicles. The start-up costs of the computer systems range from approximately $1,500 for a one station system and could cost up to approximately $15,000 per year for a multiple location system. The monthly minimum is approximately $300.00 for a one station system and $10,000^{+} for a multiple location system ($4,000.00 up to $40,000 yearly), which includes maintenance update, upgrading or support. In addition, a minimum deposit of $2,000 is required for locations on the Global Distribution System (GDS) and $700.00 for locations not utilizing the GDS. Minimum deposits are subject to adjustment based on reservation volume (see Exhibit I for Reservation Agreement

A flat monthly fee is also assessed based on the franchise's average monthly car count.

TIER 1	**Up to 50 Cars**	**$199/month**
TIER 2	**51 - 100 Cars**	**$499/month**
TIER 3	**101 - 250 Cars**	**$749/month**
TIER 4	**251 - 500 Cars**	**$999/month**
TIER 5	**501 - 1000 Cars**	**$1299/month**

A monthly support fee in the amount of $75.00 made payable to U-Save is required for locations included on the GDS. Our Reservation Agreement requires the franchisee to maintain a deposit on file equal to one month's average reservation bill. Reservation history will be analyzed periodically, and additional deposits may be required. Our Reservation Agreement provides ten (10) days prior written notification to Franchisee of a modified or substitute agreement if possible and further provides that all rate changes imposed on U-Save by vendors will be passed on immediately as they are passed on to U-Save, and in some instances those changes are imposed with little or no notice.

ITEM 12

TERRITORY

Exclusive Territory. The right to use the Operating System and Marks is limited to a specific geographic area ("Exclusive Territory"), which is exclusive to you, the boundaries of which are negotiated before signing a Franchise Agreement and described in Attachment I to the Franchise

Agreement. The size of the Exclusive Territory will depend upon its population, its number of households, registered vehicles, businesses, deplanements and other relevant demographics. Within the Exclusive Territory you must operate at least 1 rental location. You do not own the Exclusive Territory; the franchise only grants you the right to operate in the Exclusive Territory under our Marks and Operating System. The franchise is granted for the entire Exclusive Territory, not just for a specific location. You may open as many locations as are feasible within the Exclusive Territory, as long as each is approved by us in advance of opening.

You may operate the Franchised Business only from approved locations within the Exclusive Territory. You may not regularly pick up customers from points within the Exclusive Territory of another U-Save franchisee. You may advertise for customers in media circulated within or without the Exclusive Territory, but not in a Yellow Pages telephone directory that is circulated wholly outside the Exclusive Territory without our prior written approval. You do not have the right to use other channels of distribution to make sales outside your Exclusive Territory, including the Internet, catalog sales, telemarketing, or other direct marketing.

You may not maintain a physical or intangible presence in another U-Save® franchisee's Exclusive Territory, such as: (a) erecting a signboard or installing a telephone call service in another Exclusive Territory; (b) installing a telephone instrument for pick-up service in another Exclusive Territory; or, (c) pursuing or conducting direct marketing and sales activities. This list is not exhaustive and what constitutes a physical or intangible presence will remain within our sole discretion. In addition, you are cautioned against investing, or building up business, in areas outside your Exclusive Territory not then occupied by another U-Save® franchisee. If we choose to operate, or grant a franchise for the operation of, a vehicle rental business trading under the Marks in that area, you will have to relinquish your vehicle rental business interests there.

The location of the Franchised Business may not be changed without our prior written consent. We will grant approval if the new location is located within your Exclusive Territory, is not too near the location of another U-Save® franchisee or vehicle rental business operated by us, and is within a commercial area consistent with the image we determine appropriate for U-Save® locations. You have the right to open additional locations within the Exclusive Territory, only if: (1) we approve each site beforehand; (2) the location is managed by an individual who has successfully completed Initial Training before opening; (3) you demonstrate the financial ability to support a new site; and (4) you are in full compliance with the Franchise Agreement. Under the Franchise Agreement, you are not granted rights of first refusal on additional or contiguous Exclusive Territories. You must register the address of the additional locations within the Exclusive Territory with the Corporate Offices.

During the term of the Franchise Agreement, we will not operate a vehicle rental business, or grant a franchise for the operation of a Franchised Business, trading under the Marks in the Exclusive Territory. We have the right to establish company-operated and franchisee-operated businesses that sell similar services under different trade names, trademarks or service marks within the Exclusive Territory, whether by our development of such a system or our (or our affiliate's) acquisition of another system. We also reserve the right to use alternative distribution channels, including the internet, under our principal trademarks or other marks. We also have the right to operate a vehicle rental business under the Marks or grant a franchise for the operation of a Franchised Business, anywhere outside the Exclusive Territory, regardless of proximity to the boundaries of the Exclusive Territory. We are not required to pay you if we exercise any of the rights specified above inside your Exclusive Territory. We do not currently have, nor do we have plans to operate or franchise a business under a different trademark that is substantially similar to the franchise offered.

U-Save does not grant a minimum territory size based on a specific geographical radius, a specified population, or any other criteria.

There are no circumstances that would permit the franchisor to modify the franchisee's territorial rights without the express agreement of the franchisee; therefore, no disclosure was made.

Performance Standards. You and U-Save will agree on minimum performance standards for the Franchised Business before you sign the Franchise Agreement. Performance standards are stated as an average monthly fleet size for the first two years of the term of the Franchise Agreement. Performance standards will be reviewed at the end of the first two years, and new standards for the remaining term of the Franchise Agreement will be mutually agreed upon by the parties on an annual basis. Performance standards will be based on, among other things, the size of the Exclusive Territory, population, number of households and registered vehicles, and other demographics within the Exclusive Territory and the ability of the franchisee to operate a rental car business. There is no hard and fast range or formula used to determine the performance standards. In general, however, we expect an Exclusive Territory of 100,000 population to support performance standards of a minimum of one location and a range of 25 to 40 vehicles during the first two years. Performance standards are not an indication of a specific level or range of actual or potential sales, costs, income or profit that may be derived from the Franchised Business. If, after the first two years of the term of your Franchise Agreement, you fail to meet the performance standards, we have the right, in our sole discretion during the remainder of this Agreement, to reduce the Exclusive Territory, or to terminate the Franchise Agreement. If you fail to meet your performance standards for the remaining term of the Agreement, we may, in our sole discretion, reduce your Exclusive Territory in this or any subsequent franchise agreement, or refuse to grant a subsequent franchise agreement under paragraph 2.3 of the Franchise Agreement. In addition, should a change of circumstances occur in your Exclusive Territory, we have the right, at our reasonable discretion, to increase or decrease the performance standards to reflect the effect of this change in circumstances.

You must begin operating the Franchised Business with at least 10 vehicles. At all times after the first 6 months of operation, you must have at least 20 vehicles in your rental fleet. At all times after your 25th month of operation, you must have in your rental fleet at least your minimum performance standard.

Airport location standards could be higher and will vary by airport. Such standards will be based on airport car rental market share.

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ITEM 13

TRADEMARKS

In the Franchise Agreement, we grant you a license to use the Marks. We own the following service marks. All of the Marks are registered on the Principal Register of the United States Patent and Trademark Office ("Principal Register"). All required affidavits have been filed and one of the Marks is in process of renewal.

Mark	Reg. Date	Reg. No./Serial No.
"U-Save®"	March 10, 1987 Renewed: March 10, 2017 Next Renewal Due: March 10, 2027	1,432,197
"U-Save Auto Rental®"	November 30, 1993 Renewed: May 21, 2013 Next Renewal Due: Nov. 30, 2023	1,807,895
"U-Save Auto Rental (stylized) ®"	November 2, 1993 Renewed: December 5, 2012 Next Renewal Due: Nov. 2, 2023	1,802,270
"Earning the Right to Serve You, Each and Every Time®"	April 12, 1994 Renewed April 16, 2014 Next Renewal Due: April 12, 2024	1,830,554
"U-Save Car & Truck Rental®"	June 26, 2006 Renewed: November 12, 2015 Next Renewal Due: June 6, 2026	3,101,984

There are no presently effective determinations of the United States Patent and Trademark Office, any state trademark administrator or any court, or any pending interference, opposition or cancellation proceeding or any pending material litigation involving the Marks that is relevant to their use in any state. We do not actually know of either superior rights or infringing uses that could materially affect a franchisee's use of any Mark in any state. In addition, there are no agreements that limit our right to use or license any Mark that is material to the franchise.

A U-Save® logo is registered in Canada as number 322934. Registration of the words "U-Save Auto Rental®" was issued in Canada as Registration No. TMA620,656 on September 24, 2004.

You must trade under the name "U-Save Car & Truck Rental®" or any other name we require in the Manual. You must use the Marks in full compliance with rules that we require. You may not use the Marks as part of any corporate name or with any prefix, suffix or other modifying words, terms, designs or symbols. The Marks may not be used in any other business or in connection with the sale of a product or service not authorized by U-Save. Our right to control the use of the Marks, for example, extends to determination of makes and models of vehicles that may be advertised by you with the Marks. You must use the Marks in all advertising for the Franchised Business.

The Marks may not be used in connection with the sale of a product or service not authorized in the Franchise Agreement. If you use the Marks in a manner not authorized by U-Save, all rights to the words, phrases or depictions that constitute your unauthorized use belong to, and inure to the benefit of, U-Save.

You may not use the Marks as part of your corporate name or trade name or with any prefix, suffix or other modifying words, terms, designs or symbols, other than logos or phrases that we authorize in writing. You may not use the Marks in conjunction with a specific brand of automobile unless authorized in writing by us. You may not use any of the Marks (or any portion or colorable imitation of the Marks) on or in connection with any website advertisement (including, without limitation, advertising with an on-line directory service provider) without our express written consent. You may not link to or frame any website that we own or control. You may not use or register the Marks (or any portion or colorable imitation of the Marks) as part of your domain name, URL, or other Internet address.

You must notify us immediately of any apparent infringement or challenge to your use of any Mark, or of any person's claim of any rights in any Mark, and you may not communicate with any person other than us, our attorneys, and your attorneys, regarding any infringement, challenge, or claim. We may take the action we deem appropriate (including no action) and control exclusively any litigation, PTO proceeding, or other administrative proceeding arising from any infringement, challenge, or claim. You must assist us in protecting and maintaining our interests in any litigation or PTO or other proceeding. We will reimburse you for your costs of taking any action that we ask you to take.

If it becomes advisable at any time for us and/or you to modify or discontinue using any Mark and/or to use one or more additional or substitute trade or service marks, you must comply with our directions within a reasonable time after receiving notice. We need not reimburse you for your direct expenses of changing your signs, for any loss of revenue due to any modified or discontinued Mark, or for your expenses of promoting a modified or substitute trademark or service mark.

We will reimburse you for all damages and expenses that you incur in any trademark infringement or unfair competition proceeding disputing your authorized use of any mark under the Franchise Agreement if you have timely notified us of, and comply with our directions in responding to, the proceeding. At our option, we may defend and control the defense of any proceeding arising from your use of any mark.

If you use the Marks in a form not approved by us, the ownership of rights in the new form of use is imputed to U-Save, and you will make no claim of right in the Marks as used.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own rights in or to patents that are material to the franchise. There are no registered copyrights materials to the franchise, but we claim copyright protection in our Manual and in the design and content of our signage, trade dress, and advertising and marketing materials.

We also claim trade secret and contractual protection, according to the confidentiality provisions of the Franchise Agreement, in our Manual and all the operating procedures, standards and rules we prescribe for the Franchised Business. You must keep this information confidential both during and after the term of the Franchise Agreement and may disclose this information only to your employees and only to the extent necessary for the operation of the Franchised Business. You may not use any confidential information in any other business or in any way that we do not authorize. Your principals (if you are a corporation or other legal entity) must sign a Personal Undertaking and Guaranty in which they agree, among other things, to maintain the confidentiality of all confidential information.

You must tell us promptly when you learn about unauthorized use of our copyrighted works and confidential information. We are not required to take affirmative action when notified of infringement, or to defend you in any litigation involving our copyrighted works, but we will take action that we consider appropriate, in our discretion. We have the right to control all litigation involving copyrighted works and confidential information. We are not required to indemnify you for expenses or damages in a proceeding involving any of our copyrighted works, and we can require you to modify or discontinue the use of subject matter covered by the copyright in our discretion.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

If you are an individual, you are required by the Franchise Agreement to supervise directly, or through an on-site manager who is known to and trained by U-Save, the operation of the Franchised Business. If you are a corporation, you must identify one of your employees as the day-to-day manager of the Franchised Business, and that person must have completed Initial Training. In either case, if the manager leaves your employ, you must promptly enroll a new employee in the next available session of Initial Training.

On-site managers are not required to own an equity interest in the Franchised Business or in a corporation that is a franchisee. Managers are bound by your non-disclosure obligations regarding proprietary information and copyrighted material under your state's law and under any applicable portions of the Franchise Agreement or the Manual. Managers are not bound by noncompetition covenants with U-Save. However, you should investigate whether or not noncompetition obligations between you and your manager are appropriate, though you are not required to do so.

Your principals and directors must guarantee your obligations to U-Save and must sign the Personal Undertaking and Guaranty attached as Attachment III to the Franchise Agreement.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must sell only those services approved by U-Save. You are free to set prices for the services you sell. You must offer all services that we designate as required for all franchisees. We have the right to change the types of authorized goods and services in our sole discretion. There are no limits on our right to do so.

We do not impose any restrictions or conditions that limit your access to customers.

Minimum Liability Insurance. Your rental prices for vehicles must include vehicle liability insurance that protects customers and authorized drivers to the extent required by law and the Franchise Agreement. You may not charge your customer a separate fee for vehicle liability insurance that is required by the law of your state. Please refer to Item 8 for minimum amounts of liability insurance you will be required to carry.

Underage Drivers. If you participate in a liability insurance program arranged by us, you may not rent to any customer under the age of 21, except where this prohibition is unlawful.

Rental Vehicles. Rental vehicles must be the age, type and class specified in the Manual. As of this date, your fleet may not include autos older than the current model year minus three model years (current model year minus six for cargo trucks and vans) and 80% of your fleet must contain vehicles no older than current model year minus two model years, with no more than 60,000 miles. Reservation services may also require newer vehicles or vehicles of a certain type or class.

Unauthorized Rentals. The rental agreement form that you must use prohibits the rental of any vehicle used to carry persons or property for hire; therefore, you may not rent vehicles to limousine companies, taxi companies, transportation network coordinators, or the like.

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ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the Franchise Agreement and related agreements. You should read these provisions in the Franchise Agreement attached to this Disclosure Document.

Provision	*Section in Franchise Agreement*	*Summary*
a. Term of the franchise	2.2	10 years
b. Renewal or extension of the term	2.3-2.5	If you are in good standing, you can sign a new agreement for our then-current term; no maximum number of new agreements. The contract may contain materially different terms and conditions from your original contract.
c. Requirements for you to extend or renew	2.3-2.5	Sign then-current franchise agreement; no initial fee. If you seek to renew your franchise at the expiration of the initial term or any renewal term, you may be asked to sign a new franchise agreement that contains terms and conditions materially different from those in your previous franchise agreement, such as different fee requirements and territorial rights.
d. Termination by you[1]	Not Applicable	Not Applicable
e. Termination by U-Save without cause	Not Applicable	Not Applicable
f. Termination by U-Save with cause	18.1	U-Save can terminate only if you default.
g. "Cause" defined — defaults that can be cured	18.1 (u-w)	Periods may vary during which you may cure: within 10 days notification for non-payment; within 10 days notification for failure to comply with standards.

[1] Termination by the Franchisee is subject to state law.

Provision	*Section in Franchise Agreement*	*Summary*
h. "Cause" defined - defaults that cannot be cured	18.1 (a-t)	Failure to open, failure to maintain insurance coverage, uncured default under ancillary agreement, and others listed in Paragraph 18.1; your death or disability unless otherwise agreed to by the parties.
i. Your obligations on termination/non-renewal	18.3, 11.24	Pay all sums due; de-identify; comply with non-compete.
j. Assignment of contract by U-Save	19.1	No restriction on our right to assign.
k. "Transfer" by you	18.1 (a) and (b), 20	Includes transfer of contract, sale of business assets, or ownership change.
l. U-Save's approval of transfer by franchisee	20	We have the right to approve all transfers.
m. Conditions for our approval of transfer	20	New franchisee qualifies; then-current transfer fee paid; purchase documents approved; training scheduled; release signed by you; then-current franchise agreement signed by asset purchaser.
n. U-Save's right of first refusal to acquire your business	21	We can match any offer you obtain.
o. U-Save's option to purchase your business	Not Applicable	Not Applicable
p. Your death or disability	22	No right to transfer upon death or disability unless otherwise agreed to by the parties. If permitted, new franchisee must sign then-current agreement within 180 days.
q. Non-competition covenant during the term of the franchise	11.18; Personal Undertaking and Guaranty, 3 (f)	No involvement in vehicle rental business anywhere in U.S., with limitations.
r. Non-competition covenant after the franchise is terminated or expires	23; Attachment III, Personal Undertaking and Guaranty, 3 (f)	No competing business within two miles of Exclusive Territory boundaries for 12 months; no sale of assets to a competitor.
s. Modification of agreement	11.5, 25.5	No modifications unless in writing, but Manual subject to change.
t. Integration/merger	25.5	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises made outside the disclosure document and franchise agreement may not be enforceable.

Provision	*Section in Franchise Agreement*	*Summary*
u. Dispute resolution by arbitration or mediation	Not Applicable	Not Applicable
v. Choice of forum	24.2; Attachment III, Personal Undertaking and Guaranty, 11	Under the Franchise Agreement, litigation must be brought and maintained in the state or federal courts of Mississippi. The Personal Undertaking and Guaranty does not restrict jurisdiction, but requires the individual guarantors to consent to be sued in Mississippi. (But see Illinois Addendum.) (Subject to applicable state law.)
w. Choice of law	25.1; Attachment III, Personal Undertaking and Guaranty, 10	Mississippi law applies. (But see Illinois Addendum.) (Subject to applicable state law.)
x. Franchisee Default (Reservation Agreement)	18.1(n), 18.1(o), 18.1(u); Reservation Agreement Section VI.	If you fail to cure a default after 10 days, we can terminate the Reservation Agreement.
y. Termination or Transfer (Reservation Agreement)	3.3, 11.1, 20, 21, 22; Reservation Agreement Section XI.	We may cancel on 30 days' notice to you. If the Franchise Agreement terminates or transfers, so does the Reservation Agreement.
z. Choice of forum (Reservation Agreement)	24; Reservation Agreement Section XIX.	Litigation must be brought and maintained in the state or federal courts of Mississippi. (But see Illinois Addendum.) (Subject to applicable state law.)
aa. Choice of law (Reservation Agreement)	25.1 Reservation Agreement Section XVIII.	Mississippi law applies. (But see Illinois Addendum.) (Subject to applicable state law.)

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ITEM 18

PUBLIC FIGURES

We do not use any public figure to promote our franchise.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting The President, U-Save Auto Rental of America, Inc., 219 Industrial Drive, Ridgeland, Mississippi 39157, (601) 713-4333, the Federal Trade Commission and any appropriate state regulatory agencies.

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ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1

SYSTEM-WIDE OUTLET SUMMARY FOR
YEARS 2019 TO SEPTEMBER 30, 2021

OUTLET TYPE	***YEAR***	***OUTLETS AT THE START OF THE YEAR***	***OUTLETS AT THE END OF THE YEAR***	***NET CHANGE***
Franchised	2019	96	91	-5
	2020	91	71	-20
	2021	71	73	+2
Company Owned	2019	0	0	0
	2020	0	0	0
	2021	0	0	0
Total Outlets	**2019**	**96**	**91**	**-5**
	2020	**91**	**71**	**-20**
	2021	**71**	**73**	**+2**

The figures in the above chart describe all U-Save® franchised businesses. Franchisees are permitted to establish multiple locations within their licensed Exclusive Territory. The chart does not include seasonal or other locations within the licensed Exclusive Territory.

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TABLE NO. 2

TRANSFERS OF OUTLETS FROM FRANCHISEES TO
NEW OWNERS (OTHER THAN FRANCHISOR OR AN AFFILIATE)
FOR YEARS 2019 TO SEPTEMBER 30, 2021

STATE	***YEAR***	***NUMBER OF TRANSFERS***
North Dakota	2019	2
	2020	0
	2021	0
Colorado	2019	0
	2020	0
	2021	1
Maryland	2019	0
	2020	0
	2021	**2**
TOTALS	**2019**	**2**
	2020	**0**
	2021	**3**

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TABLE NO. 3

STATUS OF FRANCHISED OUTLETS FOR YEARS 2019 TO SEPTEMBER 30, 2021

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operations – Other Reasons	Outlets at End of Year
Alabama	2019	4	0	0	0	0	0	4
	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
Arkansas	2019	4	0	0	0	0	0	4
	2020	4	0	0	0	0	1	3
	2021	3	1	0	0	0	0	4
California	2019	7	0	0	0	0	0	7
	2020	7	0	0	2	0	0	5
	2021	5	0	0	0	0	0	5
Colorado	2019	1	0	0	0	0	0	1
	2020	1	0	0	1	0	0	0
	2021	0	0	0	0	0	0	0
Connecticut	2019	1	0	0	1	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
Florida	2019	4	0	0	0	0	0	4
	2020	4	0	0	2	0	0	2
	2021	2	2	0	0	0	0	4
Georgia	2019	2	0	0	0	0	0	2
	2020	2	0	1	0	0	0	1
	2021	1	0	0	0	0	0	1
Idaho	2019	2	0	0	0	0	0	2
	2020	2	0	0	1	0	0	1
	2021	1	0	0	0	0	0	1
Indiana	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Kentucky	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Louisiana	2019	3	1	0	0	0	0	4
	2020	4	0	0	0	0	0	4
	2021	4	0	1	0	0	0	3
Maine	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	1	0	0	0	1
Maryland	2019	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
Massachusetts	2019	3	0	0	0	0	0	3
	2020	3	0	3	0	0	0	0
	2021	0	0	0	0	0	0	0
Michigan	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
Minnesota	2019	4	0	0	0	0	0	4
	2020	4	0	0	0	0	1	3
	2021	3	0	0	0	0	0	3
Mississippi	2019	10	1	1	0	0	0	10
	2020	10	0	0	0	0	2	8
	2021	8	2	0	0	0	0	10

Missouri	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Nevada	2019	1	0	1	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
New Hampshire	2019	2	0	0	0	0	0	2
	2020	2	0	1	0	0	0	1
	2021	1	0	0	0	0	0	1
New Jersey	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
New York	2019	3	0	0	0	0	0	3
	2020	3	0	1	0	0	0	2
	2021	2	0	0	0	0	0	2
North Dakota	2019	5	1	0	0	0	2	4
	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
Ohio	2019	7	0	0	0	0	1	6
	2020	6	0	0	0	0	0	6
	2021	6	0	0	0	0	0	6
Oregon	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
Pennsylvania	2019	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
Puerto Rico	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
South Carolina	2019	6	0	0	1	0	0	5
	2020	5	0	0	1	0	0	4
	2021	4	0	0	0	0	1	3
Tennessee	2019	7	0	0	0	0	1	6
	2020	6	0	1	0	0	0	5
	2021	5	0	0	0	0	0	5
Texas	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
Virginia	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Washington	2019	2	0	0	0	0	0	2
	2020	2	0	1	0	0	0	1
	2021	1	0	0	0	0	0	1
West Virginia	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Wisconsin	2019	1	0	0	0	0	0	1
	2020	1	0	1	0	0	0	0
	2021	0	0	0	0	0	0	0
TOTALS	**2019**	**96**	**3**	**2**	**2**	**0**	**4**	**91**
	2020	**91**	**0**	**9**	**7**	**0**	**4**	**71**
	2021	**71**	**5**	**2**	**0**	**0**	**1**	**73**

TABLE NO. 4

STATUS OF COMPANY-OWNED OUTLETS
FOR YEARS 2019 TO SEPTEMBER 30, 2021

There is no data to report for any state for any of the three (3) years.

STATE	***YEAR***	***OUTLETS AT START OF YEAR***	***OUTLETS OPENED***	***OUTLETS REACQUIRED FROM FRANCHISEE***	***OUTLETS CLOSED***	***OUTLETS SOLD TO FRANCHISEE***	***OUTLETS AT END OF YEAR***
NONE	**2019**	**0**	**0**	**0**	**0**	**0**	**0**
	2020	**0**	**0**	**0**	**0**	**0**	**0**
	2021	**0**	**0**	**0**	**0**	**0**	**0**

TABLE NO. 5

PROJECTED OPENINGS FOR FISCAL YEAR 2022
(October 1, 2021 to September 30, 2022)

STATE	***FRANCHISE AGREEMENTS SIGNED BUT OUTLETS NOT OPENED***	***PROJECTED NEW FRANCHISED OUTLETS IN THE CURRENT FISCAL YEAR (2022)***	***PROJECTED NEW COMPANY-OWNED OUTLETS IN THE CURRENT FISCAL YEAR (2022)***
Colorado	1		0
California		1	0
Georgia		1	0
Minnesota	1		0
Mississippi		1	0
Total	**2**	**3**	**0**

Exhibit A-1 lists the names of all our operating franchisees and the addresses and telephone numbers of their Stores as of September 30, 2021. Exhibit A-2 lists the franchisees who have signed Franchise Agreements for Stores which were not yet operational as of September 30, 2021. Exhibit A-3 lists the name, city and state, and business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the issuance date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last 3 fiscal years, we have not signed any confidentiality clauses with current or former franchisees which would restrict them from speaking openly with you about their experience with us.

We have established an appointed Franchise Advisory Council as discussed in Item 11. To our knowledge, there are no independent U-Save franchisee organizations.

ITEM 21

FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit B are:

1. Our unaudited financial statements for the three-month period ending December 31, 2021.

2. Our audited financial statements for the fiscal years ending September 30, 2021, September 30, 2020, and September 30, 2019.

ITEM 22

CONTRACTS

Copies of the following contracts are attached to this Disclosure Document with the Exhibit numbers noted below:

Name of Contract	Exhibit
Franchise Agreement	C
Termination Agreement and Release	D
Reservation Agreement	I

ITEM 23

RECEIPT

The last two pages of this Disclosure Document are Receipt pages for you to sign acknowledging that you have received the information in this Disclosure Document. Please sign, date and return the loose copy of the Receipt to us in the enclosed self-addressed stamped envelope and keep the other copy for your files.

[The remainder of this page left blank intentionally.]

U-SAVE AUTO RENTAL®
STATE DISCLOSURE ADDENDA

We are providing you with the following information as required by some state laws.

CALIFORNIA

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

California Code of Regulations Section 310.114.1(3) requires the following statement:

> Neither the franchisor, nor any person or franchise broker listed in Item 2 of this DISCLOSURE DOCUMENT are subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A., 78a et seq., suspending or expelling such persons from membership in that association or exchange.

California Franchise Investment Law Section 31156 and Rule 310.156.3 requires the following statement concerning our website:

> OUR WEBSITE (www.usave.com) HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

The California Corporations Code, Section 31125, requires that we give you a disclosure document, approved by the Department of Corporations, prior to solicitation of a proposed material modification of your Franchise Agreement.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043.

The Franchise Agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The Franchise Agreement contains provisions that limit your rights and may not be enforceable in some states including, but not limited to, a limitation of damages and a waiver of jury trial.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5 and Code of Civil Procedure Section 1281) to any provisions of a franchise agreement restricting venue to a forum outside the State of California. This provision may not be enforceable under California law.

The Department has determined that either the franchisor has not demonstrated it is adequately capitalized or that the franchisor must rely on franchise fees to fund operations. The Commissioner has imposed and U-Save has agreed to postpone payment of the entire amount of the initial franchise fee until after U-Save's initial obligations are complete and the franchisee has opened for business.

The Franchise Agreement requires application of the laws of Mississippi. This provision may not be enforceable under California law.

ILLINOIS

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void.

Section 41 of the Illinois Franchise Disclosure act provides that any condition, stipulations or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Your right upon termination or non-renewal of a franchise agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

Payment of the initial franchise fee shall be deferred until Franchisor has satisfied its pre-opening obligations to Franchisee and Franchisee has commenced doing business. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

INDIANA

Certain Indiana laws supersede provisions in the Franchise Agreement. Accordingly, Paragraphs 24.2, 24.3, 24.4, and 25.1 are deleted in their entirety. In the place of 25.1, the following language is added:

> *25.1* Governing *Law*. This Agreement shall be construed according to the laws of the state in which the Franchised Business is located.

MARYLAND

The franchise disclosure document is amended as follows:

The following language is added at the end of Item 5:

> Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

The following is added to Item 17 of the Disclosure Document:

> To the extent that the agreement requires you to sign a release as a condition of transfer, such release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Item 17 is further amended by adding the following:

> The franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

MINNESOTA

The following is added to Item 17 of the Disclosure Document:

> Under Minnesota law and except in certain specified cases, U-Save must give franchisees 90 days' notice of termination with 60 days to cure. U-Save must also give at least 180 days' notice of its intention not to renew a Franchise Agreement.
>
> **Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.**
>
> **Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.**

NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

> INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE

DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

   Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

   A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

   B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

   C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

   D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled **"Requirements for franchisee to renew or extend,"** and Item 17(m), entitled **"Conditions for franchisor approval of transfer"**:

   However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the

General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

4. You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the "Summary" sections of Item 17(v), titled **"Choice of forum"**, and Item 17(w), titled **"Choice of law"**:

   The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

NORTH DAKOTA

The North Dakota Securities Commissioner has held certain provisions contained in franchise agreements to be unfair, unjust or inequitable to North Dakota Franchisees within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Please refer to any North Dakota amendment to the Franchise Agreement and Development Agreement for changes required by North Dakota law.

The following should be added to Items 5 & 7 of this Disclosure Document:

> In accordance with North Dakota Law, the Franchisor will defer collection of all Initial Franchise Fees, which are not refundable, until all initial obligations owed to Franchisee under the Franchise Agreement or other documents have been fulfilled by the Franchisor and the Franchisee has commenced doing business pursuant to the Franchise Agreement. This requirement has been imposed on the Franchisor by the North Dakota Securities Department based on the Franchisor's financial statements.

RHODE ISLAND

Any release executed in connection with the Franchise Agreement, whether upon transfer or renewal, will not apply to any claims that may arise under the Rhode Island Franchise Investment Act.

The following should be added to Item 17 of this Disclosure Document:

> Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that a provision in a franchise agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring application of the laws of a state other than Rhode Island is void with respect to a claim otherwise enforceable under this Act.

SOUTH DAKOTA

The following is added to Item 5 and Item 7 of the Disclosure Document:

In accordance with South Dakota Law, the Franchisor will defer collection of all Initial Franchise Fees, which are not refundable, until all initial obligations owed to Franchisee under the Franchise Agreement or other documents have been fulfilled by the Franchisor and the Franchisee has commenced doing business pursuant to the Franchise Agreement. This requirement has been imposed on the Franchisor by the South Dakota Securities Department based on the Franchisor's financial statements.

VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for U-Save Car and Truck Rental for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure. The following statements are added to Item 17.h:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the franchise agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

WASHINGTON

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor’s reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

In accordance with WAC 460-80-460, the Franchisor will defer collection of all Initial Franchise Fees, which are not refundable, until all initial obligations owed to Franchisee under the Franchise Agreement or other documents have been fulfilled by the Franchisor and the Franchisee has commenced doing business pursuant to the Franchise Agreement. This requirement has been imposed on the Franchisor by the Washington Department of Financial Institutions – Securities Division based on the Franchisor's financial statements.

Franchisees who receive financial incentives to refer franchise prospects to Franchisors may be required to register as franchise brokers under the laws of Washington State.

Any release executed in connection with the Franchise Agreement, whether upon transfer or renewal, will not apply to any claims that may arise under the Washington Franchise Investment Protection Act.

As required by Washington law, all contracts will be governed by the laws of the state of Washington.

Exhibit A-1

U-SAVE AUTO RENTAL®

LIST OF OPERATING FRANCHISEES

(*as of September 30, 2021)*

ALABAMA

Michael Shabo
1203 Opelika Road
Auburn, AL 36830
334-821-8728

Michael Shabo
2227 Dadeville Rd.
Alexander City, AL 35010
334-821-8728

Michael Shabo
2304 Lee Road 270
Cusseta, AL 36854
334-821-8728

Chris Roland
1304 B Talladega Hwy.
Sylacauga, AL 35150
256-245-1700

ARKANSAS

Gary Joe Hegi, Jr.
1220B North College Avenue
El Dorado, AR 71730
870-864-9761

Gary Joe Hegi, Jr.
El Dorado Airport
418 Airport Drive
El Dorado, AR 71730
Tel: 870-864-9761

Donald Cavanaugh
3402 Stadium Blvd.
Jonesboro, AR 72404
870-972-6839

Donald Cavenaugh
4240 Central Avenue
Hot Springs, AR 71913
501-525-3737

CALIFORNIA

Mohammad Esfahani
3195 Airport Loop Drive
Suite D-2
Costa Mesa, CA 92626
949-752-6664

Mohammad Esfahani
2060 S. Harbor Blvd.
Anaheim, CA 92802
714-663-1900

Mohammad Esfahani
5301 W 104th St.
Los Angeles, CA 90045
424-295-0587

Saul Kagan
1632 S. LaCienaga Blvd.
Los Angeles, CA 90035
310-550-5725

Richard Stricklen
3101 Pacheco Road
Bakersfield, CA 93313
661-835-7283

FLORIDA

Nayibe D. Enriquez
3900 NW 79th Ave, Ste 108
Doral, FL 33166
786-304-1313

Nayibe D. Enriquez
3936 NW 27th Street
Miami, FL 33142
786-774-4877

Nayibe Enriquez
2330 S. Andres Ave.
Ft. Lauderdale, FL 33316
954-90—5315

Sameh S. Girges
7640 Narcoosee Road
Orlando, FL 32822
888-728-3182

GEORGIA

James Wilkinson
410 North Wayne Street
Milledgeville, GA 31061
478-452-4991

IDAHO

Phillip S. Meador
1540 Yellowstone Avenue
Pocatello, ID 83201
208-237-9010

INDIANA

Wayne Westgate
2401 S. Western Avenue
Marion, IN 46953
765-664-6363

KENTUCKY

Daniel Cook, Jr.
4443 Dixie Highway
Louisville, KY 40216
502-363-4646

LOUISIANA

Nolan Broussard
1413 Jefferson Street
Lafayette, LA 70501
337-234-3294

Pete Ciesla
3431 5th Avenue
Lake Charles, LA 70607
337-479-1333

Larry Pack, Jr.
155 Montgomery Street
Bogalusa, LA 70427
985-241-5280

MAINE

Curtis Stewart
53 Lisbon Road
Lisbon, ME 04250
207-353-4136

MARYLAND

Philip DeMarco
6407 Church Hill Rd
Chestertown, MD 21620
410-778-3036

John W. Dinterman
5733 Buckeystown Pike
Frederick, MD 21704
301-663-6812

William Roszell, III
18582 Garrett Hwy.
Oakland, MD 21550
301-387-4857

MINNESOTA

Franklin Lager
1801 Bassett Drive
Mankato, MN 56001
507-625-7368

Franklin Lager
910 N. Minnesota Ave.
St. Peter, MN 56082

Gordon Hoglund
118 Oakwood Drive East
Monticello, MN 55362
763-295-6264

MISSISSIPPI

Thomas P. McDonnell
5454 I-55 North, Suite C
Jackson, MS 39211
601-957-8728

Steven Landrum, Sr.
207 B Street
Meridian, MS 39301
601-483-5402

Steve Landrum, Jr.
2811 Airport Blvd South
Meridian, MS 39307
601-483-5402

Steven Landrum, Sr.
272 W. Beacon Street
Philadelphia, MS 39350
601-656-6662

David & Tammy Dearman
2011 E. Pass Road
Gulfport, MS 39507
228-897-6006

Richard Woolwine
1510 W. Pine Street
Hattiesburg, MS 39401
601-545-9555

Richard Woolwine
3080 Highway 49N
Collins, MS 39428

Richard Woolwine
114 N 16th Avenue
Laurel, MS 39440

Richard Woolwine
2799 Hwy 49 South, Ste H
Florence, MS 39073
769-251-2760

David Brasseal
1653 Highway 98E
Columbia, MS 39429

MISSOURI

Michael L. Musgrove
650 Gaylord Drive
Fulton, MO 65251
573-642-7430

NEW HAMPSHIRE

Edward Trombly
455 Winchester Street
Keene, NH 03431
603-352-7900

NEW YORK

Aryeh Feller
LGA Airport
84-15 Astoria Blvd.
East Elmhurst, NY 11370
718-565-7223

Aryeh Feller
150-32 North Conduit Ave.
Jamaica, NY 11434
718-525-7070

NORTH DAKOTA

William Pladson
1463 I-94 Bus. Loop East
Dickinson, ND 58601
701-483-7550

Mike and Kelly Hoffman
424 25th St. South
Fargo, ND 5810
701-241-7802

Renard Bergstrom
332 Hwy. 2 West
Devils Lake, ND 58301
701-662-1144

Renard Bergstrom
332 Hwy 2 West
Devils Lake, ND 58301

OHIO

Michael Guess
457 Steubenville Road SE
Carrollton, OH 44615
330-627-4777

James Fitzgerald
3706 Rt. 20 West
Monroeville, OH 44847
419-465-4605

James Fitzgerald
18 W. Maple Street
Willard, OH 44890

Ronald Wesley
6151 Dressler Road
North Canton, OH 44720
330-966-7368

John Laria
112 East Ohio Avenue
Rittman, OH 44270
330-925-2015

Diane Miklos
975 Bears Den Road
Youngstown, OH 44511
330-792-5580

PENNSYLVANIA

Ronald Utt
3121 Columbia Blvd
Bloomsburg, PA 17815
570-387-0525

Tom Mellett
758 N. Easton Road
Glenside, PA 19038
215-885-8728

Randy Williams
2468 Elmira Street
Sayre, PA 18840
570-888-6897

PUERTO RICO

Ted Jaeger
URB. Valencia
Navarra 301
San Juan, PR 00923
787-253-4008

Ted Jaeger
6772 Isla Verde Ave.
Carolina, PR 00979

SOUTH CAROLINA

Richard Pendarvis
728 Augusta Road
Edgefield, SC 29824
803-637-5184

Van Threadgill
1403 S. Irby Street
Florence, SC 29505
843-679-0857

Fletcher F. Lawrence
2356 Hwy 72/221 E
Greenwood, SC 29649
864-223-1163

TENNESSEE

Scott Jenkins
400 East Broadway
Box 1567
Gallatin, TN 37066
615-452-5934

Darryl Watson
1907 N. Locust Avenue
Lawrenceburg, TN 38464
931-762-8874

Preston Murrey, III
1500 W. College Street
Pulaski, TN 38478
931-363-3555

Russell Barnett
915 S. Anderson Street
Suite 1207
Tullahoma, TN 37388
931-455-6066

Russell Barnett
2756 Decherd Blvd.
Winchester, TN 37398
931-962-4792

TEXAS

Manuel A. Gonzalez
205 North Earl Rudder Freeway
Bryan, TX 77802
979-268-4734

Mr. Sami Ismail
6644 Tezel Road
San Antonio, TX 78250
210-607-8020

VIRGINIA

Ted Bailey, Sr.
1201 Airline Blvd.
Portsmouth, VA 23707
757-397-4533

WASHINGTON

Ronald Fritzley
15304 Highway 99
Lynnwood, WA 98087
425-775-5766

WEST VIRGINIA

Carl Thorne
408 Keyser Avenue
Petersburg, WV 26847
304-257-1429

Exhibit A-2

U-SAVE AUTO RENTAL®
LIST OF FRANCHISEES THAT HAVE SIGNED FRANCHISE AGREEMENTS FOR STORES WHICH WERE NOT YET OPERATIONAL
(*as of September 30, 2021)*

Faiz A. Khan
TripRecord
2412 Mendall Street
San Francisco, CA 94124
Tel:

Anthony Schmidt
Wolf Pack Holdings, Inc.
1457 W. Maple Ave.
Denver, CO 80223
720-328-3033

Mike and Kelly Hoffman
424 25th St. South
Fargo, ND 5810
701-241-7802
NOTE: There is currently no physical location in Minnesota; therefore there is no address or telephone number to report there.

Exhibit A-3

U-SAVE AUTO RENTAL®

FRANCHISEES WHO LEFT THE SYSTEM

(*as of September 30, 2021)*

ARKANSAS

Donald Cavanaugh
3487 Highway 67N
Walnut Ridge, AR 72476

GEORGIA

Michael Cochran
1435 Dahlonega Hwy.
Cumming, GA 30040
770-887-6670

IDAHO

Stephen Dominguez
602 Highway 95
Weiser, ID 83672
208-549-3310

LOUISIANA

Thomas Milam
3933 Benton Road
Bossier City, LA 71111
318-742-7392

MAINE

Herbert Brooks, Sr.
341 Rte. 7 Corinna
Dexter, ME 04930
207-924-5884

PENNSYLVANIA

Tom Mellett
Tom Mellett Automobiles, Inc.
758 N. Easton Road
Glenside, PA   0038
215-885-8728

Exhibit B

U-SAVE AUTO RENTAL®
FINANCIAL STATEMENTS

1. Our unaudited financial statements for the three-month period ending December 31, 2021;

2. Our audited financial statements for the fiscal year ending September 30, 2021, September 30, 2020 and September 30, 2019.

HORNE

661 Sunnybrook Road
Suite 100
Ridgeland, MS 39157

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HORNE.COM

CONSENT OF INDEPENDENT AUDITORS

HORNE LLP consents to the use in the Franchise Disclose Document issued by U-Save Auto Rental of America, Inc. (the "Company") on February 22, 2022, as it may be amended, of our report dated January 5, 2021, relating to the consolidated financial statements of the Company for the periods ending September 30, 2021, 2020, and 2019.

Horne

Ridgeland, Mississippi
February 22, 2022

U-SAVE AUTO RENTAL OF AMERICA, INC. AND SUBSIDIARIES

Unaudited Financial Statements

Three (3) Month Period Ending December 31, 2021

THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

U-Save Auto Rental of America, Inc.

Consolidated Balance Sheets

		Unaudited December 31, 2021		Audited September 30, 2021
Assets				
Cash and cash equivalents	$	2,046,268	$	1,791,026
Restricted cash and cash equivalents		2,089,542		2,075,193
Accounts receivable, net of allowance for doubtful accounts ($35,087 at 2022 and $30,087 at 2021)		738,389		633,760
Related party accounts receivable		7,790		7,821
Refundable income taxes		218,492		218,492
Due from affiliates		148,249		133,429
Assets held for sale		41,525		41,525
Prepaid expenses		63,927		77,181
Total current assets		5,354,182		4,978,427
Property and equipment, net		38,823		46,241
Other:				
Other assets		169,766		169,766
Deferred income tax assets		315,943		315,943
Goodwill		3,959,473		3,959,473
Other intangible assets, net		4,209		6,313
		4,488,214		4,497,736
Total assets	$	9,842,396	$	9,476,163
Liabilities and Stockholder's Equity				
Liabilities				
Accounts payable and accrued liabilities	$	2,228,775	$	2,305,428
Deposits received from franchisees		215,864		228,414
Insurance loss reserves		277,400		251,622
Note payable		173,939		170,175
Contract liabilities		117,334		152,558
Total current liabilities		3,013,312		3,108,197
Note payable, less current maturities		214,079		265,145
Contract liabilities, noncurrent		270,387		216,046
Due to affiliates, net		991,273		1,001,323
Total liabilities		4,489,051		4,590,711
Stockholder's equity				
Common stock, $0.01 par value, 10,000,000 shares authorized, 6,262,884 shares issued and outstanding		62,630		62,630
Less cost of shares of common stock held in treasury, 6,667 shares in 2022 and 2021		(25,000)		(25,000)
Additional paid-in capital		7,660,568		7,660,568
Accumulated deficit		(2,344,853)		(2,812,746)
Total stockholder's equity		5,353,345		4,885,452
Total liabilities and stockholder's equity	$	9,842,396	$	9,476,163

U-Save Auto Rental of America, Inc.

Consolidated Statements of Income

	Unaudited Three months December 31, 2021	Unaudited Three months December 31, 2020	Unaudited Three months December 31, 2019
Revenues			
Continuing franchisee and related fees	$ 970,662	$ 518,554	$ 775,890
Initial franchise fees	23,150	78,000	7,500
Insurance premiums and related fees	1,819,557	1,523,818	1,979,623
Total revenues	2,813,369	2,120,372	2,763,013
Costs and expenses			
Direct operating			
Franchise operating	1,294,597	787,377	1,178,837
Insurance operating	456,457	472,901	608,686
Claims expense	223,950	289,307	330,356
Insurance underwriting expenses	18,059	14,018	19,771
General and administration	307,851	406,755	242,307
Interest expense	4,838	4,971	311
Depreciation and amortization	9,521	10,256	10,699
Total costs and expenses	2,315,273	1,985,585	2,390,967
Income before income taxes	498,096	134,787	372,046
Income tax expense (benefit)	-	-	-
Net income	$ 498,096	$ 134,787	$ 372,046

U-SAVE AUTO RENTAL OF AMERICA, INC. AND SUBSIDIARIES

Audited Financial Statements for the fiscal year ending
September 30, 2021, September 30, 2020 and September 30, 2019

(With Independent Auditors' Report Thereon)

U-Save Auto Rental of America, Inc.

Consolidated Financial Statements

As of September 30, 2021 and 2020
and for each of the three years ended September 30, 2021, 2020 and 2019

U-Save Auto Rental of America, Inc.

Contents

HORNE

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
U-Save Auto Rental of America, Inc.
Ridgeland, Mississippi

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of U-Save Auto Rental of America, Inc. and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of September 30, 2021 and 2020, the related consolidated statements of income, changes in stockholders' equity and cash flows for each of the three years ended September 30, 2021, 2020, and 2019, and the related notes to the consolidated financial statements (collectively, the financial statements).

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of U-Save Auto Rental of America, Inc. and its subsidiaries as of September 30, 2021 and 2020 and the results of their operations and their cash flows for each of the three years ended September 30, 2021, 2020, and 2019 in accordance with accounting principles generally accepted in the United States of America.

Horne LLP

Ridgeland, Mississippi
January 5, 2022

U-Save Auto Rental of America, Inc.

Consolidated Balance Sheets

	September 30, 2021	September 30, 2020
Assets		
Cash and cash equivalents	$ 1,791,026	$ 1,238,985
Restricted cash and cash equivalents (Note 2)	2,075,193	1,608,137
Accounts receivable, net of allowance for doubtful accounts ($30,087 at 2021 and $117,763 at 2020)	633,760	630,666
Related party accounts receivable	7,821	8,662
Refundable income taxes	218,492	-
Due from affiliates (Note 8)	133,429	294,192
Assets held for sale	41,525	170,000
Prepaid expenses	77,181	80,006
Total current assets	4,978,427	4,030,648
Property and equipment, net (Note 3)	46,241	49,262
Other:		
Other assets (Note 5)	169,766	144,766
Deferred income tax assets (Note 7)	315,943	323,800
Goodwill	3,959,473	3,959,473
Other intangible assets, net (Note 4)	6,313	14,730
	4,497,736	4,492,031
Total assets	$ 9,476,163	$ 8,522,679
Liabilities and Stockholder's Equity		
Liabilities		
Accounts payable and accrued liabilities	$ 2,305,428	$ 1,581,115
Deposits received from franchisees	228,414	177,548
Insurance loss reserves (Note 2)	251,622	262,596
Note payable (Note 6)	170,175	1,273
Contract liabilities	152,558	-
Liabilities directly associated with assets held for sale	-	232,724
Total current liabilities	3,108,197	2,255,256
Note payable, less current maturities (Note 6)	265,145	148,727
Contract liabilities, noncurrent	216,046	-
Due to affiliates, net (Note 8)	1,001,323	1,077,620
Total liabilities	4,590,711	3,481,603
Commitments and contingencies (Notes 2, 9)		
Stockholder's equity		
Common stock, $0.01 par value, 10,000,000 shares authorized, 6,262,884 shares issued and outstanding	62,630	62,630
Less cost of shares of common stock held in treasury, 6,667 shares in 2021 and 2020	(25,000)	(25,000)
Additional paid-in capital	7,660,568	7,660,568
Accumulated deficit	(2,812,746)	(2,657,122)
Total stockholder's equity	4,885,452	5,041,076
Total liabilities and stockholder's equity	$ 9,476,163	$ 8,522,679

See accompanying notes to consolidated financial statements.

U-Save Auto Rental of America, Inc.

Consolidated Statements of Income

		Year Ended September 30, 2021		Year Ended September 30, 2020		Year Ended September 30, 2019
Revenues						
Continuing franchisee and related fees	$	3,432,310	$	2,361,706	$	3,379,051
Initial franchise fees		62,849		7,500		50,000
Insurance premiums and related fees		6,794,071		6,769,240		7,842,711
Total revenues		10,289,230		9,138,446		11,271,762
Costs and expenses						
Direct operating						
Franchise operating		4,746,919		4,009,969		4,881,029
Insurance operating		2,119,908		2,044,195		1,996,216
Claims expense		1,437,953		1,439,696		1,469,815
Insurance underwriting expenses		63,495		65,592		105,130
General and administration		1,329,334		1,000,251		1,237,039
Interest expense		30,822		355		113
Depreciation and amortization		41,049		43,385		57,870
Total costs and expenses		9,769,480		8,603,443		9,747,212
Income from operations		519,750		535,003		1,524,550
Other income (Note 11)		-		585,500		-
Income before income taxes		519,750		1,120,503		1,524,550
Income tax expense (benefit)		(210,811)		156,475		7,483
Net income	$	730,561	$	964,028	$	1,517,067

See accompanying notes to consolidated financial statements.

U-Save Auto Rental of America, Inc.

Consolidated Statements of Stockholder's Equity

	Common Stock Shares	Common Stock Par Value	Additional Paid-In Capital	Accumulated Deficit	Treasury Stock Shares	Treasury Stock Amount	Total Stockholder's Equity
Balance, October 1, 2018	6,262,884	$ 62,630	$ 7,660,568	$ (3,824,850)	(6,667)	$ (25,000)	$ 3,873,348
Net income	-	-	-	1,517,067	-	-	1,517,067
Balance, September 30, 2019	6,262,884	62,630	7,660,568	(2,307,783)	(6,667)	(25,000)	5,390,415
Write-off of due from affiliate, net of taxes of $437,789	-	-	-	(1,313,367)	-	-	(1,313,367)
Net income	-	-	-	964,028	-	-	964,028
Balance, September 30, 2020	6,262,884	62,630	7,660,568	(2,657,122)	(6,667)	(25,000)	5,041,076
Write-off of due from affiliate	-	-	-	(489,252)	-	-	(489,252)
Distributions to shareholder	-	-	-	(166,119)	-	-	(166,119)
Cumulative effect of accounting change (Note 1)	-	-	-	(230,814)	-	-	(230,814)
Net income	-	-	-	730,561	-	-	730,561
Balance, September 30, 2021	6,262,884	$ 62,630	$ 7,660,568	$ (2,812,746)	(6,667)	$ (25,000)	$ 4,885,452

See accompanying notes to consolidated financial statements.

U-Save Auto Rental of America, Inc.

Consolidated Statements of Cash Flows

	Year Ended September 30, 2021	Year Ended September 30, 2020	Year Ended September 30, 2019
Operating activities			
Net income	$ 730,561	$ 964,028	$ 1,517,067
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	41,049	43,385	57,870
Deferred income tax expense	7,857	113,989	-
Gain on sale of assets	-	-	(2,000)
Recovery for losses on related party and other notes receivable	(18,087)	(19,684)	(3,606)
Provision for doubtful accounts receivable, net of recovery	(67,373)	67,070	15,843
Changes in operating assets and liabilities:			
Accounts receivable	65,120	117,829	(83,564)
Income tax receivable	(218,492)	-	-
Prepaid expenses and other assets	(22,175)	(6,171)	(33,100)
Accounts payable and accrued liabilities	838,247	(546,769)	(1,156)
Insurance loss reserves	(10,974)	(46,117)	(60,705)
Deposits received from franchisees	50,866	(17,131)	(18,741)
Net cash provided by operating activities	1,396,599	670,429	1,387,908
Investing activities			
Capital expenditures	(71,136)	(25,629)	(22,354)
Proceeds from sale of depreciable assets	170,000	-	2,000
Advances on notes and other receivables	-	-	(284,850)
Principal payments on notes receivable	18,087	19,684	11,606
Net cash provided by (used in) investing activities	116,951	(5,945)	(293,598)
Financing activities			
Borrowings under note payable	-	150,000	270,000
Repayments of note payable	(128,090)	(270,000)	-
Net decrease in due to affiliates	(157,495)	(1,611,167)	(589,217)
Principal payments on capital lease obligations	(208,868)	-	-
Net cash used in financing activities	(494,453)	(1,731,167)	(319,217)
Net increase (decrease) in cash, cash equivalents and restricted cash	1,019,097	(1,066,683)	775,093
Cash, cash equivalents and restricted cash, beginning of year	2,847,122	3,913,805	3,138,712
Cash, cash equivalents and restricted cash, end of year	**$ 3,866,219**	**$ 2,847,122**	**$ 3,913,805**
Cash paid during the period for:			
Income taxes, net of refunds	$ 13,004	$ 78,533	$ 10,430
Interest	30,822	355	113
Non-cash investing activities:			
Accounts receivable converted to notes receivable	31,805	39,315	47,350
Non-cash financing activities:			
Write off of due from affiliate, net of tax	489,252	1,313,367	-
Equipment acquisition funded through capital leases	-	170,000	-

See accompanying notes to consolidated financial statements.

1. Organization and Summary of Significant Accounting Policies

Organization and Principles of Consolidation

U-Save Auto Rental of America, Inc. ("U-Save of America") is a majority-owned subsidiary of U-Save Holdings, Inc. ("Holdings"). Holdings is a wholly-owned subsidiary of Trace Residential Properties, LLC ("Trace"). The consolidated financial statements are prepared in accordance with United States generally accepted accounting principles and include the accounts of U-Save of America and its wholly-owned subsidiaries (collectively "the Company" or "U-Save"). All significant intercompany balances and transactions have been eliminated in consolidation.

The Company licenses franchises to operate U-Save Auto Rental businesses in the United States and abroad. In addition, the Company offers to franchisees and independent car rental operators ("associates") insurance products including liability and physical damage coverages on their rental fleet.

The accompanying financial statements include the consolidated results of U-Save of America and subsidiaries, but do not include results for either Trace or Holdings.

Cash Equivalents

The Company considers unrestricted highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents are restricted for the payment of estimated insurance claims and premiums, with some balances held in the Company's name at financial institutions and other balances held on the Company's behalf by insurance carriers (see Note 2). At September 30, 2021 and 2020, the Company has annual renewable letters of credit totaling $775,000 outstanding to the Company's insurance carriers as security for payment of claims, insurance premiums and any other obligations to the carrier. These letters of credit are secured by cash of the same amounts and are reflected in the Company's restricted cash balance at September 30, 2021 and 2020.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported with the consolidated balance sheets that sum to the total of the same such amounts shown in the statements of cash flows:

	September 30, 2021	September 30, 2020	September 30, 2019
Cash and cash equivalents	$ 1,791,026	$ 1,238,985	$ 1,404,985
Restricted cash	2,075,193	1,608,137	2,508,820
Total cash, cash equivalents and restricted cash as shown in the statements of cash flows	$ 3,866,219	$ 2,847,122	$ 3,913,805

Accounts Receivable

Accounts receivable are carried at original invoice amount less an estimate for doubtful receivables based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by regularly evaluating individual customer receivables and considering a customer's financial condition, credit history, and current economic conditions. Receivables are written off through the allowance for doubtful accounts when deemed uncollectible. See Note 10 for further discussion of financial instrument risks.

Recoveries of receivables previously written off are recorded when received. A receivable is considered to be past due if any portion of the receivable balance is outstanding for more than 90 days.

Property and Equipment

Property and equipment are stated at cost and are depreciated on the straight-line method for financial reporting purposes using estimated useful lives of three to five years.

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated undiscounted future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. Discontinued operations are reported separately, including the discontinuation of a component of an entity that either has been disposed of (by sale, abandonment, or in a distribution to owners) or is classified as held for sale. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell.

Goodwill and Intangible Assets

Goodwill and identifiable intangible assets are primarily the result of acquisitions. Goodwill and identifiable intangible assets with indefinite lives are not amortized, but rather reviewed annually for impairment and not more frequently, unless events or circumstances warrant such a review. On an annual basis, management reviews the carrying amount of goodwill for possible impairment by conducting a two-step test. In the first step, the fair value of the reporting unit, as determined by discounted cash flows, is compared to its carrying value. The Company determined the fair value using the income approach based on estimated cash flows. If the fair value is less than the carrying value, the second step is conducted whereby the fair value of goodwill is determined on the same basis as a business combination. If the fair value of goodwill is less than the carrying value of goodwill, goodwill is written down to its estimated fair value.

See Note 1, "Use of Estimates" for further details as to the nature of goodwill and its review and also Note 4, "Other intangible assets" for further details as to the nature of intangible assets with an indefinite or finite life.

Intangible assets that have a finite life are amortized on a straight-line basis over the estimated useful life. The Company's only finite life intangible asset, a customer list, is being amortized over a six-year estimated life.

Revenue Recognition

The Company derives revenue from two primary sources, franchise revenues and insurance revenues. Franchise revenues consist primarily of royalties, marketing fund contributions, reservation system fees, initial and renewal franchise fees. Under franchise agreements, the Company provides franchisees with (i) a franchise license, which includes a license to use our intellectual property and (ii) pre-opening services, such as training and inspections, and (iii) ongoing services, such as marketing and advertising support, and the operation of reservation systems. The services provided under franchise agreements are highly interrelated and dependent upon the franchise license. Thus, the Company concluded the services do not represent individually distinct performance obligations. Consequently, the franchise license performance obligation and promises to provide services are bundled into a single performance obligation, which is satisfied by providing a right to use our intellectual property over the term of each franchise agreement.

Prior to October 1, 2020, initial and renewal franchise fee revenue was recognized when all material services or conditions related to the transaction had been substantially performed or satisfied by the Company. Generally, substantial performance occurred prior to the commencement of operations by the franchisee. Continuing license fees were recognized as revenue as the fees were earned and were based on the number of cars operated by the individual franchisee or as a percentage of the individual franchisee's time and mileage revenue.

For periods beginning after October 1, 2020, continuing license fees, including marketing fund contributions, are calculated as a percentage of the individual franchisee's time and mileage revenue and damage waiver revenue over the term of the franchise agreement. These revenues are related entirely to our performance obligation under the franchise agreement and are recognized monthly as sales occur. Initial and renewal franchise fees are recognized as revenue on a straight-line basis over the term of the franchise agreement, typically over ten years. Reservation system fees are recognized monthly as earned.

Insurance revenues are derived from commissions and fees as primarily specified in a written contract, or unwritten business understanding, with underwriting enterprises. Prior to October 1, 2020, income from insurance operations was recorded as revenue when earned and recognized ratably over the term of the coverage.

For periods beginning after October 1, 2020, commissions are based on a percentage of premiums paid by customers and are substantially recognized at a point in time on the effective date of the associated policy when control of the policy transfers to the customer, as well as deferring certain revenues to reflect delivery of services over the contract period. Most of our services are associated with the placement of an insurance (or insurance-like) contract. Accordingly, we recognize approximately 80%-100% of commission revenue on the effective date of the underlying insurance contract. The amount of revenue recognized is based on our costs to provide our services up and through that effective date. Based on the proportion of additional services we provide in each period after the effective date of the insurance contract, we recognize the remaining revenue over the contract period, mostly over an annual term.

Contract Liabilities

Contract liabilities consist of amounts deferred resulting from the Company receiving cash payments in advance of satisfying its performance obligations. Contract liabilities are generally recognized on a straight-line basis over the term of the underlying agreement whether it be a franchise agreement or insurance agreement. The following table reflects the changes in contract liabilities by segment for the fiscal year ended September 30, 2021:

Contract Liabilities	Fiscal year ended September 30, 2021		
	Franchise	Insurance	Consolidated
Balance at October 1, 2020	$ 186,744	$ 67,071	$ 253,815
Revenue deferred	167,338	354,452	521,790
Revenue recognized	(52,849)	(354,152)	(407,001)
Balance at September 30, 2021	$ 301,233	$ 67,371	$ 368,604

Insurance Reserves

The Company recognizes loss reserves for insured physical damage claims and liability claims. The Company funds, through monthly installments, loss funds specified by the fronting insurance companies, plus underwriting expenses. For liability claims, these loss funds are used to pay up to the first $20,000 of such loss. For property claims, the Company is responsible for the first $25,000 per vehicle per claim. Operating costs are charged for estimated losses and underwriting fees. The charges are based on the estimated ultimate liability related to claims and differ from period to period due to claim payment and settlement practices as well as changes in development factors for estimated claims incurred but not reported. On a monthly basis, the Company receives from its fronting insurance company estimates of selected ultimate losses that are based on actuarial analysis, which management uses to estimate the Company's expected losses. Charges to operations are then adjusted to reflect these estimates.

The Company recorded increases (decreases) related to changes in liability claim reserves from the prior period reserves, based on carrier reports, as follows:

	Year Ended September 30, 2021	Year Ended September 30, 2020	Year Ended September 30, 2019
Changes in liability claim reserves	$ (24,451)	$ (69,479)	$ 31,461

Income Taxes

The Company files a consolidated return with its parent, Trace. Income taxes are accounted for on a separate return basis under the asset and liability method. Under this method, deferred income tax assets and liabilities are determined based on differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recoverable or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date.

Deferred tax assets, if any, are recognized only to the extent that, in the opinion of management, it is more likely than not that deferred income tax assets will be realized. To the extent the Company's operations generate taxable income, such income would be taxed at the applicable U.S. statutory tax rates.

Advertising Expense

Advertising costs are expensed in the period incurred. The Company incurred advertising expense of approximately $39,000, $39,000 and $51,500 for the years ended September 30, 2021, 2020 and 2019, respectively.

Risk and Uncertainties

The auto rental industry is highly competitive with various companies focusing on different markets, such as business and vacation travel at or near airports, insurance replacement and neighborhood rental. The success of the Company is based largely on the success of its franchisees. Franchisees are located throughout the United States and abroad.

The royalty revenue trend for the Company's vehicle rentals and sales is greatly influenced by the tourism cycle; consequently, the summer quarter ending in September, the (4th) quarter of our fiscal year, traditionally generates the highest levels of revenue, followed by the spring (3rd) quarter ending in June, then the fall (1st) quarter ending in December, which includes the Christmas holiday season and finally, the winter (2nd) quarter which is usually the lowest in both tourism and car sales. Although tourism is a significant part of the rental revenue, the system also caters to the local rental markets and vehicle replacement market. These markets do not necessarily follow the same cycle patterns as tourism; for example, the vehicle replacement market is typically stronger during the winter months.

The insurance premiums reported are a function of the number of cars insured by the underlying franchisees. The seasonality aspects that are attributed above to the tourism cycle also greatly influence the number of vehicles a franchisee will operate and make available for rent. Additionally, as the number of airport locations increase based upon a successful opening of a new location, these airport locations tend to rent a greater number of vehicles than a local market store. Thus, as each airport location is opened, if the Company also provides that location with its vehicle liability program for its fleet, the overall car count of insured vehicles will increase thereby having a positive effect on this revenue stream.

The Company's royalty revenue stream and insurance premiums are greatly influenced by the performance of the underlying franchisees. This can be affected in either a positive or negative manner based upon current trends in the car rental industry.

Use of Estimates

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America. Accordingly, management has made estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting periods. Significant items subject to estimates and assumptions include the net carrying amount of intangible assets including goodwill, insurance loss reserves, and valuation allowances for receivables and deferred income taxes. Actual results could differ from those estimates.

The Company's goodwill balance of $3,959,473 at September 30, 2021 and 2020 represents 42.7% and 46.5%, respectively, of total assets of the Company. This goodwill results from insurance related acquisitions made in January 2000, February 2005 and January 2007 that are ongoing operations of the Company. Assumptions considered in the annual review of goodwill include retention of members and customers, growth in the membership and customer base, cash flows, as well as the goods, services and products provided. Assumptions regarding synergies of operations in terms of leveraging brands, products, services and technologies are also considered in the Company’s annual review of goodwill. Management believes these assumptions to be reasonable. There is an inherent level of uncertainty related to any goodwill impairment analysis.

Fair Value Measurements

Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 820, *Fair Value Measurements and Disclosure*, (“ASC 820”) addresses how companies should measure fair value when they are required to use a fair value measure for recognition and disclosure purposes under accounting principles generally accepted in the United States of America. This statement requires the fair value of an asset or liability to be determined on a market-based measure which will reflect the credit risk of a company. This statement also expands disclosure requirements to include the methods and assumptions used to measure fair value and the effect of fair value measurements on earnings.

ASC 820 establishes a three-level hierarchy for fair value measurements. The hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The classification of fair value within the hierarchy is based upon the lowest level of input that is significant to the measurement. For Level 1, the valuation is based upon quoted prices for identical assets or liabilities in an active market. For Level 2, the valuation is based upon quoted prices for similar assets and liabilities in active markets, or other inputs that are observable, either directly or indirectly, for substantially the full term of the financial instrument. For Level 3, the valuation is based upon other unobservable inputs that are significant to the fair value measurement.

The majority of the Company's non-financial instruments, which include goodwill, intangible assets and property and equipment, are not required to be carried at fair value on a recurring basis, but are subject to fair value adjustments only in certain circumstances. If certain triggering events occur such that a non-financial instrument is required to be evaluated for impairment, a resulting asset impairment would require that the non-financial instrument be recorded at the lower of historical cost or its fair value. The fair value of goodwill was determined by the application of the income approach, which used discounted future cash flows to arrive at a current estimated fair value. No goodwill impairment was recognized by the Company in 2021, 2020 or 2019.

Entities Under Common Control

The Company has elected the Private Company Accounting Alternative to not apply Variable Interest Entity guidance for entities under common control as prescribed by the updates made to ASC 810 in ASU 2018-17. Included within due from affiliates are amounts totaling $28,391 at September 30, 2021 and $159,192 at September 30, 2020 paid on behalf of an entity affiliated through common ownership. During fiscal 2021, the Company made additional advances to an entity under common control to fund operations of that entity. The advances were accounted for as a reduction of equity. As of September 30, 2021, the entity under common control had ceased operations. The Company subsequently wrote off balances due from this entity under common control totaling $489,252 and $1,313,367 net of tax, as of September 30, 2021 and 2020, respectively.

During 2020, the Company entered into certain agreements in which the Company guaranteed the capital lease liability of the entity under common control. Upon the write off of balances due from this entity under common control, the Company assumed certain assets and liabilities under capital lease. These amounts are presented within Assets classified as held for sale and Liabilities directly associated with assets classified as held for sale on the consolidated balance sheet as of September 30, 2020. The Company sold the rights to use these assets during fiscal year 2021.

Adoption of New Accounting Pronouncement

In May 2014, the FASB issued ASU No. 2014-09, "*Revenue from Contracts with Customers (Topic 606)*"*,* which clarifies the principles for recognizing revenue. This guidance requires an entity to recognize revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The Company adopted Accounting Standards Codification Topic 606 ("ASC 606") on October 1, 2020 using the modified retrospective transition method. The consolidated financial statements reflect the application of ASC 606 guidance for fiscal year 2021, while the consolidated financial statements for prior periods were prepared under the guidance of the previous standards. The cumulative effect of the adoption was recognized as decrease in retained earnings of $230,814 on October 1, 2020.

The impact of adoption of ASC 606 on the Company's Consolidated Statement of Income for the fiscal year ended September 30, 2021 and Consolidated Balance Sheet as of September 30, 2021 was as follows:

Consolidated Statement of Income	Fiscal year ended September 30, 2021		
	As Reported	Balances without Adoption of ASC 606	Effect of Change
Continuing franchisee and related fees	$ 3,432,310	$ 3,432,310	$ -
Initial franchise fees	62,849	111,000	(48,151)
Insurance premiums and related fees	6,794,071	6,861,442	(67,371)
Total revenues	10,289,230	10,404,752	(115,522)
Total costs and expenses	9,769,480	9,769,480	-
Income before income taxes	519,750	635,272	(115,522)
Income tax benefit	(210,811)	(210,811)	-
Net income	730,561	846,083	(115,522)

Consolidated Balance Sheet	September 30, 2021		
	As Reported	Balances without Adoption of ASC 606	Effect of Change
Contract liabilities, current	$ 152,558	$ -	$ 152,558
Total current liabilities	3,108,197	2,955,639	152,558
Contract liabilities, non-current	216,046	-	216,046
Total liabilities	4,590,711	4,222,107	368,604
Accumulated deficit	(2,812,746)	(2,559,664)	(253,082)
Total stockholders' equity	4,885,452	5,138,534	(253,082)

Recently Issued Accounting Standards

In January 2017, the FASB issued Accounting Standards Update ("ASU") 2017-04, *"Simplifying the Test for Goodwill Impairment"*. The standard eliminates the second step in the goodwill impairment test which requires an entity to determine the implied fair value of the reporting unit's goodwill. Instead, an entity should recognize an impairment loss if the carrying value of the net assets assigned to the reporting unit exceeds the fair value of the reporting unit, with the impairment loss not to exceed the amount of goodwill allocated to the reporting unit. The standard is effective for annual and interim goodwill impairment tests conducted in fiscal years beginning after December 15, 2021, with early adoption permitted. The Company is in the process of evaluating the impact of this new guidance.

In February 2016, the FASB issued ASU 2016-02, "*Leases (Topic 842)"*, which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract (i.e. lessees and lessors). The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight line basis over the term of the lease, respectively. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months regardless of their classification. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases today. The new standard requires lessors to account for leases using an approach that is substantially equivalent to existing guidance for sales-type leases, direct financing leases and operating leases. The standard is effective on October 1, 2022, with early adoption permitted. The Company is in the process of evaluating the impact of this new guidance.

2. Insurance Programs

The Company, through licensed insurers, provides participating franchisees and associates automobile liability insurance for claims arising as a result of personal injury and property damage for which drivers of rental vehicles or franchisees may be legally liable. The Company is responsible, through a funded obligation, for varying deductibles (depending on the policy and insurer), for each claim. The Company has no further obligation to its insurer to fund claims that exceed its funded deductible. The Company has accrued a liability for known and incurred but not reported losses. See item (a) below for key figures for Company's insurance programs.

The Company deposits funds with the insurance carriers, in a restricted account, to pay claims and other expenses within the deductibles. See item (c) below for key figures for Company's insurance programs.

The Company also provides its participating franchisees and associates with physical damage coverage. Under this program, the Company has a fronting policy with an insurance carrier which has a deductible of $25,000 per claim, per vehicle. The Company provides coverage for associate vehicles to a maximum value of $42,000. The Company provides coverage for franchisee vehicles to a maximum value of $60,000. The Company will provide coverage on vehicles valued in excess of the above amounts, provided, however, that co-insurance is in effect for all claims on such vehicles valued in excess of the maximum limits at the time of the loss. The Company has accrued a liability for claims expected to be reported and claims reported but not paid. See item (b) below for key figures for Company's insurance programs.

In conjunction with these insurance programs, the Company generally requires participating franchisees to pay a deposit equal to the larger of fifteen percent of estimated annual insurance premiums or $2,000.

The Company, as agent, also may provide other insurance programs such as commercial and general liability, business interruption, workers compensation, and directors' and officers' liability. The Company has entered into various agreements with several insurance carriers to provide coverage on these types of policies.

	September 30, 2021	September 30, 2020
(a) Liability Deductible Program		
Deductible of $20,000		
Accrued liability for known and incurred but not reported losses	$ 98,729	$ 123,180
(b) Physical Damage Deductible Program		
Deductible of $25,000		
Accrued liability for known and incurred but not reported losses	152,893	139,416
Insurance loss reserves	$ 251,622	$ 262,596
(c) Restricted Cash		
Amounts held as collateral for letters of credit and estimated liability for premiums, claims and expenses	$ 2,075,193	$ 1,608,137

3. Property and Equipment

	September 30, 2021		
	Cost	Accumulated Depreciation	Net
Furniture and equipment	$ 547,360	$ (541,630)	$ 5,730
Computers, software & website development	1,062,547	(1,022,036)	40,511
	$ 1,609,907	$ (1,563,666)	$ 46,241

	September 30, 2020		
	Cost	Accumulated Depreciation	Net
Furniture and equipment	$ 543,629	$ (540,630)	$ 3,000
Computers, software & website development	1,036,667	(990,405)	46,262
	$ 1,580,296	$ (1,531,034)	$ 49,262

The Company recorded depreciation expense of $32,632, $34,969 and $49,454 for the years ended September 30, 2021, 2020 and 2019, respectively.

4. Other intangible assets

	September 30, 2021		
	Cost	Accumulated Amortization	Net Book Value
Finite-life intangible assets:			
Customer list	$ 1,033,500	$ 1,027,187	$ 6,313

	September 30, 2020		
	Cost	Accumulated Amortization	Net Book Value
Finite-life intangible assets:			
Customer list	$ 1,033,500	$ 1,018,770	$ 14,730

Amortization expense of $8,417, $8,416 and $8,416 was recorded in the years ended September 30, 2021, 2020 and 2019, respectively. Estimated amortization expense for intangible assets existing at September 30, 2021 for each of the five succeeding years is as follows: $6,313.

5. Other Assets

		September 30, 2021		September 30, 2020
Security deposits	$	164,166	$	139,166
Other		5,600		5,600
	$	169,766	$	144,766

6. Note payable

		September 30, 2021		September 30, 2020
In December 2020, the Company assumed a note payable with a financial institution from a former affiliate. The Company was a guarantor on the note. The principal balance at the date of assumption was $413,410. The note bears a 3.88% interest rate and matures June 2023. The loan has a monthly repayment of principal and interest in the amount of $14,790.	$	290,901	$	-
In May 2020, the Company received an Economic Injury Disaster Loan from the Small Business Administration ("SBA") totaling $150,000. The note bears a 3.75% interest rate and matures May 2050. The loan has a monthly repayment of principal and interest in the amount of $731 beginning May 2022.	$	144,419	$	150,000
Current portion of note payable		(170,175)		(1,273)
Long-term portion of note payable	$	265,145	$	148,727

The following table provides the contractual maturities of the Company's corporate debt:

Year ending September 30		Amount
2022	$	170,175
2023		125,157
2024		3,408
2025		3,555
Thereafter		133,025
	$	**435,320**

7. Income taxes

		Year ended September 30, 2021		Year ended September 30, 2020		Year ended September 30, 2019
Federal:						
Current	$	(216,243)	$	-	$	-
Deferred		-		26,431		-
		(216,243)		26,431		-
State:						
Current		13,289		70,005		7,483
Deferred		(7,857)		60,039		-
		5,432		130,044		7,483
Income tax expense (benefit)	$	(210,811)	$	156,475	$	7,483

Income tax expense differs from amounts computed by applying the United States Federal blended statutory income tax rate to pretax earnings as a result of the following:

	Year ended September 30, 2021	Year ended September 30, 2020	Year ended September 30, 2019
Computed "expected" tax expense	$ 109,147	$ 235,306	$ 320,156
State income taxes, net	4,291	102,734	5,650
Change in effective rate	-	-	209,928
Permanent differences	(99,991)	(118,734)	-
Change in valuation allowance	(279,143)	(71,800)	(519,000)
Other	54,885	8,969	(9,251)
Income tax expense (benefit)	$ (210,811)	$ 156,475	$ 7,483

As of September 30, 2021, the Company has net operating loss carryforwards of approximately $3.5 million that expire in 2030 through 2040.

Significant components of deferred income tax assets and liabilities at September 30, 2021 and 2020 are presented below:

	September 30, 2021	September 30, 2020
Deferred income tax assets:		
Insurance loss reserves	$ 53,000	$ 55,000
Accounts receivable allowance	38,000	53,000
Intangibles	27,000	45,000
Tax credits	81,000	81,000
Charitable contributions	6,000	6,000
Contract liabilities	77,000	-
Other accruals and provisions	41,000	33,000
Net operating loss carryforward	832,000	1,160,000
Total deferred tax assets	1,155,000	1,433,000
Deferred income tax liabilities:		
Property and equipment	(21,000)	(12,000)
Net deferred tax asset	1,134,000	1,421,000
Less: valuation allowance	(818,057)	(1,097,200)
Deferred income tax assets, net	$ 315,943	$ 323,800

The ultimate realization of the deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and the tax planning strategies in making this assessment. Based upon the level of historical taxable income and anticipated future taxable income over the periods in which the deferred tax assets are deductible and based upon potential limitations on the utilization of net operating loss carryforwards described below, management believes it is not likely that the Company will realize the full benefits of these deductible differences. Accordingly, the Company has recorded a valuation allowance against a portion of the deductible differences in its financial statements at September 30, 2021 and 2020.

The Company determined net operating loss carryforward generated in fiscal 2018 and prior are subject to an annual limitation due to a significant change in ownership under Section 382 of the Internal Revenue Code of 1986. Net operating losses generated after the change in ownership are currently not subject to an annual limitation. Net operating losses of approximately $281,000 are not subject to an annual limitation and have an indefinite carryforward period.

8. Related Party Transactions

A member of the Company's Board of Directors, who is also an officer and significant stockholder of the Company, has investments in certain vehicle rental operations and transportation companies, which have transactions with the Company. Transactions include insurance, reservation and royalty payments that were provided in the normal course of business. Further, the Company leases its office space from a company owned by a stockholder and officer.

The Company recorded revenues and expenses related to these transactions as follows:

	Year ended September 30, 2021	Year ended September 30, 2020	Year ended September 30, 2019
Continuing franchise and related fees	$ 24,501	$ 24,092	$ 27,646
Insurance premiums and related fees	64,601	60,988	70,096
Rent expense, included in general and administration	117,000	117,000	68,250

At September 30, 2021 and 2020, related party accounts receivable totaled $7,821 and $8,662, respectively.

The due from affiliates of $133,429 consists primarily of amounts due for shared expenses from an affiliate with common ownership. The due to affiliates, net at September 30, 2021 consists of a payable to Trace of $1,008,309 and a receivable from Holdings of $6,986. At September 30, 2020, the due to affiliates, net consisted of a payable to Trace of $1,067,391 and a payable to

Holdings of $10,229. The payable to affiliates is non-interest bearing and has no stated maturity. The Company does not anticipate any significant payments in fiscal 2022 and therefore has classified it as long-term.

In fiscal year 2017, notice was provided to the Company that demands for deferred compensation and expense reimbursements, arising from provisions contained in certain self-renewing (or "evergreen") executive employment agreements originally executed in 2005, could be made by the covered executives if and in the event of a change in control occurred (as defined by those same executive employment agreements). The calculation of the amounts of these liabilities requires the Company to make certain assumptions the reliability of which cannot be determined with certainty at present. Given the uncertain amount of these liabilities, the Company has reflected the most reasonably estimated amount of $212,000 in the Company's accounts payable and accrued liabilities balance at September 30, 2021. The ultimate amount paid may be in excess of this accrual.

9. Commitments and Contingencies

Contingencies

In March 2020, the World Health Organization declared the outbreak of Covid-19, a novel strain of Coronavirus, a pandemic. The outbreak and the respective response have disrupted the Company's operations as well as the economic demand for the Company's products and services. The ultimate impact of the pandemic on the Company's operations will depend on certain developments including the duration and spread of the outbreak and governmental, regulatory, and private sector responses. The financial statements do not reflect any adjustments as a result of the increase in economic uncertainty related to the outbreak.

The Company is periodically involved in legal actions and automobile accident claims (see Note 2) that arise as a result of events occurring in the normal course of operations. In the regular course of business, the Company evaluates estimated losses or costs related to litigation and provision is made for anticipated losses whenever the Company believes that such losses are probable and can be reasonably estimated.

Lease Commitments

The Company leases office space and certain furniture and equipment under noncancellable operating leases. Rental expense was approximately $233,000, $222,000 and $247,000 for the years ended September 30, 2021, 2020 and 2019, respectively. The minimum rental commitments under non-cancelable operating leases with initial or remaining terms in excess of one year are as follows:

Year ending September 30		Amount
2022	$	232,706
2023		37,552
2024		3,320
2025		1,660
	$	**275,238**

10. Financial Instruments

The Company is exposed to risks of varying degrees of significance that could affect its ability to achieve its strategic objectives for growth and shareholder returns. The principal financial risk to which the Company is exposed is concentration of credit risk described below.

Credit Risk
Financial instruments that could potentially subject the Company to credit risk consist principally of accounts receivable associated with customers. The risk is that a customer will be unable to pay amounts due to the Company. The customers are located primarily throughout the United States. A portion of the customers' ability to honor their obligations is dependent upon the local economy. Allowances are provided for potential losses that have been incurred at the balance sheet date. The amounts disclosed in the consolidated balance sheet are net of these allowances for estimated bad debts. Accounts receivable are considered for impairment on a case-by-case basis when they are past due or when objective evidence is received that a customer will default. The Company takes into consideration the customer's payment history, credit worthiness and the economic environment in which the customer operates to assess impairment. The Company accounts for a specific bad debt provision when management considers that the expected recovery is less than the actual receivable. All bad debt write-offs are charged to bad debt expense through the allowance account.

The Company maintains cash at financial institutions, which at September 30, 2021 and 2020 and at other times throughout the year, exceeded federally insured limits. The Company has not experienced any losses of such funds and management believes the Company is not exposed to significant risk on cash.

11. Government Relief Funding

In April 2020, the Company received loan proceeds of $585,500 under the Coronavirus Aid, Relief, and Economic Security Act’s (“CARES Act”) Paycheck Protection Program (“PPP”). As the PPP is administered by the U.S. Small Business Administration (“SBA”), the Company entered into a note agreement with the SBA on April 14, 2020. Under the PPP, the full principal amount of the loan and any accrued interest can be forgiven if the loan proceeds are fully utilized to pay qualified expenses over the covered period, as further defined by the PPP.

The Company had utilized all of the proceeds for payroll and other qualified expenses and received notification of full forgiveness by the SBA in June 2021. As such, in its consolidated financial statements for the fiscal year ended September 30, 2020, the Company elected to account for the PPP loan as a government grant which analogizes with International Accounting Standards ("IAS") 20, *Accounting for Government Grants and Disclosure of Government Assistance.* Under the provisions of IAS 20, "a forgivable loan from government is treated as a government grant when there is reasonable assurance that the entity will meet the terms for forgiveness of the loan." Therefore, the Company recognized the full loan amount as Other Income as of September 30, 2020.

12. Subsequent Events

The Company evaluated subsequent events through January 5, 2022, the date the consolidated financial statements were issued. The Company is not aware of any events that occurred subsequent to the balance sheet date, but prior to the issuance of this report that would require adjustment to or disclosure in, the consolidated financial statements.

Exhibit C

U-SAVE AUTO RENTAL®

FRANCHISE AGREEMENT
AND
STATE SPECIFIC AMENDMENTS

U-SAVE AUTO RENTAL®

FRANCHISE AGREEMENT

This Franchise Agreement is between **U-Save Auto Rental of America, Inc.** ("U-Save," "we," "us," or our") and:

____

("you" or "Franchisee"), and the guarantors identified in Attachment III to this Franchise Agreement.

DEFINITIONS--Words and phrases used frequently in this Franchise Agreement will have the meaning indicated:

"Affiliate" means any subsidiary of U-Save, including without limitation, U-Save Leasing, Inc. and Peakstone Financial Services, Inc.

"Franchise Agreement" means this document, all its attachments, exhibits, amendments and modifications whenever made.

"Collateral Agreement" means any agreement between you and us or between you and our affiliates relating to or arising out of the franchise relationship created by this Franchise Agreement.

"Consumer Price Index" means the consumer price index for all urban consumers, All Cities, All Items (CPI-U) as calculated and published by the Bureau of Labor Statistics, U.S. Dept. of Labor or its equivalent.

"Damage Waiver Revenue" means revenue you generate from a Collision Damage Waiver, a Loss Damage Waiver and any other damage waiver you charge to your customer.

"Effective Date" means the date entered in the space so designated on the signature page of this Franchise Agreement.

"Franchised Business" means the vehicle rental business operated pursuant to this Franchise Agreement.

"Franchisee" means the person named in this Franchise Agreement who is granted the right to operate the Franchised Business.

"Gross Rental Revenue" means the total revenue from time and mileage rental fees.

"Immediate Family" means your spouse, children, parents, brothers, sisters, uncles, aunts, nephews, nieces, grandparents, grandchildren, but not in-laws.

"Local Marketing Cooperative" means a group, consisting of franchisees we select plus our representatives that determines how its members can best serve specific rental markets.

"Manual" means the U-Save policy, training and development manuals, all supplemental bulletins and revisions thereto, and other materials loaned to you that contain the required policies and procedures for the operation of the Franchised Business.

"Marks" means the words "U-Save®," "U-Save Auto Rental®," "U-Save Car & Truck Rental®," any design incorporating these words, and all other words or symbols currently used, or to be developed in the future by us, in connection with the U-Save® System.

"Corporate Offices" means our offices in Ridgeland, Mississippi.

"Disclosure Document" means the Franchise Disclosure Document of which this Franchise Agreement is part.

"Opening Date" means the date on which you first insure a vehicle for use in the Franchised Business, or rent a vehicle under the Marks, whichever occurs first.

"Performance Standards" means the minimum number of vehicles, designated in Attachment I to this Franchise Agreement, to be owned, used or kept for use in the Franchised Business.

"**Principal**" means your spouse (if you are an individual), all of your general and limited partners, and the principals of your general partner (if you are a limited partnership), all of your members (if you are a limited liability company) and all other individuals and entities having an ownership interest in you.

"Rental Agreement" means an approved, numbered form required by U-Save to be used in the Franchised Business for renting vehicles to the public.

"Rental Fleet" means all vehicles owned, used or kept for rental in the Exclusive Territory, whether or not used in the Franchised Business.

"Exclusive Territory" means the geographic area described in Attachment I to this Franchise Agreement.

"U-Save System®" means the network of vehicle rental businesses that trade under the Marks.

"Vehicle" means a private passenger vehicle (whether for on- or off-road use), passenger or cargo van, sport utility vehicle, specialty vehicle, pickup or light-duty truck.

"Vehicle Rental Business" means a business involving the rental of vehicles to the public for periods of 30 days or less per transaction.

1. INTRODUCTION

U-Save has developed a method of operating vehicle rental businesses that feature new and used vehicles. These businesses operate under a uniform business format, trade as "U-Save Car & Truck Rental®" and feature the Marks.

You have applied to us for a franchise to operate a vehicle rental business, using our name, Marks and business format. We have approved your application in reliance upon the representations made in your application, including those about your financial resources and the manner in which you propose to own and operate the Franchised Business.

The terms, conditions and promises contained in this Franchise Agreement are necessary to maintain our high standards of service to the public and to maintain the uniformity of those standards at all vehicle rental businesses using the Marks.

You acknowledge that you have read this Franchise Agreement and our Disclosure Document, and that you have been given the opportunity to clarify any provision that you do not understand. You have conducted an independent investigation about the franchise described in this agreement and have been advised by U-Save to discuss the provisions of the Franchise Agreement with legal, financial and other professional advisors of your choice prior to executing it.

You recognize that the franchise involves business risks and that the success of the venture is largely dependent upon your business ability. You acknowledge that you are entering into this Franchise Agreement on a voluntary basis, of your own free will. You further acknowledge that both parties were given a realistic opportunity to bargain on the terms and conditions of this Franchise Agreement, and that there is no disparity in sophistication or bargaining power of the parties. You acknowledge that our recruiters and our officers are not authorized to make any claims or statements as to the prospects or chances of success that you can expect or that other franchisees have had. Our recruiting personnel, agents, officers and employees have not made such claims or statements, nor have they represented or estimated dollar figures as to specific vehicle rental businesses owned or franchised by us.

2. GRANT AND TERM OF FRANCHISE

2.1. Grant. Subject to the terms and conditions of this Franchise Agreement, we grant you a franchise to operate a vehicle rental business and a license to use the Marks in the operation of that business. You grant us a first security interest in the license created by this Franchise Agreement. You agree to execute and deliver to us in a timely manner all financing statements and other documents necessary to perfect, and continue the priority of, the security interest under the Uniform Commercial Code. We will not subordinate our security interest in the license; you may not grant a junior security interest in the license.

2.2. Term. The term of this Franchise Agreement is 10 years, beginning on the Effective Date.

2.3. Subsequent Franchise Agreement. On the expiration of this Franchise Agreement, you may, at your option, execute a new franchise agreement with us for an additional term, provided:

(a) you are not in default of any provision of this Franchise Agreement or any Collateral Agreement; and,

(b) you have experienced vehicle liability insurance and vehicle physical damage losses during the term of this Franchise Agreement that are acceptable to us, in our sole discretion; and,

(c) you submit to us a verified operating statement for the most recent fiscal year of the Franchised Business, and a current true personal financial statement, and these statements reflect that you meet our then-current financial qualifications.

2.4. No New Franchise Fee. You will not be charged an initial franchise fee when you enter into a subsequent franchise agreement in accordance with paragraph 2.3, above. However, an administrative fee may be charged to compensate us for our costs and expenses in processing the transaction.

2.5. Execution and Form of New Agreement. To execute a new franchise agreement under paragraph 2.3, you must sign: 1) our then-current form of franchise agreement; and 2) all other agreements that we customarily use for the granting of franchises. Our then-current form of franchise agreement may provide for higher fees, fees not included in this Franchise Agreement and other terms and conditions materially different from the terms of this Franchise Agreement. We will send you the forms needed to execute the new franchise agreement approximately 90 days before the expiration date of this Franchise Agreement. You must sign and return them to us at least 30 days before the expiration of this Franchise Agreement.

2.6. Our Rights. We may offer or license different services under the Marks, utilize new business methods under the Marks, and develop new Marks, and we have the right to change the Marks. We also have the right to operate, and offer franchises for, competing vehicle rental businesses under different service marks.

2.7. Franchise Variations. We acknowledge that there may be peculiarities of a particular site or circumstance, density of population, business potential, population of Exclusive Territory, existing business practices or some other condition which we deem to be of importance to the successful operation of a franchisee's business and that such condition may warrant us to vary our standard specifications and practices with respect to a particular franchisee. You shall not be entitled to require us to grant to you a like or similar variation hereunder.

3. EXCLUSIVE TERRITORY

3.1. Exclusive Territory. Your license to use our Marks and business method is limited to the Exclusive Territory described in Attachment I. You are not permitted to operate the Franchised Business in whole or in part, directly or indirectly, in any manner whatsoever, outside the Exclusive Territory including, without limitation, from a temporary or permanent site outside the Exclusive Territory. You are not allowed to use our Marks and business method outside of Exclusive Territory.

3.2. Competition. Provided you are in full compliance with this Franchise Agreement, we will not, during the term of this Franchise Agreement, operate, or grant a franchise for the operation of, a vehicle rental business using the Marks within the Exclusive Territory. However, we have the right to operate, or license others to operate, vehicle rental businesses under other trade names, trademarks, or service marks in the Exclusive Territory. We have the right to operate a vehicle rental business under the Marks or grant a franchise for the operation of a Franchised Business anywhere outside the Exclusive Territory, regardless of proximity to the boundaries of the Exclusive Territory.

3.3. Performance Standards. If you fail to meet your performance standards during the first 24 months of the term of this Agreement, then, after the 24th month of the term of this Agreement, we may, in our sole discretion, during any time during the remainder of the term of this Agreement, reduce your Exclusive Territory or terminate this Agreement. Performance standards for the remaining term of this Agreement will be mutually agreed upon at the end of the 24th month. If you fail to meet your performance standards for the remaining term of this Agreement, we may, in our sole discretion, reduce your Exclusive Territory in this or any subsequent franchise agreement, or refuse to grant a subsequent franchise agreement under paragraph 2.3.

3.4. Change of Circumstances. If a change of circumstances occurs respecting the demographic make-up of your Exclusive Territory, we have the right, in our reasonable discretion, to increase or decrease your performance standards to reflect the effect of this change.

3.5. National Accounts. Both within and outside the Exclusive Territory, we and our Affiliates will have the right (but not the obligation) to offer and sell U-Save services and products at retail or wholesale to National, Regional and Institutional Accounts. "National, Regional and Institutional Accounts" are organizational or institutional customers whose presence is not confined to your Exclusive Territory, including (without limitation): business entities, franchise systems, voluntary membership cooperatives and organizations, non-governmental organizations engaged in not-for-profit activities, federal, state, and local governmental and quasi-governmental agencies, branches or facilities; and, any other customer not confined to your Exclusive Territory. Only we will have the right to enter into contracts with National, Regional and Institutional Accounts with facilities within your Exclusive Territory. However, we will give you the opportunity to serve any of these Accounts. As long as the price and terms we agree upon with the Account exceeds your cost to serve the Account, you agree to serve the National, Regional and Institutional Account in your Exclusive Territory at the price and contract terms we agree on with the Account. Those terms may include a discount from your standard prices, a fixed price per rental period for rentals within the same vehicle class, waiver of certain incidental charges and fees, additional services for no additional charge, or other terms and services consistent with what services you are obligated to make available to other customers. You must inform us promptly if the contract terms for any Account will result in costs to fulfill the contract that exceed the fees and charges you will receive. If, for any reason, you cannot serve the Account according to the contract terms, or if the Account desires for any reason to deal exclusively with us, our affiliates, or another franchisee and not with you, then we, our Affiliates or any other U-Save® franchisee may serve the Account within your Exclusive Territory, and you will be entitled to no compensation for such sales and services. All U-Save® franchisees who are obligated to participate in the program and all locations owned or operated by us or an affiliate will honor the contract terms for the Account. The procedures governing our National, Regional and Institutional Accounts program will be set forth in the Manual.

4. SITE OF FRANCHISED BUSINESS

4.1. Location. The address of the Franchised Business is identified in Attachment I. If the address is shown as "to be determined," you and U-Save have not agreed upon a site as of the Effective Date. The responsibility for locating and choosing a site is yours, but we must approve the site prior to the execution of a lease for the site, or prior to the opening of the Franchised Business.

To obtain approval of your initial site, you must submit to our Corporate Offices the site address, a photograph of the exterior of the site, interior floor plan and a statement of the number of available parking spaces at the site. Our approval, however, is not a guaranty or warranty that the site will be successful. All sites of the Franchised Business must be located wholly within the Exclusive Territory.

4.2. Change of Location. You may not relocate your Franchised Business to a new address without our prior written consent. To obtain our consent, you must submit to our Corporate Offices the same information about the new site required for approval of your initial site. Our consent will not be withheld unreasonably, but our approval is not a guaranty that your new site will be profitable, or better for you in any respect than the former site.

4.3. Additional Sites. You may open additional business sites within your Exclusive Territory if: 1) we approve each site in writing prior to opening; and 2) each site is managed by a person who has successfully completed Initial Training prior to site opening; and 3) you demonstrate to us, in advance of opening, your financial ability to support each new site; and 4) you are in full compliance with this Franchise Agreement at the time of each additional site opening. You must register the address of the additional locations within the Exclusive Territory with the Corporate Offices.

5. INITIAL FRANCHISE FEE

Upon signing this Franchise Agreement, you have paid us an initial franchise fee ("Initial Franchise Fee") of $ _______________ that we acknowledge receiving. The Initial Franchise Fee is not refundable.

6. ROYALTY FEE

6.1. Royalties. You will pay us on or before the 15th day of each month a non-refundable monthly royalty fee of 6% of the total of Gross Rental Revenue and Damage Waiver Revenue for the airport market and 4% of the total of Gross Rental Revenue and Damage Waiver Revenue for the neighborhood market. Notwithstanding the foregoing, you will pay us a monthly minimum royalty fee of $500.00 for neighborhood locations and $1,000.00 for airport locations.

6.2. Royalty Increase. On January 1 of each year of this Franchise Agreement, starting with January 1, 2006, we have the right to increase the then-current royalty schedule. Each item on the schedule may be increased by the greater of 4%, or the percentage increase in the Consumer Price Index over the course of our whole fiscal year that ended just prior to the date of the royalty increase. We also have the right to increase the then-current minimum monthly payment for calendar years 2006 and beyond by up to 4% per year.

6.3 Automated Payment of Fees. We require you to make all payments to us (including, without limitation, royalty fees, marketing fees, insurance fees and reservation fees) automatically and electronically via a preauthorized automated bank payment system. You agree to sign our current and subsequent forms to facilitate such payments and to instruct your bank to honor such arrangements. In the event there are insufficient funds in your account at the time of the attempted automatic electronic transfer, you agree to pay all bank related fees incurred by us plus an additional $100 to cover our administrative expenses in responding.

7. MARKETING AND ADVERTISING

7.1 Marketing Fee. Beginning on the Opening Date, you will pay us, on or before the 15th day of each month thereafter, a non-refundable monthly marketing fee of 2% of the total of Gross Rental Revenue and Damage Waiver Revenue for the airport market (or $225.00, whichever is greater) and 1% of the total of Gross Rental Revenue and Damage Waiver Revenue for the neighborhood market (or $125.00, whichever is greater). We have the right to increase this monthly marketing fee beyond 2% of the Total of Gross Rental Revenue and Damage Waiver Revenue for the airport market and 1% of the total of Gross Rental Revenue and Damage Waiver Revenue for the neighborhood market at any time during this Franchise Agreement.

In addition, you should spend three percent (3%) of your time and mileage on direct marketing efforts. Personnel costs are not eligible as part of this expense. A marketing report must be submitted each month to the Franchise Service Manager confirming the location has met the monthly expenditure requirement.

The marketing fee is used to create and design reproducible advertising art, handouts, radio commercials, email promotions, websites and other online marketing tools, and public relations materials (and to educate you about the use of the materials), including costs associated with the U-Save® internet website(s). Upon your written request to the Corporate Office, we will provide you with financial statements for the Marketing Fees. You will be responsible for the costs of shipping, printing, production and distribution of the materials you use, as well as media placement costs.

If we begin regional or national advertising or marketing programs, we have the right to increase the monthly marketing fee beyond 3% of Gross Rental Revenue for the airport market and 3% of Gross Rental Revenue for the neighborhood market to conduct the programs. We do not guarantee that the advertising portion of the marketing fees you pay will be used in your Exclusive Territory.

We have the right to form an advertising council composed of franchisees and U-Save representatives, and the right to determine how such a council will be selected, funded and governed.

7.2. Your Commercial Communication. All advertising, marketing, promotional, and other commercial communication (including, but not limited to, print, audio, video, text, internet, and social media) (collectively, "Commercial Communication") of the Franchised Business must include the Marks. No Commercial Communication containing the Marks may be used until reviewed and approved by us in writing. Consult the Manual for Commercial Communication guidelines, as well as the method of obtaining approval.

You are prohibited from maintaining a physical or intangible presence in another franchisee's Exclusive Territory, such as: (a) erecting a sign; (b) installing a telephone instrument for pick-up service; or (c) conducting or pursuing direct marketing or sales activities. This list is not exhaustive and it is in our sole discretion to determine what constitutes a physical or intangible presence. You are cautioned against expending resources to establish a physical or intangible presence outside your Exclusive Territory in regions where there is no U-Save® franchisee. If those regions become part of the Exclusive Territory of another U-Save® franchisee, you will be required to immediately remove any physical or intangible presence. You may not use any of the Marks (or any portion or colorable imitation of the Marks) on or in connection with any website advertisement (including, without limitation, advertising with an on-line directory service provider) without our express written consent. You may not link to or frame any website that we own or control without our express written permission. You may not use nor register the Marks (or any portion or colorable imitation of the Marks) as part of your domain name, URL, or other Internet address.

7.3. Advertising by U-Save. This Franchise Agreement does not create an obligation on our part to advertise or promote the Marks or to advertise or promote the Franchised Business. We may do either, however, at our sole discretion.

7.4. Advertising Specific Auto Manufacturers. We have the right to prohibit you from advertising the Marks in conjunction with automobile manufacturers other than those we approve.

7.5. Local Marketing Cooperative. We can require local marketing cooperatives to be formed, changed, dissolved or merged. If we organize a cooperative, your participation will be mandatory. You will pay monthly contributions to the cooperative based on the method of computation and in amounts determined by majority vote of its members. The cooperative will combine your funds with other franchisees to achieve joint marketing efforts. The funds will be administered by us in accordance with directions we receive from the cooperative. They may be used for marketing, advertising, public relations and promotional programs.

7.6. Website Advertising. We currently maintain one or more websites and online directory listings through which we advertise and offer to the public the services and products offered by U-Save vehicle rental businesses generally. In connection with each such website, we may (but are not required to) post on the website information about the Franchised Business or permit or require you to advertise the Franchised Business on the website. If we permit or require you to advertise on a website, you must (a) strictly follow our instructions and guidelines in developing the page (which includes, without limitation, adhering to all content requirements and restrictions), (b) comply with all privacy requirements that we impose, (c) comply with all applicable laws and regulations, (d) enter into all agreements that we require concerning the development, maintenance, hosting, and use of the website, and (e) pay to us or our designee all reasonable fees that we impose in connection with the development, maintenance and/or hosting of your website or online directory listing. We have the right to disable or remove your website or online directory listing at any time, at our sole discretion, including during any period that you are in default of this Agreement, upon termination, or expiration of this Agreement. You may not use the U-Save® trademark on any website or as part of any Internet URL or domain name without our prior written approval. You may not solicit or accept reservations from any other source without our prior written approval.

7.7. Email Address. You will be assigned a U-Save® email address for your use in conducting the Franchised Business, and you may not use any other email address for this purpose.

8. TELEPHONE NUMBERS AND TELEPHONE BOOK ADVERTISING

8.1. Telephone Numbers. You must obtain a dedicated telephone number for the Franchised Business with a minimum of two (2) lines. If you leave the U-Save® System, all telephone numbers you used or advertised in association with the Marks become the property of us or our designee. You may not transfer, disconnect or assign any telephone number used in association with the Marks without our prior written consent. If you operate the Franchised Business with a telephone number from a pre-existing or separate business, you will be required to give this telephone number to us or our designee when you leave the U-Save® System. You also must sign a Power of Attorney, in the form attached to this Agreement as Attachment II.B, authorizing us to transfer your telephone number to us or to our designee. It is in your best interest, therefore, to obtain separate numbers that are dedicated to the Franchised Business.

8.2. White Pages Listing. You must retain a White Pages telephone book listing under the name "U-Save Car & Truck Rental®."

9. *RESERVATION SYSTEM AND ROADSIDE ASSISTANCE*

9.1. Telephone Reservation Programs. We require you to participate in a toll-free 1-800 reservation service or call center, which we may provide through a third-party vendor. As part of such service, you may be required to provide to the reservation service, on forms it supplies or through electronic means, information about your prices and fleet availability. Such a service may charge a flat fee per reservation, which may be increased at any time. We will have the right to discontinue such a program at any time. You may not solicit or accept reservations from any other source without our prior written approval.

9.2. Reservation System. We require you to participate in reservation systems that we own or provide to you through a third party. These services include a live telephone rental booking service, on-line booking services, and Global Distribution System ("GDS") services. We will provide a Reservation System which may be utilized for the solicitation, reception and transmission of national and international reservations for and on behalf of franchisees. We also agree to use the facilities, equipment and personnel, in part, to conduct research and development to enhance the Reservation System. [See Reservation Agreement, Exhibit I.]

9.3. Roadside Assistance. If we choose to sponsor a nationwide roadside assistance program through a third party or through an affiliate, you will be required to participate and may not use another supplier. We may require you to sign a contract with the third-party providers of services under such a program. We will have the right to discontinue such a program at any time.

9.4. Insurance Replacement. We may require participation in an insurance replacement reservation system that we provide through a third party. We will have the right to discontinue such a program at any time.

10. TRAINING

10.1. Initial Training. Before beginning rental operations, you and your manager must complete to our satisfaction, our initial training program ("Initial Training"). We reserve the right to delay this requirement based upon our assessment of your experience in the rental industry. Additional employees may attend the Initial Training. Initial Training is conducted at our Corporate Offices or another training site we select. Initial Training will be conducted by U-Save employees or agents experienced in either the car rental business or in training vehicle rental franchisees.

10.2. Training Costs. There is no fee for Initial Training for you and your employees. However, if you re-enroll or enroll any subsequently hired employees in Initial Training, you will be charged a nominal registration fee. You are responsible for all costs of travel and accommodations incurred by you or your employees while attending Initial Training and all other training programs.

10.4. Flagship Locations. We may designate certain Franchised Businesses as "Flagship Locations." These locations will be used to test new programs and develop new procedures. These locations may be used to demonstrate the U-Save® Operating System to potential franchisees or managers of existing franchisees.

10.5. Ongoing Training. You and your employees are strongly encouraged to attend ongoing training that we offer in the form of regional training programs, study groups, franchisee meetings and conventions. If a manager we train leaves your employ, you must promptly enroll another manager in Initial Training, and that person must successfully complete Initial Training (which may be given at a Flagship Location). You will be responsible for registration fees, travel and accommodation expenses you incur while attending ongoing training programs.

11. OPERATING REQUIREMENTS

11.1. Initial Site and Opening. You must open the Franchised Business within a reasonable time after signing this Franchise Agreement. If you do not open the Franchised Business within 120 days after the Effective Date, we may terminate this Franchise Agreement.

11.2. Supervision. The Franchised Business must be under your direct, day-to-day supervision, or under the supervision of a full-time manager: (a) whose identity has been disclosed to us; and (b) who successfully completes Initial Training. The manager must devote full working time to the direction and supervision of the Franchised Business.

11.3 Site Appearance; Trade Dress; Hours of Operation. You must maintain the premises of the Franchised Business in a clean and attractive condition, and you must keep the location open the hours and days listed in the Manual. You acknowledge and agree that the hours of operation are integral to the value of the system and the Marks, and any failure by you to operate during the designated hours of operation is detrimental to the System and the Marks. You further acknowledge and agree that the day-to-day operational decisions relating to the opening and closing procedures of the Franchised Business, including any security, staffing and other similar matters, shall be made solely by you.

We have the right to require you to periodically refurbish the rental site, at your expense, to ensure that it meets our then-current standards for appearance, colors and style. You acknowledge that each and every detail of the design, layout, décor, color scheme, supplies utilized, services offered, appearance of the premises, and personnel of the Franchised Business and other elements of trade dress ("Trade Dress") is essential to Franchisor and the System. In order to protect the System, Franchisee shall comply with all mandatory specifications, standards and procedures relating to (1) the type and quality of the products and services offered by the Franchised Business; (2) the appearance, color, indicia, and signage of the Franchised Business premises; (3) appearance of employees; (4) cleanliness, standards of services, and operation of the Franchised Business (5) submission of requests for approval of materials, supplies, distributors, and suppliers; and (6) safety procedures and programs prescribed by Franchisor. Franchisee also agrees to use all equipment, signage, and services as have been approved for the System from time to time by Franchisor. Mandatory specifications, standards, and procedures may be prescribed from time to time by Franchisor in the Manual, or otherwise communicated to Franchisee in writing. If you serve travelers arriving at an airport, you must present a clean, professional, businesslike appearance equal to that of other on- and off-airport vehicle rental businesses and be open to honor all reservations and returns for regularly scheduled flight arrivals and departures, including delays.

11.4. Fleet Condition and Minimum Inventory. The vehicles used in the Franchised Business must be maintained in excellent mechanical condition according to requirements found in the Manual. You must begin operation of the Franchised Business with at least 10 vehicles. Beginning with your 6th month of operation, your fleet must contain a minimum of 20 vehicles at all times. Beginning with your 25th month of operation, your fleet must contain at all times your minimum performance standard set forth on Attachment I to this Agreement. You may offer for rent only vehicles that are clean and presentable. Vehicles in your fleet must meet age, type, class and mileage requirements specified in the Manual, and the requirements of any reservation service(s) in which you participate. Unless they are leased, vehicles must be titled in your name or the name of the operating corporation. You may maintain the mix of vehicles that best suits your market (subject to the specifications in the Manual). You must, however, have a fleet consisting of at least 60% passenger vehicles. While many locations offer trucks, U-Save is primarily a car rental company.

Airport location standards could be higher and will vary by airport. Such standards will be based on airport car rental market share.

11.5. Manual. For the duration of this Franchise Agreement, we will lend you the Manual, operation bulletins and other materials containing mandatory and suggested procedures, specifications and rules that we prescribe from time to time. The Manual and the other materials are our property and must be returned to us whenever this Franchise Agreement expires or is terminated for any reason. If you fail to return all copies of the Manual and other materials, you must pay us $1,000. We have the right to add to or modify the Manual from time to time to improve our standards, change our operating procedures, maintain the goodwill associated with the Marks and to meet competition. You must keep the Manual in current and up-to-date condition. All modifications to the Manual shall be binding upon being transmitted to you. You agree to accept, implement, and adopt such modifications at your sole cost. If there is a dispute about the contents of the Manual, the terms of the master copy at our Corporate Offices will control. The entire contents of the Manual plus our specifications, procedures and rules prescribed from time to time constitute provisions of this Franchise Agreement just as if they were written on these pages. You agree that it is of substantial value to the Franchisor and other franchisees of Franchisor, as well as to you, that the System establish and maintain a common identity. You agree and acknowledge that your full compliance with the Manual is essential to preserve, maintain and enhance the reputation, trade demand and good will of the System and the Marks and that your failure to operate the Franchised Business in accordance with the Manual can cause damage to the Franchisor and all other franchisees within the System as well as to you. Notwithstanding the foregoing, and consistent with the goals of the System, you shall be responsible for the day-to-day operation of the Franchised Business.

11.6. Trade Secrets and Proprietary Information. The contents of the Manual and all the operating procedures, standards and rules we prescribe for the Franchised Business are confidential. You will maintain, both during and after the term of this Franchise Agreement, absolute confidentiality of the Manual and all other confidential or proprietary information we disclose to you. You will give this information to your employees only to the extent necessary for the operation of the Franchised Business in accordance with this Franchise Agreement. You will not use this information in any other business or in any way not authorized by us in writing.

11.7. Procedures and Rules; Government Regulations. You must comply fully with all standards, operating procedures and rules that we prescribe from time to time, including those contained in the Manual. You must secure and maintain in force and effect, all government-required licenses, permits and certificates, and you must operate the Franchised Business in full compliance with all applicable laws, ordinances and regulations, including, without limitation, such laws, ordinances and regulations relating to occupational hazards and health, worker's compensation insurance, unemployment insurance and withholding and payment of federal and state income taxes and Social Security taxes, trade name and advertising restrictions, building codes, and handicap access. In particular, and not in limitation of the foregoing, Franchisee shall comply with the Americans with Disabilities Act. Franchisee shall operate the Franchised Business in a safe and secure manner that optimizes public health and safety. Franchisee is solely responsible for determining and addressing all safety concerns relating to the condition of the premises and surrounding areas, the operation of any vehicles in connection with the Franchised Business and otherwise.

11.8. Purchase and Display of Signs. You must display at the site of the Franchised Business, the signs specified in the Manual. Prior to opening, you must purchase or lease all required signs from us or our designated supplier, unless you obtain our prior written consent. These signs must be installed prior to opening. If your sign installation is delayed pending zoning or other legal approval, you may only begin operations upon the installation of a temporary sign approved by us. All signs displaying the Marks must be maintained in good working condition and use only our then current sign logo, color scheme and trade dress. If we observe signs that are damaged or require replacement, repairs or replacements must be done at Franchisee's expense within 120 days of notification.

11.9 Computers. Prior to opening, all new franchisees must purchase computer equipment, peripherals and licensed software as set forth in the Manual, all of which may change from time to time. You must have high-speed internet access at your rental location. We have the right to independently access the information and data compiled by your computer system. There is no contractual limitation on our right to access this information. This includes the right to pull sales and revenue reports for the purpose of billing or auditing royalties. To the extent that we may develop and implement an intranet system, extranet system, e-mail system, password-protected website or other computer network system designed to communicate information to, and/or facilitate communication among, system franchisees or suppliers (collectively referred to as an "intranet system"), you must participate in the intranet system and pay all fees and charges that may be imposed by the intranet service provider or host in connection with your participation, which may include, without limitation, periodic hosting fees. At our request, you must execute a "terms of use" agreement, which will govern your use of the intranet system. The "terms of use agreement" may contain, among other things

(a) restrictions on the use of abusive, slanderous, or otherwise offensive language in electronic communications, (b) restrictions on communications between or among franchisees that endorse or encourage breach of any franchisee's franchise agreement with us, (c) confidentiality requirements for materials transmitted via the Internet or the intranet system, (d) password protocols and other security precautions, (e) grounds and procedures for suspending or revoking your access to the intranet system, and (f) a privacy policy governing the parties' access to and use of electronic communications posted on electronic bulletin boards or transmitted via the Internet or the intranet system. We are not obligated to maintain the intranet system indefinitely, and may discontinue it at any time without incurring any liability to you. We also have the right to deny you access to the intranet system during any period that you are in default of this Agreement, and upon termination or expiration of this Agreement.

11.10. Rental Agreement Forms. We will provide you with a reasonable initial supply of rental agreements and required forms prior to the Opening Date. You must use these rental agreements and forms for all rental transactions conducted by the Franchised Business. Additional rental agreement forms must be ordered from our approved vendor. You are responsible for the cost of shipment of all forms, whether or not required by us.

11.11. Assistance to Other Franchisees. You must cooperate with, and assist, other U-Save® System members when their vehicles need service or repair, when a replacement vehicle is needed, or when vehicles must be retrieved.

11.12. Trade Name and Service Marks. You must trade only as "U-Save Car & Truck Rental®," the words standing alone, or such other of the Marks as we may prescribe from time to time in the Manual. You may not add any words before or after the Marks or use the Marks with words that reflect your name, your company name, your geographic location or any other information.

11.13. Franchisee Identification. Your identity or that of the operating corporation must be clearly visible in all dealings with the public. This identification must appear on all rental agreements, vehicle titles, checks and negotiable instruments. The language used for this identification must be approved by us in advance of its use. You must display a sign at the Franchised Business that identifies you as a franchisee of U-Save Car & Truck Rental®.

11.14. Public Figures. You may not use a public figure to promote or advertise the Franchised Business without our prior written consent.

11.15. General Operations. You must conduct the Franchised Business in a way that reflects favorably on you, us, the U-Save® System and our other franchisees. You must protect the good name, goodwill and reputation of the entire U-Save® System, and avoid all deceptive, misleading and unethical practices. You must support our Mission Statement and conduct business in accordance with our Values.

11.16. Underage Drivers. If you participate in an insurance program arranged by us or our affiliates, you may not rent vehicles to persons under the age of 21, except in states where this prohibition is voided by statute.

11.17. Telephone Number Transfer. When you enter into this Franchise Agreement, you must sign the telephone number transfer authorization form attached to this Franchise Agreement as Attachments II.A and II.B. We have the right to act on this authorization only in the event that this Franchise Agreement is terminated or expires.

11.18. Exclusive Dealing. During the term of this Franchise Agreement, neither you nor the operating corporation will directly or indirectly, for your own or others' benefit, alone or in conjunction with any other person or entity, own, engage in, be employed by, advise, assist, lease or sublease to, invest in, franchise, lend money to, agree to sell or sell all or substantially all the assets of the Franchised Business to, or have any other interest in, whether financial or otherwise, any other vehicle rental business, except for other vehicle rental businesses operated under franchise agreements with us. If you or the operating corporation have an ownership interest in, or other affiliation with, another vehicle rental business at the time this Franchise Agreement is signed, the ownership of that interest will not constitute a default of this Franchise Agreement, provided that you disclosed this interest to us in writing prior to your signing this Franchise Agreement and we do not object at the time of the disclosure, and you or the operating corporation do not acquire additional interests that violate the terms of this exclusive dealing covenant.

11.19. Performance Standards. You must meet the performance standards contained in Attachment I to this Franchise Agreement. If you fail to meet the standards during the first 24 months of the term of this Agreement, then, after the first 24 months of the term of this Agreement, we may, in our sole discretion at any time during the remainder of the term of this Agreement, reduce your Exclusive Territory or terminate this Agreement. Performance standards for the remaining term of this Agreement will be mutually agreed upon at the end of the 24th month. If you fail to meet your performance standards for the remaining term of this Agreement, we may, in our sole discretion, reduce your Exclusive Territory in this or any subsequent franchise agreement, or refuse to grant a subsequent franchise agreement under paragraph 2.3 of this Agreement.

11.20. Interest on Late Payments. All fees and other amounts owed to us or our affiliates that are received by us after the due date will bear interest at the rate of 1.5% per month or the highest legal rate for open account business credit in the state where the Franchised Business is located until paid.

11.21. Shipping, Handling and Freight Charges. For any sign bearing the Marks, you will pay the cost of shipping and freight from the factory to the site of the Franchised Business. You will pay the cost of shipping and handling of any forms, supplies and materials provided to you.

11.22. Application of Payments. We have the right to apply payments from you in any way we choose, to any amounts you owe us or our affiliates, whether for royalty fees, marketing fees, reservation fees, local marketing cooperative fees, supplies, insurance payments, lease payments, interest or for any other debt, even if you have designated the payment for another purpose or account.

11.23. Mediation of Customer Disputes. If we deem it necessary, in our sole discretion, to mediate what we believe to be a bona fide dispute between you and a customer in order to protect the goodwill and reputation of the U-Save® System, we will do so in good faith. You will abide by our decision and, if we are required to refund or pay any amount to a customer on your behalf, this amount will be deemed immediately due and owing from you to us upon our payment to the customer, and you will promptly pay us this amount.

11.24. Airport Concession Bid. The parties acknowledge the importance of operating the Franchised Business at a concession within the airport terminal. Given such importance, Franchisee agrees that it will take all appropriate measures necessary and desirable to obtain the right and authority to operate the Franchised Business pursuant to an in-terminal or Consolidated Facility concession agreement and any corresponding lease agreement (the "In-Terminal Concession"). Franchisee agrees that at all times during this Agreement, it shall act diligently and with its best faith efforts to obtain, secure, and maintain the Concessions and, particularly, to submit a good faith application on commercially reasonable terms for In-Terminal or Consolidated Facility Concession rights each and every time that an opportunity for such Concession shall arise. If Franchisee's application shall be accepted, Franchisee shall accept the assignment of the In-Terminal Concession on the terms and conditions set forth in the bid process and as specified by the applicable authority. Franchisee further agrees to comply with the terms of any concession and related agreements and to take all appropriate actions to maintain the In-Terminal Concession at its adherence to this requirement and copies of all notices, applications, and other communications relative to the In-Terminal or Consolidated Facility Concession.

In the event that the Franchise Agreement shall terminate for any reason, upon the request of and at the sole discretion of Franchisor, Franchisee shall be required to transfer and assign to Franchisor or its designee, in accordance with the requirements of the applicable airport authority, any and all rights and interest it may have in the In-Terminal Concession including any ancillary or related agreements. Nothing contained herein shall be construed as giving rise to a duty on the part of the Franchisor to accept an assignment of the In-Terminal Concession.

11.25. Shuttle Bus (for Airport Franchisee Only). We require you to maintain a minimum of one active, properly imaged, shuttle van for each 150 vehicles you maintain at an airport location.

11.26. American Express Card. You must accept the American Express Card as a form of payment.

12. OPERATING ASSISTANCE

12.1. Advice and Guidance. We will provide you with reasonable operating assistance as we determine from time to time to be necessary for the operation of the Franchised Business. We will inform you of operating problems that we discover through our reviews and reports that you and other franchisees send to us. We may charge you for operating assistance made necessary by your failure to comply with this Franchise Agreement or operating assistance you request that is greater than the assistance we normally provide. We may periodically, with such frequency as we determine in our sole discretion, send Franchise Service Managers or other field consultants to you to consult in the development of your business. Any guidance, suggestions, or advice provided to you in the course of such consultation shall be deemed suggestions only, and the decision to follow such guidance, suggestions or advice will be made by you in your sole discretion. In particular, and not in limitation of the foregoing, you will be solely responsible for all policies and decisions concerning your employees, and you will consult with your own independent advisors with respect to those policies and decisions.

12.2. Service and Products. We will research, advise and provide you with information about vendors who offer products and services useful to your operation of the Franchised Business.

12.3. Vehicle Leasing and Financing. When market and general business conditions permit, we may provide fleet financing and leasing to qualified U-Save® franchisees.

12.4. Liability Insurance Program. When market and general business conditions permit, we may arrange liability insurance programs for franchisee fleets.

12.5. Physical Damage Program. When market and general business conditions permit, we may arrange physical damage programs for franchisee fleets.

12.6. Manual. We will lend to you, for your use during the term of this Franchise Agreement, the Manual and other operating bulletins and similar memoranda, which contain mandatory and suggested procedures, specifications and rules that we prescribe.

12.7. Supplies and Forms. You must use, and we will provide you with, a reasonable initial supply of rental agreements and other forms which shall be used in the Franchised Business. Through designated, approved vendors, we will make available to you, at prices uniform to all franchisees, additional supplies of rental agreements and required forms, as well as other promotional materials, advertising formats and uniforms which you must use in the Franchised Business. We must approve any pre-printed material which incorporates the Marks which you intend to use in the Franchised Business. Approval will be deemed given if you purchase these items through an approved vendor, as listed in the Manual. You are responsible for the cost of shipment of all forms, whether or not required by us.

12.8. Assistance with Marketing Programs. We will assist you in the development of local sales promotions, marketing programs and advertising programs. This assistance consists of advice, as deemed appropriate by us, regarding the form and content of your advertisements and local marketing materials.

13. RECORDS AND FINANCIAL REPORTS

13.1. Forms and Records. You are required to use the forms and reports specified in the Manual.

13.2. Financial Reports. You must send to us, no later than 90 days after each fiscal year end, verified statements that truthfully reflect the financial condition of the Franchised Business.

13.3. Corporate Reports. If you are a corporate or limited liability company franchisee, you must report to us the names, addresses and ownership interest of all shareholders, members, officers, managers, directors, investors and all persons with a direct or indirect interest in you and provide us copies of other corporate documents we deem reasonably necessary.

14. REVIEWS

14.1. Right to Review. We have the right, but not the obligation, during business hours and without prior notice, to inspect the records, including electronic files, of the Franchised Business and to take a physical inventory of your rental fleet. These reviews will be made at our expense unless they are made necessary by your failure to comply with this Franchise Agreement. In that event, we have the right to charge you for the costs of reviews, including our employees' or agents' travel expenses, room, board and compensation.

14.2. Resolution of Discrepancies. If our review reveals an overpayment by you to us, we will promptly refund the overpayment or apply the overage to any outstanding amounts owed to us. If our review reveals an underpayment by you to us, you will pay us the shortfall on demand. If the shortfall amounts to more than 3% of the amount actually due, you will also pay us on demand all our costs of conducting the review, including our employees' or agents' travel expenses, room, board and compensation, even if you are otherwise in compliance with this Agreement.

15. INSURANCE

15.1 Minimum Liability Insurance. You must maintain automobile liability insurance covering vehicle renters against claims for bodily injury, death and property damage with coverage not less than the minimum levels prescribed by the financial responsibility laws of the state in which the Franchised Business is located. You also must carry vehicle owner's liability insurance with coverage of not less than $1,000,000.00 per occurrence.

You may not meet your requirements under this paragraph with claims-made policies, but only with occurrence policies written by an insurer that we approve in advance and that is rated A or higher by A. M. Best & Company.

We are not obligated to arrange for, or provide you with, the liability insurance described above. However, even though not so obligated, we currently arrange a liability insurance program in which we may allow you to participate if you qualify. Qualifications for the program are within our sole discretion and are outlined in the Manual. Insurance coverage provided through us will be cancelled whenever this Franchise Agreement is terminated or expires.

If you participate in a liability or physical damage program provided or arranged by us, you will pay deposits and premiums to us. We require the posting of a refundable insurance deposit equal to 15% of the estimated annual premium based on a minimum fleet size of 20 vehicles or $2,000.00, whichever is greater. If your required deposit is greater than $10,000.00, we may, in our sole discretion, allow you to post a letter of credit for the required amount in lieu of paying a cash deposit. If your fleet size changes, we have the right to increase or decrease the size of the deposit. Automobile insurance coverage must be included in your periodic rental rates; you may not charge customers separate fees for drivers' automobile liability that is required by state law or this Agreement. Upon termination, expiration or transfer of this Agreement, we may apply, in our sole discretion, any excess insurance deposit to any balances or other amounts that you owe to us or to our Affiliates under this or any other agreement. If you have not claimed any remaining deposit within ninety (90) days of the effective date of termination, expiration or transfer of this Agreement, the deposit becomes the sole property of U-Save.

15.2. General Business Liability Insurance. You must purchase and maintain broad form commercial general liability insurance with a limit of at least $1,000,000. You may also need a garage liability policy with a limit of at least $1,000,000. We may arrange this coverage and may earn income on your purchase of these insurance products. All liability insurance policies must list us as an additional insured.

15.3. Proof of Insurance. You must file with us a certificate of insurance showing maintenance of all required insurance coverage prior to the Opening Date. Your policies must name us as an additional insured and be endorsed to give us 30 days' prior written notice of any cancellation, termination or change. You must provide us a copy of the additional insured endorsement to the policy issued to you by your insurer along with a notice of cancellation endorsement. You must provide us a copy of the declarations page for all policies. If you secure liability insurance from sources other than U-Save, you must provide us copies of your monthly premium billing statements or other documents from the insurer showing the number of vehicles insured under the policy, and other fleet data that we may reasonably require. We have the right to contact your insurance carrier(s) and, by signing this Franchise Agreement, you consent to allow your insurance carrier(s) to give us a copy of your policy and information about the Franchised Business to enable us to determine loss information and the number of vehicles in your rental fleet.

15.4. Loss History. If you participate in a liability insurance program or physical damage program arranged or provided by us or our affiliates, you must maintain a loss experience that in our view is reasonable for your location. Because your failure to maintain an acceptable loss history jeopardizes our ability to obtain insurance and to arrange liability and physical damage programs, if, in our sole discretion, your loss experience is not acceptable to us, we may terminate your participation in the program. Loss of insurance may result in this Franchise Agreement being terminated. Your participation in liability insurance programs and physical damage programs we provide is conditioned on your good standing under this Franchise Agreement and all other agreements with us or our affiliates.

15.5. Optional Insurance. You may offer to renters supplemental liability insurance for an additional fee, as authorized by U-Save. All such insurers and programs must be from insurers rated "A" or higher by A.M. Best and Company and must provide minimum coverage of $1 million in excess of state financial responsibility minimums. We may have the ability to make arrangements for you, at your option, to purchase SLI through us.

You may offer other programs for an additional fee, as authorized by U-Save. If you offer a similar insurance product from another insurer, 1) we must approve the produce, 2) the insurer must be rated "A" or higher by A. M. Best and Company, 3) the policy must be on admitted paper, and 4) you must file a copy of the policy declarations page with our Corporate headquarters.

We may terminate this Franchise Agreement if your offer of these coverages is not in accordance with our specifications.

16. DAMAGE WAIVERS

Where permitted by law, you may offer your customers the option of purchasing a waiver by you of claims against the customer for damage to rental vehicles.

17. SERVICE MARKS

17.1. Ownership and Usage. We are the sole owner of the names "U-Save®," "U-Save Auto Rental®" and "U-Save Car & Truck Rental®" and all other Marks that we license to you in this Franchise Agreement. Your right to use these Marks arises solely from this Franchise Agreement and you may only use the Marks according to the rules that we prescribe from time to time.

You may not use the Marks as part of your corporate name or trade name or with any prefix, suffix or other modifying words, terms, designs or symbols, other than logos or phrases that we authorize in writing. You may not use the Marks in conjunction with a specific brand of automobile unless authorized in writing by us. If we deem it advisable to modify or discontinue use of any Marks, you must do so at your expense within a reasonable period of time after notice. If you use the Marks in a form not approved by us, the ownership of rights in the new form of use is imputed to U-Save, and you will make no claim of right in the Marks as used.

17.2. Infringement. You must notify us immediately if you become aware of any infringement of, or challenge to, our rights to the Marks. You will communicate on this subject only with us or our attorneys. We have the sole right to take any action we deem appropriate, and we have the exclusive right to control any litigation or administrative proceeding concerning the Marks. You will execute all instruments and documents, render assistance and do all things that, in our opinion, are necessary and advisable to protect and maintain our interests in the Marks.

17.3. Indemnification. We will indemnify you against, and reimburse you for, all costs and damages for which you are held liable in any proceeding arising out of use of the Marks in compliance with this Franchise Agreement, provided that you are otherwise in compliance with this Franchise Agreement and have notified us about the proceeding in a timely manner. We have the right to conduct the defense of rights to the Marks in any proceeding brought against you.

18. DEFAULT AND TERMINATION

18.1. Termination by Us. We may terminate your franchise for good cause. Unless otherwise provided by law, good cause means the failure to comply with any lawful provision of this Franchise Agreement and includes the specific defaults listed below.

This Franchise Agreement will terminate upon delivery of notice to you if:

(a) you transfer, or attempt to transfer, your interest in this Franchise Agreement, your Exclusive Territory or your interest in the operating corporation without our prior written approval; or

(b) you sell, or attempt to sell, the assets of the Franchised Business without complying with the provisions of paragraph 20.1; or, if you are a corporation or limited liability company, there is a change in the ownership structure or in the identity of the owners, manager, directors or investors shown in Attachment III to this Franchise Agreement and you fail to comply with the provisions of paragraph 20.2 of this Franchise Agreement; or

(c) you discontinue the active conduct of the Franchised Business for more than one week, or more than 72 hours if you service an airport served by scheduled airlines; or

(d) you become insolvent, make an assignment for the benefit of creditors, or are unable to pay debts as they come due; or

(e) you, any of your owners or investors made any material misrepresentation on the franchise application or this Agreement; or

(f) you fail to open the Franchised Business within 120 days after the Effective Date; or

(g) you, any of your owners or investors: (i) is convicted of, pleads guilty to, or enters a plea of *nolo contendere* to any felony; or (ii) is convicted of, pleads guilty to, or enters a plea of *nolo contendere* to any criminal offense related to the Franchised Business, other than minor traffic violations; or, (iii) is convicted of, pleads guilty to, or enters a plea of *nolo contendere* to any crime or commits any act within or without the Franchised Business that could, in our sole discretion and opinion, tend to reflect poorly upon the goodwill of our name or any of our Marks or upon the Franchised Business; or

(h) you misrepresent on any report to us or our agents, the number of vehicles owned, used or kept for rent in the Exclusive Territory; or you understate Gross Rental Revenue and Damage Waiver Revenue on any report to us; or

(i) you fail to maintain the insurance or other coverages required by, or in accordance with the specifications listed in, this Franchise Agreement or the Manual; or

(j) you directly or indirectly maintain rental vehicles within the Exclusive Territory on which no royalties are paid to us; or

(k) you violate the exclusive dealing covenant found in paragraph 11.18 of this Franchise Agreement; or

(l) in the event of your death or disability, you made no prior arrangement for a transfer to a family member; or

(m) you fail on three or more separate occasions during any 12-month period to comply with provisions of this Franchise Agreement, including your obligation to pay when due the royalties, insurance premiums, reservation fees, or other payments, regardless of whether the failures were corrected after notice to you; or

(n) you default under a reservation service contract with us or any third party; or

(o) you fail to cure within the cure period, a default under any Collateral Agreement or under any agreement with a third party providing services required hereunder, including, without limitation, the U-Save Roadside Assistance or Reservation System programs; or

(p) you default under any agreement(s) with Peakstone Financial Services, Inc.; or

(q) you fail to pay our approved vendors; or

(r) you default under any agreement(s) with U-Save Leasing, Inc.; or

(s) you fail to maintain the minimum number of vehicles required in your fleet as specified in paragraph 11.4 above; or

(t) you fail to have a manager for the Franchised Business who has successfully completed Initial Training.

We have the further right to terminate this Franchise Agreement effective upon expiration of the cure period if:

(u) you fail to pay us royalties, insurance premiums or insurance deposits, or reservation fees, or any other money due, within 10 days after written notice is delivered to you; or

(v) you use any of the Marks in a manner not permitted by this Franchise Agreement; or you fail to comply with any other lawful provision of this Franchise Agreement or specification, standard, operating procedure or Manual provision, including the provision regarding excessive customer complaints, and you do not correct this failure within 10 days after written notice is delivered to you; or

(w) we are made aware that you have been found to have refused service to, or otherwise discriminate against, any member of the public based on race, creed, color, national origin, gender or any other basis that is protected by federal or state laws or constitutions.

Your opportunity to cure a default under this Franchise Agreement or any Collateral Agreement shall not in any way constitute a waiver of performance of your obligations under this Franchise Agreement, or a waiver of any provision of this Franchise Agreement.

18.2. Mutual Termination. If you cease operation of the franchised auto rental business at any time after the fifth year of this Agreement, we may in our sole discretion agree to mutually terminate this Agreement provided you are otherwise in compliance with this Agreement and subject to the post termination obligations outlined in Paragraph 18.3.

18.3. Obligations After Termination or Expiration. Upon termination or expiration of this Franchise Agreement, you must:

(a) immediately pay all royalty fees, marketing fees, local marketing cooperative fees, insurance premiums, reservation fees, marketing materials and supplies charges and other charges that are due and owing to us or our affiliates, plus interest and late fees; if you were terminated because, among other things, you kept unreported rental vehicles, you must account for those vehicles kept during this Franchise Agreement and pay us the royalties you should have paid us had you accurately reported those vehicles; your payment to us of these sums will not preclude us from exercising any other rights or remedies we may have against you; and

(b) return to us all copies of the Manual; and

(c) cancel all assumed name registrations or other registrations relating to, or incorporating, the Marks; and

(d) return to us, or destroy according to our direction, all literature, signs, unused rental agreements, promotional materials and other materials containing the Marks or otherwise identifying you with U-Save; and

(e) stop all use of any of the Marks or any colorable imitation of them in any business; and

(f) comply with the post-term covenant not to compete, found in paragraph 23, below; and

(g) notify your telephone company and all listing agencies of the termination of your right to use any telephone numbers used or advertised with the Marks, and transfer those numbers to us or our designee; if you do not voluntarily transfer these numbers and listings, the telephone company and all listing agencies may accept this Franchise Agreement as evidence of your authorization to do so, and of our exclusive rights to the telephone numbers and directory listings, and of our authority to direct their transfer on your behalf; and

(h) immediately cease identifying yourself or the Franchised Business as associated in any way with U-Save®, or as formerly associated with the U-Save System®; and

(i) cease using our rental agreements or any documents using substantially similar formats or language; and

(j) comply with the provisions for buy-out and/or termination of all contracts between you and third parties, under which we or our affiliates have guaranteed your performance.

18.4 *Removal of Signs Upon Termination or Expiration.* If you fail to remove any signs bearing the Marks, you agree that we may enter your premises and remove the signs and charge the costs of removal to your account.

19. ASSIGNMENT

19.1. Assignment by U-Save. This Franchise Agreement is fully assignable by us, our legal assignee or other legal successor.

19.2. Assignment by You. This Franchise Agreement and the rights it grants are personal to you. You may not assign or transfer either the Franchise Agreement or your rights and obligations under the Franchise Agreement.

20. SALE OF ASSETS OR STOCK TO A THIRD PARTY

20.1. Sale of Assets of Franchised Business. Your franchise is personal to you and may not be sold or transferred. However, we will grant a franchise to a person to whom you sell the assets of the Franchised Business, or the stock of the operating corporation, which consent will not be unreasonably withheld, subject to our right of first refusal described below, provided that:

(a) the prospective purchaser meets our then-current standards for franchisees; and

(b) you execute our Termination Agreement and Release form, after which you and the operating corporation will continue to be liable for all post-term obligations including: the covenant not to compete; return of the Manual; and non-use of our Marks; and

(c) you cure any defaults under this Franchise Agreement and any Collateral Agreement and pay all fees due and owing to us and our affiliates; and

(d) the prospective purchaser executes our then-current form of franchise agreement; and

(e) the prospective purchaser pays us our then-current required transfer fee; and

(f) the prospective purchaser has scheduled Initial Training; and

(g) the prospective purchaser is not operating a vehicle rental business other than a vehicle rental business under a franchise agreement with us; and

(h) you reveal to us in advance of the sale all of the terms and conditions of your sale of business assets or stock; and we review and approve, in advance of, and after signing by you, all documents to be signed by you and the purchaser that relate to the transfer of assets, real estate, leases, stock, inventory and any similar documents; and

(i) if we assist you in locating the prospective purchaser, you pay us a finder's fee of 8% of the sale price.

Any sale of the assets of, or stock or membership interests in, the Franchised Business that does not meet the above conditions and that does not have our prior written approval is a breach of this Franchise Agreement.

20.2. Change of Ownership of Corporate/LLC Franchisee. If you are a corporation or limited liability company, any change in the ownership structure or in the identity of the shareholders, members, directors, managers or investors shown in Attachment III to this Franchise Agreement requires our prior written approval. Our approval will be granted, provided that:

(a) you cure any defaults under this Franchise Agreement and any Collateral Agreement and pay all fees due and owing us and our affiliates; and

(b) each new shareholder, member, director, manager or investor meets our then-current standards for guarantors, and executes our then-current form of guaranty; and

(c) each new shareholder, member, director, manager or investor is not operating any other vehicle rental business, except vehicle rental businesses under franchise agreements with us; and

(d) (1) the new ownership structure includes at least 1 current owner, and 1 current manager, who has successfully completed Initial Training; or (2) you pay us our then-current required fee to cover administrative, legal and training costs; and

(e) you reveal to us in advance all of the terms and conditions of the ownership change; and we approve, in advance of and after signing, all documents to be signed by you, each new owner, director, manager or investor, and each departing owner, director, manager or investor, relating to the ownership change; and

(f) if we assist you in locating a new shareholder, member director, manager or investor, you pay us a finder's fee of 8% of the purchase price of the ownership interest; and

(g) if, in our sole discretion, the character of the change in ownership structure is substantial, the corporation/limited liability company pays us our then-current fee, to cover legal, administrative and training costs; this fee will not be imposed if you have already been assessed the same fee under (d)(2), above.

Any ownership change that does not meet the above conditions and does not have our prior written approval constitutes an unauthorized transfer of the franchise and is a breach of this Franchise Agreement.

21. RIGHT OF FIRST REFUSAL

21.1. Sale of the Franchised Business. If during the term of this Franchise Agreement or within one year after termination or expiration of this Franchise Agreement, you receive a *bona fide* offer to purchase the assets of, or ownership interests in the Franchised Business, you will give us a copy of the offer along with all documents expected to be signed by you and the offeror. During the 30 days after those documents have been received by us, we will have the right to purchase those assets on the same terms and conditions contained in the offer. We may substitute cash for any form of payment contained in the offer and may also designate a credit-worthy substitute purchaser. If we do not exercise this right of first refusal, you may accept the *bona fide* offer, subject to our prior written approval of the person you propose as a new U-Save franchisee and the provisions of paragraph 20 herein.

21.2. Adjacent Exclusive Territory. You have no right of first refusal should we decide to grant a franchise for an Exclusive Territory adjacent to yours.

22. DEATH OR DISABILITY

22.1. Permanent Disability. This Agreement will terminate automatically on the 30th day following your disability (if you are an individual) or the disability of your operating principal (if you are a corporation or other legal entity), except as otherwise provided by applicable law, unless, prior to that date, you or your estate (as applicable) has made arrangements to transfer the franchise in accordance with the transfer provisions set forth in paragraph 20 or 22.2. For purposes of this Agreement, permanent disability occurs when your usual active participation in the Franchised Business has ceased for a period of thirty (30) consecutive days. See the Manual for procedures by which you provide for these contingencies.

22.2. Testamentary Transfer. Notwithstanding the foregoing, you may transfer your interest in this Franchise Agreement by Will to a member of your immediate family, to whom the Franchised Business and its assets have also been transferred or bequeathed, without an Initial Franchise Fee, subject to the conditions contained in paragraph 20.1 (a) through (d), (f) and (g), above. Your interest in this Franchise Agreement may not pass by intestacy, unless this prohibition is barred by the law of the state where your estate is, or could be, probated.

22.3. Manner of Effecting a Transfer on Death. This Franchise Agreement will terminate thirty (30) days after your death, unless your personal representative notifies us within that time of: (a) the name of the proposed transferee; and (b) the personal representative's willingness to continue the business during the administration of your estate. We will then have 150 additional days to approve the proposed transferee, and your personal representative will have the same period to effect the transfer. The transfer must be in written form approved by us in advance. The transferee will be required to execute our then-current franchise agreement.

22.4. Further Transfer by Beneficiary. The new agreement signed by the transferee will not permit further assignment or transfer to members of the franchisee's immediate family without payment of a franchise fee or fee similar to the fee described in 20.1(e), above.

23. COVENANT NOT TO COMPETE

For a period of 12 months after the effective date of expiration or termination of this Franchise Agreement for any reason, or the date on which you or the operating corporation cease to operate the Franchised Business or use the Marks, whichever is later, neither you nor the operating corporation nor the guarantors listed in Attachment III will, directly or indirectly, for yourselves or for any other person or entity, alone or through or on behalf of others, own, engage in, be employed by, advise, assist, lease or sublease to, invest in, franchise, lend money to, sell or lease the assets of the Franchised Business to, or have any financial or other interest in, any vehicle rental business within your Exclusive Territory plus the area formed by extending the boundaries of the Exclusive Territory 5 miles in all directions.

24. REMEDIES AND INDEMNITIES

24.1. Waiver of Jury Trial. Each party hereto irrevocably waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in any controversy or claim arising out of or relating to this Franchise Agreement or its breach or the franchise relationship created by this Franchise Agreement, as well as any Collateral Agreement, including without limitation, any claim that this Franchise Agreement or any Collateral Agreement or any part thereof is invalid, illegal or otherwise voidable or void, as well as all civil claims based on public policy and federal, state and local statutes, regulations and ordinances (including claims based on federal, state or local laws pertaining to granting or establishing franchises and deceptive and unfair trade practices).

24.2. Jurisdiction and Exclusive Venue in Legal Actions. If either party institutes any legal or equitable action against the other asserting those claims expressly excepted from arbitration as provided for in Section 24.1 (if any), such party must proceed in any state or federal court of general jurisdiction located in the State of Mississippi. Both parties irrevocably submit to the jurisdiction of Mississippi courts and each waive any objection they may have to either the jurisdiction or venue of Mississippi courts.

24.3. Attorneys' Fees and Costs of Enforcement. If we succeed in obtaining injunctive or equitable relief against you, or if we succeed in any action or proceeding instituted against you for the payment of any fees due under this Agreement or any Collateral Agreement, you must reimburse us for all expenses that we incur in connection with the litigation (including our actual attorneys' fees, expert and witness fees, professional fees, costs of investigation and costs of suit). With respect to all other claims, the prevailing party shall be entitled to recover its reasonable costs and expenses incurred in connection with the litigation or proceeding (including actual attorneys' fees, expert and witness fees, professional fees, costs of investigation and costs of suit).

24.4. Punitive and Consequential Damages. Neither you nor the operating corporation will be entitled to compensation or reimbursement from U-Save for loss of prospective profits, anticipated sales or other losses or consequential damages of any kind or nature caused by cancellation, termination, expiration or non-renewal of this Franchise Agreement. Neither you nor the operating corporation will be entitled to recover from U-Save or its officers, directors or agents for punitive damages.

24.5. Damages for Service Mark Infringement. If you violate our federal, state or common law trademark or service mark rights, our right to injunctive relief will not preclude our recovery of money damages from you as provided by federal, state or common law.

24.6. Indemnification of U-Save. If we or any of our affiliates, successors, assigns, directors, officers, employees and agents are subjected to any claim, demand or penalty or become a party to any suit or other judicial or administrative proceeding or any investigation, or enter into any settlement by reason of:

(a) a claimed act or omission by you, your rental customers, your employees, agents, assignees, owners, directors, investors or officers; or

(b) a claimed act or omission by the directors, officers, employees or agents of the operating corporation; or

(c) an act or omission occurring in the Franchised Business; or

(d) any act or omission with respect to the Franchised Business, whether or not resulting from our negligence, that of our affiliates, parent company, officers, directors or agents, including, but not limited to, delivering or picking up a vehicle.

You will indemnify, defend and hold us, our affiliates, directors, officers, employees and agents harmless against all judgments, settlements, penalties and expenses, including attorney fees, court costs, and other expenses of litigation, incurred or imposed in connection with the resulting investigation or defense. Your obligation extends equally to any proceeding brought by or against us for collection of money judgments arising out of the above-recited actions; and your obligation continues after termination or expiration of this Franchise Agreement. You must give us notice of any such action, suit, proceeding, claim or demand, inquiry or investigation as soon as possible. We may voluntarily, but we are not obligated to, assume the defense or settlement of the proceeding or claim. We have the sole discretion to choose our own attorneys and to consent to judgment or to agree to settlement, if there are reasonable grounds.

25. CONTRACT INTERPRETATION; MODIFICATION; NOTICE; OTHER PROVISIONS

25.1. Governing Law. This Franchise Agreement will be construed according to the law of the State of Mississippi.

25.2. Construction. All references in this Franchise Agreement to the singular apply to the plural where appropriate, and all references to the masculine include the feminine. If any part of this Franchise Agreement is declared invalid, that declaration will not affect the validity of the balance of the Franchise Agreement. If the applicable law or rule requires a longer notice period than that stated in this Franchise Agreement, the statutory or regulatory notice requirements will be substituted.

25.3. Waiver. No waiver by us of any breach or series of breaches of this Franchise Agreement will constitute a waiver of any additional breach or waiver of the performance of any of your obligations under this Franchise Agreement. Our acceptance of any payment from you, or our failure, refusal or neglect to exercise any right to insist upon your full compliance with obligations under this Franchise Agreement or with any specification, standard or operating procedure or rule, will not constitute a waiver of any provision of this Franchise Agreement.

25.4. Notices. All written notices permitted or required by the terms of this Franchise Agreement or the Manual will be deemed delivered when actually received or delivered to by hand, by facsimile or three days after being placed in the U.S. mail or one day after being left with an overnight delivery service. Notices shall be addressed to us at our then current principal business address, or to you at your home address or the most current address of which we have been notified in writing.

25.5. Scope and Modification of this Agreement. This Franchise Agreement constitutes the entire agreement between you and us and supersedes all earlier and contemporaneous, oral or written agreements or understandings between you and us about the subject matter of this Franchise Agreement. No modification or change to this Franchise Agreement will have any effect unless it is in writing and signed by you and our authorized agent or employee. Nothing in this paragraph is intended to disclaim anything contained in the Franchise Disclosure Document or its attachments delivered contemporaneously with this Agreement.

25.6. Independent Contractors. You and U-Save are independent contractors and no training, assistance or supervision which we may give or offer to you will defeat this status. We will not be liable for damages to any person or property arising directly or indirectly out of the operation of the Franchised Business, whether caused by Franchisee's negligent or willful actions or failure to act. We will not be liable for taxes of any kind levied upon you or the Franchised Business. The relationship created by this Franchise Agreement is not a relationship between principal and agent, nor is it a fiduciary relationship, nor is it one of master and servant. No party has the authority to enter into any contract, assume any obligations or give any warranties or representations on behalf of any other party. Each party acknowledges that Franchisee is the sole and independent owner of its business, shall be in full control thereof, and shall conduct such business solely in accordance with its own judgment and discretion, subject only to the provisions of this Franchise Agreement. Franchisee shall conspicuously identify itself as the independent owner of its business and as a franchisee of Franchisor.

25.7. Franchisee's Employees. Franchisee's employees are under Franchisee's sole control. Franchisor is not the employer or joint employer of Franchisee's employees. Franchisor will not exercise direct or indirect control of Franchisee's employees' working conditions. Franchisor does not share or codetermine the terms and conditions of employment of Franchisee's employees or participate in matters relating to the employment relationship between Franchisee and its employees, such as hiring, promotion, demotion, termination, hours or schedule worked, rate of pay, benefits, work assigned, discipline, response to grievances and complaints, or working conditions. Franchisee has sole responsibility and authority for these terms and conditions of employment. Franchisee must notify and communicate clearly with its employees in all dealings, including, without limitation, its written and electronic correspondence, paychecks, and other materials, that Franchisee (and only Franchisee) is their employer and that Franchisor is not their employer.

25.8. Survival of Obligations. The obligations in this Franchise Agreement, which by their terms require performance after the expiration or termination of this Franchise Agreement, will be enforceable despite the expiration or termination of this Franchise Agreement for any reason.

25.9. Successors. Subject to the restrictions on assignment recited above, this Franchise Agreement is binding upon and inures to the benefit of, the permitted successors, assignees, heirs and personal representatives of the parties.

25.10. Effective Date. This Franchise Agreement will be effective after execution by an authorized representative of U-Save in Ridgeland, Mississippi, on the date so indicated on the signature page.

26. ACKNOWLEDGMENTS; REPRESENTATIONS

26.1. Acknowledgments. You understand and acknowledge that operating a Franchised Business involves business risks and that the volume, profit, income and success of your Franchised Business depends primarily upon your ability and efforts as an independent businessperson and local market conditions, over which we have no control.

26.2. No Earnings Representations. None of our officers, salespersons or other representatives or employees are authorized to make, and we expressly disclaim the making of, any representation, warranty or guarantee, express or implied, as to the potential volume, profit, income or success of your Franchised Business or as to the actual volume, profit, income or success that may have been realized by any of our other franchisees. You acknowledge that you have neither received nor relied on any such representations, warranties or guarantees in connection with your evaluation of the Franchised Business or decision to enter into this Franchise Agreement.

26.3. Representations of Franchisee. You and each principal represent and warrant to us that neither you nor any principal is identified, either by name or an alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U. S. Treasury Department's Office of Foreign Assets Control (text available at http://www.treas.gov/offices/enforce-ment/ofac/). Further, you and each principal represent and warrant that they have not violated and agree that they will not violate any law (in effect now or which may become effective in the future) prohibiting corrupt business practices, money laundering or the aid or support of Persons who conspire to commit acts of terror against any Person or government, including acts prohibited by the U. S. Patriot Act (text available at http://www.epic.org/privacy/terrorism/hr3162.html), U. S. Executive Order 13244 (text available at http://www.treas.gov/offices/enforcement/ofac/programs/terror/terror.shtml), or any similar law. The foregoing constitutes continuing representations and warranties, and you and each Principal must notify us immediately in writing of the occurrence of any event or the development of any circumstance that might render the foregoing representation and warranty false, inaccurate or misleading.

Signature Page

You represent that you have read this Franchise Agreement and our Disclosure Document in their entirety, and that you have been given the opportunity to clarify any provisions and information that you did not understand and to consult with an attorney or other professional advisor. You were not induced to enter into this Franchise Agreement on the strength of any promises by us. You understand the terms, conditions and obligations of this Franchise Agreement and the franchise and agree to be bound thereby.

In Witness Whereof, the parties have signed as follows:
(If you are an Individual Franchisee, sign below:)

__________________________________ Printed Name of Individual Franchisee	__________________________________ Printed Name of Witness
__________________________________ Signature of Individual Franchisee	__________________________________ Signature of Witness
__________________________________ Home Address of Individual Franchisee (Street)	
__________________________________ City, State and Zip Code	
__________________________________ Date Signed by Individual Franchisee	
__________________________________ Individual Franchisee’s Home Telephone Number	

(If you are a Corporate/LLC Franchisee, sign below:)

__________________________________ Printed Name of Corporate/LLC Franchisee	
__________________________________ Printed Name and Title of Authorized Person Signing	__________________________________ Printed Name of Witness
__________________________________ Signature	__________________________________ Signature of Witness
__________________________________ Date Signed	

U-SAVE AUTO RENTAL OF AMERICA, INC.

By:__________________________________

Title:_________________________________

Date Signed: ____________________________

The Effective Date of this Franchise Agreement is __________________________________, ______.

This Franchise Agreement expires at midnight on __________________________________, ______.

U-SAVE AUTO RENTAL®

ATTACHMENT I - EXCLUSIVE TERRITORY AND PERFORMANCE STANDARDS

The Exclusive Territory for this Franchise Agreement is (see attached pages, if necessary):

____

____

If the area is described as a municipal or state political subdivision, such as a city or county, the Exclusive Territory will consist of the political boundaries of that subdivision as they exist on the Effective Date. If the Exclusive Territory is described otherwise, its boundaries run to the center of streets, routes or highways. This Exclusive Territory does not include any airports located within the Exclusive Territory unless specified.

The address of the Franchised Business within the Exclusive Territory is:__________________________________

____

The following are the minimum average numbers of vehicles per month you will own, use or keep for use in the Franchised Business in the following periods:

1st through 6th month: ______________________________

7th through 12th month: _____________________________

13th through 24th month: ____________________________

If you fail to maintain the minimum average numbers shown above, after the first 24 months of the term of this Agreement, we may, in our sole discretion at any time during the remainder of the term of this Agreement, reduce your Exclusive Territory or terminate this Agreement. Performance standards for the remaining term of this Agreement will be mutually agreed upon at the end of the 24th month and annually thereafter. If you fail to meet your performance standards for the remaining term of this Agreement, we may, in our sole discretion, reduce your Exclusive Territory in this or any subsequent franchise agreement, or refuse to grant a subsequent franchise agreement under paragraph 2.3 of this Agreement.

____
Franchisee's Signature (or Signature of Authorized Representative of Corporate/LLC Franchisee)

____
Print Name (and Title, if applicable)

____
Date Signed

U-SAVE AUTO RENTAL OF AMERICA, INC.

By:____

Title:____

Date Signed:_____________________________________

U-SAVE AUTO RENTAL®

ATTACHMENT II.A - TELEPHONE NUMBER TRANSFER AUTHORIZATION

To:

Telephone Company: ____

Address: ____

City, State, Zip: ____

Phone: ____

Fax: ____

I/we hereby authorize __________________________ to transfer the following telephone number(s), and any other numbers used or advertised in connection with the name "U-Save®," to U-Save Auto Rental of America, Inc., or a designee of its choosing, and by doing so I/we relinquish all future claims to these numbers. U-Save may effect the transfer when and if the Franchise Agreement of which this authorization is a part expires or is terminated at any time during the franchise agreement dates of ___________________ to ___________________ plus 12 months. U-Save is authorized to pay any delinquent charges owed by the releasing customer to the Telephone Company in order to effect the transfer. I/we will reimburse U-Save for any charges that U-Save pays to the Telephone Company, without abatement or setoff.

1. _____ - ____________________

2. _____ - ____________________

3. _____ - ____________________

4. _____- _____________________

Billing Name of Releasing Customer: ________________________________

Authorized Signature: ________________________________

Printed Name of Authorized Signer: ________________________________

Title: ________________________________

Date Signed: ________________________________

U-SAVE AUTO RENTAL®

ATTACHMENT II.B - IRREVOCABLE POWER OF ATTORNEY (TRANSFER OF TELEPHONE NUMBERS)

STATE OF ________________________________

KNOW ALL MEN BY THESE PRESENTS

COUNTY OF ______________________________

That ______________________________ ("Franchisee") does hereby irrevocably constitute and appoint U-Save Auto Rental of America, Inc., a Mississippi corporation, its successors and assigns ("U-Save"), true and lawful attorney-in-fact and agent for Franchisee and in Franchisee's name, place and stead, to do or cause to be done all things and to sign, execute, acknowledge, certify, deliver, accept, record and file all such agreements, certificates, instruments and documents as, in the sole discretion of U-Save, shall be necessary or advisable for the sole purpose of assigning to U-Save or its designee all of Franchisee's right, title and interest in and to any and all telephone numbers of Franchisee's U-Save Car & Truck Rental® Franchised Business and all related Yellow Pages, White Pages and other business listings, including but not limited to, the execution and delivery of any transfer documentation required by the applicable telephone service company providing telephone services to Franchisee, hereby granting unto U-Save full power and authority to do and perform any and all acts and things which, in the sole discretion of U-Save, are necessary or advisable to be done as fully to all intents and purposes as Franchisee might or could itself do, hereby ratifying and confirming all that U-Save may lawfully do or cause to be done by virtue of this Power of Attorney and the powers herein granted.

During the term of this Power of Attorney and regardless of whether Franchisee has designated any other person to act as its attorney-in-fact and agent, no person, firm or corporation dealing with U-Save shall be required to ascertain the authority of U-Save, nor to see to the performance of the agency, nor be responsible in any way for the proper application of funds or property paid or delivered to U-Save. Any person, firm or corporation dealing with U-Save shall be fully protected in acting and relying on a certificate of U-Save that this Power of Attorney on the date of such certificate has not been revoked and is in full force and effect, and Franchisee shall not take any action against any person, firm or corporation acting in reliance on such a certificate or a copy of this Power of Attorney. Any instrument or document executed on behalf of Franchisee by U-Save shall be deemed to include such a certificate on the part of U-Save, whether or not expressed. This paragraph shall survive any termination of this Power of Attorney.

This Power of Attorney shall terminate two (2) years following the expiration or termination of that certain Franchise Agreement dated as of _________________, 20__, by and between U-Save and Franchisee. Such termination, however, shall not affect the validity of any act or deed that U-Save may have effected prior to such date pursuant to the powers herein granted.

This instrument is to be construed and interpreted as an irrevocable power of attorney coupled with an interest and such power of attorney shall not be affected by the subsequent disability or incapacity of the principal. It is executed and delivered in the State of Mississippi and the laws of the State of Mississippi shall govern all questions as to the validity of this Power of Attorney and the construction of its provisions.

(The next page is the signature page.)

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney as of the _______ day of ________ _______________, 20_.

____
Franchisee's Signature (or Signature of Authorized Representative of Corporate/LLC Franchisee)

____
Print Name (and Title, if applicable)

____
Date Signed

U-SAVE AUTO RENTAL®

ATTACHMENT III – OWNERSHIP

The ownership structure of ____
(Name of Corporate/LLC Franchisee)
(the "Company") is shown below.

The Company is established under the laws of the State of ____

If the Company is a corporation, the total number of shares of common voting stock issued and outstanding is _______; the total number of preferred shares issued and outstanding is ______________; the total number of non-voting common shares issued and outstanding is __________________.

You grant us the right to request copies of the Company's Articles of Incorporation, Articles of Organization, stock or membership certificates and other corporate documents to verify the accuracy of the information in this Attachment III.

A. The shareholders or members of the Company are:

	Printed Name and Home Address of Shareholder or Member	Type of Stock or Membership Interest (e.g., common, preferred voting, non-voting stock, etc.)	Number of Shares/ Amount of Interest Owned
1.	______________________________	________________________	____________________
	______________________________		
	______________________________		
2.	______________________________	________________________	____________________
	______________________________		
	______________________________		
3.	______________________________	________________________	____________________
	______________________________		
	______________________________		
4.	______________________________	________________________	____________________
	______________________________		
	______________________________		

B. All other investors or persons with a beneficial interest in the Company are:

	Printed Name and Home Address of Security Owner (e.g., debenture, bond, warrant, etc.)	Type of Security or Interest	Number or Face Value
1.	____________________	________________	________________
	____________________		
	____________________		
2.	____________________	________________	________________
	____________________		
	____________________		
3.	____________________	________________	________________
	____________________		
	____________________		

C. The Directors and, if applicable, Managers of the Company are:

	Name	Home Address
1.	____________________	________________________
		________________________
2.	____________________	________________________
		________________________
3.	____________________	________________________
		________________________
4.	____________________	________________________
		________________________
5.	____________________	________________________
		________________________

D. The following persons shall sign the Personal Undertaking and Guaranty in the form attached to this Attachment.

Printed Name

1. ______________________________

2. ______________________________

3. ______________________________

4. ______________________________

5. ______________________________

6. ______________________________

We have the sole right to determine who must be a guarantor of this Franchise Agreement. If shareholders, members, investors, managers, directors or persons with beneficial interests in the Company are added to the above-described ownership structure, we have the right to demand that additional persons become guarantors of this Franchise Agreement. Failure to comply is a breach of this Franchise Agreement.

____
Franchisee's Signature (or Signature of Authorized Representative of Corporate/LLC Franchisee)

____
Print Name (and Title, if applicable)

____
Date Signed

U-SAVE AUTO RENTAL OF AMERICA, INC.

By: ______________________________

Title: ______________________________

Date Signed: ______________________________

U-SAVE AUTO RENTAL®

PERSONAL UNDERTAKING AND GUARANTY

THE UNDERSIGNED GUARANTOR ("Guarantor"), hereby delivers this Personal Undertaking and Guaranty ("Undertaking and Guaranty") to **U-Save Auto Rental of America, Inc.** ("U-Save") on the date reflected below (1) as an inducement for, and condition of, the grant of a U-Save Car & Truck Rental® Business ("Franchise") to ____________________________________ ("Franchisee") pursuant to the terms and conditions of a certain U-Save franchise agreement ("Franchise Agreement"); and (2) as partial consideration for the grant of the Franchise.

1. Guarantor acknowledges and represents that he or she has read the terms and conditions of the Franchise Agreement.

2. Guarantor guarantees to U-Save the full, prompt, and complete performance by Franchisee of all of the terms, conditions, and covenants contained in (1) the Franchise Agreement including, without limitation, the payment of all fees and amounts due under the Franchise Agreement, (2) any agreement for insurance obtained through Peakstone Financial Services, Inc., (3) any agreement between the franchisee and U-Save Leasing, Inc., and (4) any agreement made between U-Save and any other affiliate of U-Save. This guarantee shall continue until all the terms and conditions of the Franchise Agreement have been fully performed. Guarantor shall not be released of any obligation or liability hereunder so long as there is any claim or right of claim arising out of the Franchise Agreement. This guarantee shall be unlimited as to duration or amount.

3. Guarantor agrees to be personally bound by all of the restrictions, obligations and covenants contained in the Franchise Agreement including, without limitation:

(a) All restrictions contained in paragraph 7.2 (entitled "Your Commercial Communication");

(b) The representations and obligations concerning trade secrets and proprietary information contained in paragraph 11.6 (entitled "Trade Secrets and Proprietary Information");

(c) All obligations contained in paragraph 17 (entitled "Service Marks");

(d) The restrictions against assignment contained in paragraph 19.2 (entitled "Assignment by You");

(e) The restrictions against sale contained in paragraph 20 (entitled "Sale of Assets or Stock to a Third Party");

(f) The covenants contained in paragraph 11.18 (entitled "Exclusive Dealing") and paragraph 23 (entitled "Covenant Not To Compete");

(g) The jurisdiction and venue provisions set forth in paragraph 24.2 ("Jurisdiction and Venue in Legal Actions") (except as superseded by applicable law); provided that this provision will not abrogate any rights Guarantor may have under applicable state franchising laws and regulations to bring suit in another jurisdiction. Guarantor may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law;

(h) The attorneys' fees provision set forth in paragraph 24.3 (entitled "Attorneys' Fees and Costs of Enforcement"); and

(i) The indemnification provision set forth in paragraph 24.6 (entitled "Indemnification of U-Save").

4. U-Save may waive, renew, extend, modify, amend, or release any indebtedness or obligation of Franchisee or settle, adjust, or compromise any claims that it may have against Franchisee without notice to Guarantor, and without affecting any of U-Save's rights under this Undertaking and Guaranty.

5. Guarantor waives all demands and notices of every kind with respect to the enforcement of this Undertaking and Guaranty including, without limitation, notices of presentment, demand for payment or performance by Franchisee, notice of nonpayment, notice of protest and all exemptions are waived. U-Save shall have no obligation to notify Guarantor of the release of any other guaranty or other security given for Franchisee's obligations under the Franchise Agreement.

6. U-Save may pursue its rights against Guarantor or any other guarantor without first exhausting its remedies against Franchisee and without joining any other guarantor.

7. No delay on the part of U-Save in the exercise of any right or remedy will operate as a waiver of the right or remedy, and no single or partial exercise by U-Save of any right or remedy will preclude the further exercise of that or any other right or remedy.

8. The obligations contained in this Undertaking and Guaranty shall be continuing, and shall not be affected by any modification, amendment or extension of the Franchise Agreement.

9. In the event of Guarantor's death, Guarantor's estate shall be bound by all of the obligations contained in this Undertaking and Guaranty only with respect to defaults and obligations existing under the Franchise Agreement at the time of Guarantor's death.

10. This Guaranty will be construed according to the laws of the State of Mississippi and shall be binding upon and inure to the benefit of the parties, their successors, assigns, and personal representatives.

11. Guarantor irrevocably submits to the jurisdiction of Mississippi courts and waives any objection that he or she may have to either the jurisdiction or venue of Mississippi courts; provided that this provision will not abrogate any rights Guarantor may have under applicable state franchising laws and regulations to bring suit in another jurisdiction. Guarantor may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

12. **GUARANTOR WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, INVOLVING U-SAVE, WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THE FRANCHISE AGREEMENT, THE PERFORMANCE OF ANY PARTY UNDER THE FRANCHISE AGREEMENT, AND/OR THE OFFER OR GRANT OF THE U-SAVE FRANCHISE.**

IN WITNESS WHEREOF, intending to be legally bound, Guarantor has caused this Undertaking to be executed on the date set forth below.

______________________________	______________________________
Witness	Franchisee's Signature (or Signature of Authorized Representative of Corporate/LLC Franchisee)
	______________________________
	Print Name (and Title, if applicable)
	______________________________
	Date Signed

U-SAVE AUTO RENTAL®

CALIFORNIA AMENDMENT TO FRANCHISE AGREEMENT

This Amendment modifies the Franchise Agreement dated __________________, __________________ ("Franchise Agreement") between U-Save Auto Rental of America, Inc. ("U-Save," "we," "us" or "our"), ________________________________ ("you" or "Franchisee") and the guarantors identified in Attachment III to the Franchise Agreement.

1. Paragraph 18 of the Franchise Agreement is amended by adding the following:

   18.0. California Code. California Business and Professions Code Sections 20000 through 20043 provide you rights concerning termination and non-renewal of the franchise. If this Agreement contains a provision that is inconsistent with the law, the law will control.

2. Paragraph 18.3(f) of the Franchise Agreement is amended by adding the following:

   (This provision may not be enforceable under California law.)

3. Paragraph 23 of the Franchise Agreement is amended by adding the following:

   (This covenant not to compete may not be enforceable under California law.)

4. Paragraph 24.2 of the Franchise Agreement is amended by adding the following:

   (This provision may not be enforceable under California law.)

5. Paragraph 25.1 of the Franchise Agreement is amended by adding the following:

   (This provision may not be enforceable under California law.)

6. The Department has determined that either the franchisor has not demonstrated it is adequately capitalized or that the franchisor must rely on franchise fees to fund operations. The Commissioner has imposed and U-Save has agreed to postpone payment of the entire amount of the initial franchise fee until after U-Save's initial obligations are complete and the franchisee has opened for business.

____
Franchisee's Signature

____
Print Name

____
Date Signed

U-SAVE AUTO RENTAL OF AMERICA, INC.

By: ____

Title: ____

Date Signed: ___________________________________

U-SAVE AUTO RENTAL®

ILLINOIS AMENDMENT TO FRANCHISE AGREEMENT

This Amendment modifies the Franchise Agreement dated__________________,__________________ ("Franchise Agreement") between U-Save Auto Rental of America, Inc. ("U-Save," "we," "us" or "our"), ________________________________ ("you" or "Franchisee") and the guarantors identified in Attachment III to the Franchise Agreement.

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void.

Section 41 of the Illinois Franchise Disclosure act provides that any condition, stipulations or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Your right upon termination or non-renewal of a franchise agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

Payment of the initial franchise fee shall be deferred until Franchisor has satisfied its pre-opening obligations to Franchisee and Franchisee has commenced doing business. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

U-SAVE AUTO RENTAL OF AMERICA, INC.

By:____

Title:_______________________________________

Date:_______________________________________

____
Franchisee's Signature

____
Print Name

____
Date Signed

U-SAVE AUTO RENTAL®

INDIANA AMENDMENT TO FRANCHISE AGREEMENT

This Amendment modifies the Franchise Agreement dated ________________, __________________ (“Franchise Agreement”) between U-Save Auto Rental of America, Inc. (“U-Save,” “we,” “us” or “our”), _________________________ (“you” or “Franchisee”) and the guarantors identified in Attachment III to the Franchise Agreement.

1. Paragraph 23 of the Franchise Agreement is amended by adding the following:

   (In accordance with Indiana law, the post-termination covenant not to compete will not apply to your activities outside of the Exclusive Territory.)

2. Paragraph 24.2 of the Franchise Agreement is deleted in its entirety.

3. Paragraph 24.3 of the Franchise Agreement is deleted in its entirety.

4. Paragraph 24.4 of the Franchise Agreement is deleted in its entirety.

5. Paragraph 25.1 is deleted in its entirety, and in its place is added:

   25.1 Governing Law. This Agreement shall be construed according to the laws of the state in which the Franchised Business is located.

U-SAVE AUTO RENTAL OF AMERICA, INC.

______________________________________ Franchisee’s Signature	By:______________________________________
______________________________________ Print Name	Title:____________________________________
______________________________________ Date Signed	Date Signed:______________________________

U-SAVE AUTO RENTAL®

MARYLAND AMENDMENT TO FRANCHISE AGREEMENT

This Amendment modifies the Franchise Agreement dated __________________, ________ ("Franchise Agreement") between U-Save Auto Rental of America, Inc. ("U-Save," "we," "us" or "our"), __________ _________________________________ ("you" or "Franchisee") and the guarantors identified in Attachment III to the Franchise Agreement.

1. The general release required as a condition of transfer/assignment shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to, nor shall they act as, a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

3. Any provision in the Agreement which requires litigation to be conducted in a forum other than the State of Maryland will not limit any rights you may have under the Maryland Franchise Registration and Disclosure Law to bring suit in the State of Maryland.

4. Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

____
Franchisee's Signature

____
Print Name

____
Date Signed

U-SAVE AUTO RENTAL OF AMERICA, INC.

By: ____

Title: _______________________________________

Date Signed: __________________________________

U-SAVE AUTO RENTAL®

MINNESOTA AMENDMENT TO FRANCHISE AGREEMENT

This Amendment modifies the Franchise Agreement dated __________________, ________ ("Franchise Agreement") between U-Save Auto Rental of America, Inc. ("U-Save," "we," "us" or "our"), __________ _________________________________ ("you" or "Franchisee") and the guarantors identified in Attachment III to the Franchise Agreement.

1. Paragraph 18 of the Franchise Agreement is amended by adding the following:

   18.4. Minnesota Law. Minnesota law provides you with certain termination and non-renewal rights. Minn. Stat. Section 80C.14, Subd. 3, 4 and 5 requires, except in certain specified cases, that U-Save give you 90 days' written notice of termination and 60 days to cure. U-Save must also give you at least 180 days' notice of its intention not to renew the Franchise Agreement.

2. Paragraph 20.1(b) of the Franchise Agreement is amended by adding the following:

   Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.

3. Section 24.1 and 24.2 of the Franchise Agreement are amended by adding to each the following:

   The Franchisor may <u>seek</u> injunctive relief. A court will determine if a bond is required.

4. Paragraphs 24.2 and 25.1 of the Franchise Agreement are amended by adding to each the following:

   This paragraph will not in any way abrogate or reduce your rights under Minnesota law, including the right to submit matters to the jurisdiction of the courts of Minnesota.

____
Franchisee's Signature

____
Print Name

____
Date Signed

U-SAVE AUTO RENTAL OF AMERICA, INC.

By: ____

Title: ______________________________________

Date Signed: _________________________________

U-SAVE AUTO RENTAL®

NEW YORK AMENDMENT TO FRANCHISE AGREEMENT

This Amendment modifies the Franchise Agreement dated__________________, ________ ("Franchise Agreement") between U-Save Auto Rental of America, Inc. ("U-Save," "we," "us" or "our"), __________ _________________________________ ("you" or "Franchisee") and the guarantors identified in Attachment III to the Franchise Agreement.

1. Paragraph 2.3(b) of the Franchise Agreement is deleted in its entirety.

2. Paragraph 11.16 of the Franchise Agreement is deleted in its entirety.

3. Paragraph 12.4 of the Franchise Agreement is deleted in its entirety.

4. The second full paragraph of Paragraph 15.1 of the Franchise Agreement is deleted in its entirety.

5. Paragraph 15.4 of the Franchise Agreement is deleted in its entirety.

6. Paragraph 18.1 of the Franchise Agreement is amended by adding the following language at the end of the first unnumbered paragraph:

    "You may terminate this Agreement on any grounds available by law."

____
Franchisee's Signature

____
Print Name

____
Date Signed

U-SAVE AUTO RENTAL OF AMERICA, INC.

By:____

Title:____

Date Signed: __________________________________

U-SAVE AUTO RENTAL®

NORTH DAKOTA AMENDMENT TO FRANCHISE AGREEMENT

This Amendment modifies the Franchise Agreement dated __________________, ________ ("Franchise Agreement") between U-Save Auto Rental of America, Inc. ("U-Save," "we," "us" or "our"), __________ __________________________ ("you" or "Franchisee") and the guarantors identified in Attachment III to the Franchise Agreement.

1. Paragraph 5 of the Franchise Agreement is deleted in its entirety and in its place is added:

   In accordance with North Dakota Law, the Franchisor will defer collection of all Initial Franchise Fees, which are not refundable, until all initial obligations owed to Franchisee under the Franchise Agreement or other documents have been fulfilled by the Franchisor and the Franchisee has commenced doing business pursuant to the Franchise Agreement. This requirement has been imposed on the Franchisor by the North Dakota Securities Department based on the Franchisor's financial statements.

2. Paragraph 23 of the Franchise Agreement is amended by adding the following:

   (Covenants not to compete are subject to Section 09-08-06 of the North Dakota Code.)

3. Paragraph 24.2 of the Franchise Agreement is deleted in its entirety.

4. Paragraph 24.3 of the Franchise Agreement is deleted in its entirety, and in its place is added:

   24.3 Costs of Enforcement. The prevailing party in any action to enforce obligations under this agreement will be entitled to recover all costs and expenses of such action, including attorney fees.

5. Paragraph 24.4 of the Franchise Agreement is deleted in its entirety.

6. Paragraph 25.1 of the Franchise Agreement is deleted in its entirety, and in its place is added:

   25.1 Governing Law. As required by North Dakota law, this Agreement shall be construed according to the laws of North Dakota.

U-SAVE AUTO RENTAL OF AMERICA, INC.

____ Franchisee's Signature	By:____
____ Print Name	Title:______________________________________
Date Signed:______________________________	Date Signed:_______________________________

U-SAVE AUTO RENTAL®

RHODE ISLAND AMENDMENT TO FRANCHISE AGREEMENT

This Amendment modifies the Franchise Agreement dated __________________, ________ ("Franchise Agreement") between U-Save Auto Rental of America, Inc. ("U-Save," "we," "us" or "our"), __________ __________________________________ ("you" or "Franchisee") and the guarantors identified in Attachment III to the Franchise Agreement.

1. Paragraphs 24.2 and 25.1 of the Franchise Agreement are amended by adding to each the following:

   Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "a provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

____
Franchisee's Signature

____
Print Name

____
Date Signed

U-SAVE AUTO RENTAL OF AMERICA, INC.

By: ____

Title: ____

Date Signed: ____________________________________

U-SAVE AUTO RENTAL®

SOUTH DAKOTA AMENDMENT TO FRANCHISE AGREEMENT

This Amendment modifies the Franchise Agreement dated__________________, ________ ("Franchise Agreement") between U-Save Auto Rental of America, Inc. ("U-Save," "we," "us" or "our"), __________ ________________________________ ("you" or "Franchisee") and the guarantors identified in Attachment III to the Franchise Agreement.

1. Paragraph 5 is amended by striking the current language and replacing with the following:

   In accordance with South Dakota Law, the Franchisor will defer collection of all Initial Franchise Fees, which are not refundable, until all initial obligations owed to Franchisee under the Franchise Agreement or other documents have been fulfilled by the Franchisor and the Franchisee has commenced doing business pursuant to the Franchise Agreement. This requirement has been imposed on the Franchisor by the South Dakota Securities Department based on the Franchisor's financial statements.

2. Paragraph 18.1(v) of the Franchise Agreement is deleted in its entirety, and in its place is added:

   (u) you fail to pay us royalties, insurance premiums or insurance deposits or any other money due within 30 days after written notice is delivered to you.

3. Paragraph 23 of the Franchise Agreement is amended by adding the following:

   Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in South Dakota, except in certain instances as provided by law.

4. Paragraph 24.2 of the Franchise Agreement is deleted in its entirety.

5. Paragraph 24.4 of the Franchise Agreement is deleted in its entirety.

6. Paragraph 25.1 of the Franchise Agreement is deleted in its entirety, and in its place is added:

   25.1 Governing Law. The law regarding franchise registration, employment, covenants not to compete, and other matters of local concern will be governed by the laws of South Dakota; but as to contractual and all other matters, this Agreement and all its provisions will be and remain subject to the application, construction, enforcement and interpretation under the laws of Mississippi.

U-SAVE AUTO RENTAL OF AMERICA, INC.

______________________________ Franchisee's Signature	By:______________________________
______________________________ Print Name	Title:______________________________
Date Signed:______________________	Date Signed:______________________

U-SAVE AUTO RENTAL®

WASHINGTON AMENDMENT TO FRANCHISE AGREEMENT

This Amendment modifies the Franchise Agreement dated __________________, ________ ("Franchise Agreement") between U-Save Auto Rental of America, Inc. ("U-Save," "we," "us" or "our"), __________ __________________________ ("you" or "Franchisee") and the guarantors identified in Attachment III to the Franchise Agreement.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

In accordance with WAC 460-80-460, the Franchisor will defer collection of all Initial Franchise Fees, which are not refundable, until all initial obligations owed to Franchisee under the Franchise Agreement or other documents have been fulfilled by the Franchisor and the Franchisee has commenced doing business pursuant to the Franchise Agreement. This requirement has been imposed on the Franchisor by the Washington Department of Financial Institutions – Securities Division based on the Franchisor's financial statements.

Franchisees who receive financial incentives to refer franchise prospects to Franchisors may be required to register as franchise brokers under the laws of Washington State.

Any release executed in connection with the Franchise Agreement, whether upon transfer or renewal, will not apply to any claims that may arise under the Washington Franchise Investment Protection Act.

As required by Washington law, all contracts will be governed by the laws of the state of Washington.

	U-SAVE AUTO RENTAL OF AMERICA, INC.
______________________________ Franchisee's Signature	By:______________________________
______________________________ Print Name	Title:______________________________
______________________________ Date Signed	Date Signed:________________________

Exhibit D

U-SAVE AUTO RENTAL®

TERMINATION AGREEMENT & RELEASE

U-SAVE AUTO RENTAL®

TERMINATION AGREEMENT AND RELEASE - #_________________

The parties mutually agree that the Franchise Agreement (the "Agreement") dated _________________ between _________________________ ("you" "your", which shall include any Guarantors) and U-Save Auto Rental of America, Inc. ("us," "our"), a copy of which is attached, is hereby terminated, effective on the date this termination is signed by all parties.

You remain liable to us for all undischarged obligations under the Agreement that existed before this termination. You are bound by all post-term obligations under the Agreement including, but not limited to: (i) the covenant not to compete; (ii) your obligation to indemnify us for all damages we suffer because of conduct by you before and after this termination; (iii) your obligation not to use our rental agreement or proprietary materials; (iv) the requirement to return our Manual; (v) your obligation to take all actions required to ensure the prompt assignment to us of all telephone numbers used for the rental location or otherwise in connection with our Marks; and (vi) the obligation not to use the words "U-Save®" or our other Marks in any other business endeavor.

You waive all notice requirements in the Agreement and any statutory notice periods required by law.

You, and your legal representatives and assigns, release and discharge us, our officers, directors, agents, successors, and assigns and other legal representatives, from all claims, demands, actions, judgments and executions that you ever had, now have or may have, known or unknown, or that anyone claiming through you may have or claim to have against us that you know of now, or should know now, from the beginning of time up to the date you and we sign this Termination Agreement and Release.

(If you are an Individual Franchisee, sign below)

____
Printed Name of Individual Franchisee

____
Signature of Individual Franchisee

Date Signed:_____________________________

(If you are a Corporate/LLC Franchisee, sign below:)

____
Name of Corporate/LLC Franchisee

By:_____________________________________

____
Printed Name and Title of Person Signing

Date Signed: ____________________________

U-SAVE AUTO RENTAL OF AMERICA, INC.

By:_____________________________________

Title:___________________________________

Date Signed:_____________________________

U-SAVE AUTO RENTAL®

MARYLAND AMENDMENT TO
TERMINATION AGREEMENT AND RELEASE - #__________________

This Amendment modifies the Termination Agreement and Release dated ________________________, ("Termination Agreement") between U-Save Auto Rental of America, Inc. ("U-Save," "we," "us" or "our") and ___________________________________ ("you").

Section 14-226 of the Maryland Franchise Registration and Disclosure Law prohibits a franchisor from requiring a prospective franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing a franchise. To the extent that this law applies to your execution of the Termination Agreement (for example, if you are signing the Termination Agreement as a condition of renewal), the Termination Agreement is amended to state that nothing in the Termination Agreement is intended, nor shall it act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law as to the franchise being purchased or renewed.

(If you are an Individual Franchisee, sign below)

____
Printed Name of Individual Franchisee

____
Signature of Individual Franchisee

Date Signed:____________________________

(If you are a Corporate/LLC Franchisee, sign below:)

____
Name of Corporate/LLC Franchisee

By:____________________________________

____
Printed Name and Title of Person Signing

Date Signed: ____________________________

U-SAVE AUTO RENTAL OF AMERICA, INC.

By: ___________________________________

Title:__________________________________

Date Signed:____________________________

Exhibit E

U-SAVE AUTO RENTAL®

LIST OF SALES AND SERVICE PERSONNEL

U-SAVE AUTO RENTAL®

FRANCHISE SALES TEAM AND FRANCHISE SERVICES TEAM

The following people are responsible for franchise sales and/or services to franchisees for U-Save in the specified areas.

Jason T. Brown (Director, Franchise Sales)

Mr. Brown joined U-Save Auto Rental of America, Inc. as the Director of Franchise Sales in June 2014. Prior to joining U-Save he served as Senior Manager, Franchise Sales & Operations for North America for Dollar Thrifty Automotive Group/The Hertz Corporation from March 2010 to June 2014. Mr. Brown is responsible for all aspects of franchise sales for the Company.

Torry Zerilla (Franchise Service Manager)

Mr. Zerilla joined U-Save in August 2017 as a Franchise Service Manager. Prior to joining U-Save, he served as Territory Performance Manager and then Airport Manager with Avis Budget Group in Lawrenceville, Georgia, May 2009 to May 2013. Beginning June 1, 2013, through June 2016 Mr. Zerilla served as Airport Manager for Avis Budget Group in Augusta, Georgia. From June 2016 to August 2017, Mr. Zerilla served as Airport Manager for Avis Budget Group in Knoxville, Tennessee.

Jeremy Bass (Vice President of Marketing)

Mr. Bass has served as the Vice President of Marketing & Communications for U-Save Auto Rental of America, Inc. since July 2019. Mr. Bass oversees the production of all marketing materials and advertising resources for the use of the franchisees.

Trey Breckenridge (Vice President of Operations)

Mr. Breckenridge joined U-Save in December 2019. He is a project management professional with proven practical business and administration experience. He focuses on developing innovative strategies to help U-Save achieve its franchise business goals.

Paul Wood (Franchise Service Manager/Regional Sales Director)

Mr. Wood has served as Franchise Service Manager/Regional Sales Director since March 1, 2005. Mr. Wood is the former owner and President of Wood's Used Car Store, Inc., of Toledo, Ohio.

Exhibit F

U-SAVE AUTO RENTAL®

STATE FRANCHISE AGENCIES

U-SAVE AUTO RENTAL®

STATE FRANCHISE AGENCIES

CALIFORNIA

Franchise Division
Department of Financial Protection and Innovation
1515 K. Street
Sacramento, CA 95814
1-866-275-2677

HAWAII

Commissioner of Securities
Department of Commerce
and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

ILLINOIS

Chief, Franchise Division
Office of the Attorney General
500 South Second Street
Springfield, Illinois 62706

INDIANA

Administrator
Indiana Securities Division
302 West Washington St., Room E-111
Indianapolis, Indiana 46204

MARYLAND

Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202

MICHIGAN

Department of the
Attorney General's Office
Consumer Protection Division
Attn: Franchise Section
G Mennen Williams Building, 1st Floor
525 W. Ottawa Street
Lansing, Michigan 48913

MINNESOTA

Commissioner of Commerce
Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198

NEBRASKA

Nebraska Department of
Banking and Finance
1230 "O" Street, Suite 400 (68508-1402)
P.O. Box 95006
Lincoln, Nebraska 68509-5006

NEW YORK

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005
212-416-8285

NORTH DAKOTA

Franchise Examiner
North Dakota Securities Commissioner
600 East Boulevard Avenue
State Capitol, Fifth Floor, Dept. 414
Bismarck, North Dakota 58505
Phone: 701-328-4712

OREGON

Director
Department of Consumer and
Business Services
Division of Finance and
Corporate Securities
Labor and Industries Building
Salem, Oregon 97310

RHODE ISLAND

Department of Business Regulation
Division of Securities
John O. Pastore Complex
1511 Pontiac Avenue, Building 69-1
Providence, RI 02910

SOUTH DAKOTA

Department of Labor and Regulation
Division of Securities
124 South Euclid, Suite 104
Pierre, South Dakota 57501

TEXAS

Statutory Document Section
Secretary of State
P.O. Box 12887
Austin, Texas 78711

VIRGINIA

Chief Examiner
State Corporation Commission
Division of Securities
and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219

WASHINGTON

State of Washington
Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501

WISCONSIN

State of Wisconsin
Department of Financial Institutions
Division of Securities 4th Floor
345 W. Washington Avenue
Madison, Wisconsin 53703

Exhibit G

U-SAVE AUTO RENTAL®
AGENTS FOR SERVICE OF PROCESS

U-SAVE AUTO RENTAL®

AGENTS FOR SERVICE OF PROCESS

CALIFORNIA
Commissioner
Department of Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, California 90013
1-866-275-2677

HAWAII
Commissioner of Securities
Dept of Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

ILLINOIS
Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706

INDIANA
Indiana Secretary of State
302 W. Washington St.
Room E-111
Indianapolis, Indiana 46204

MARYLAND
Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202-2020

MICHIGAN
Michigan Department o Commerce Corporations and Securities Bureau
G Mennen Williams Building
525 W. Ottawa Street
Lansing, Michigan 48913

MINNESOTA
Commissioner of Commerce
Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198

MISSISSIPPI
Mississippi Secretary of State
401 Mississippi Street
Jackson, MS 39201
601-359-1350

NEW YORK
Secretary of State of the State of New York
99 Washington Avenue
Albany, New York 11231

NORTH DAKOTA
Securities Commissioner
North Dakota Securities Department
600 East Boulevard Avenue
State Capitol, Fifth Floor Dept. 414
Bismarck, North Dakota 58505
Phone: 701-328-4712

OREGON
Director
Department of Consumer and Business Services
Division of Finance and Corporate Securities
Labor and Industries Building
Salem, Oregon 97310

RHODE ISLAND
Department of Business Regulation
Division of Securities
John O. Pastore Complex
1511 Pontiac Avenue,
Building 69-1
Providence, RI 02910

SOUTH DAKOTA
Department of Labor and Regulation
Division of Securities
124 South Euclid, Suite 104
Pierre, SD 57501

VIRGINIA
Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219

WASHINGTON
Director of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501
Phone: (360) 902-8760

WISCONSIN
Commissioner of Securities
Fourth Floor
345 West Washington Avenue
Madison, Wisconsin 53703

Exhibit H

U-SAVE AUTO RENTAL®
TABLE OF CONTENTS FOR OPERATIONS MANUAL

Our current Manual consists of 544 total pages, with 33 pages devoted to controls, 41 pages devoted to introducing to U-Save Auto Rental®, 9 pages devoted to Marketing, 16 pages devoted to Key Performance Indicators, 64 pages devoted to Managing the Fleet, 13 pages devoted to Establishing Your Rates, 41 pages devoted to Recommended Policies, 82 pages devoted to Operating Your Location, 35 pages devoted to Operational Reports, 21 pages devoted to Understanding Insurance and Managing Your Risks, 56 pages devoted to Accounting, 17 pages devoted to Ensuring Safety and Security, 101 pages devoted to Attracting and Keeping Motivated Staff, and 15 pages devoted to Servicing Your Customers.

The following is a copy of the Table of Contents of the U-Save Operations Manual.

Section

Controls

Subject

EXPANDED TABLE OF CONTENTS

TAB 04 ***(cont'd)***	**Section**	**Subject**	**Document Number**
		Fleet Plan Instructions and Form	04-01-04
		Sample Completed Fleet Plan Form	04-01-05
		Vehicle Classes	04-01-06
		Specialty Vehicles	04-01-07
		Vehicle Equipment	04-01-08
	Buying the Fleet		
		Fleet Buying Standards	04-02-01
		Buying Used Vehicles	04-02-02
		Buying New Vehicles	04-02-03
		Risk and Repurchase Vehicles	04-02-04
		Depreciation	04-02-05
		Financing	04-02-06
		Leasing	04-02-07
	Receiving, Numbering, and Maintaining the Fleet		
		Fleeting In a Vehicle	04-03-01
		Vehicle Numbering System	04-03-02
		Pre-Rental Checklist and Vehicle Inspection Card	04-03-03

Exhibit I

U-SAVE AUTO RENTAL®
RESERVATION AGREEMENT

RESERVATION SYSTEM AGREEMENT

THIS RESERVATION SYSTEM AGREEMENT (this "Agreement") is made and entered into as of the ___ day of _____________, 2022 by and between **U-Save Auto Rental of America, Inc.** ("**U-Save**") and ________________ d/b/a U-Save Car & Truck Rental ("**Franchisee**").

WHEREAS, Franchisee is desirous of participating in the U-Save® Reservation System (the "**Reservation System**" or "**System**") with its reservation center ("**Reservation Center**") headquartered in Ridgeland, Mississippi or other future location; and

WHEREAS, U-Save, pursuant to the terms and conditions specified herein, is desirous of providing facilities, equipment and personnel for the solicitation, reception and transmission of U-Save Car & Truck Rental® reservations to Franchisee through the Reservation System.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

I. FRANCHISEE RESPONSIBILITIES.

A. **Reservation Fees**. Franchisee agrees to pay to U-Save, upon receipt of an invoice (the "**Reservation Invoice**"), monthly fees as listed below ("**Reservation Fees**") for all reservations which are made for Franchisee by customers, airlines, travel agents, tour agencies, Internet, E-commerce or otherwise through the Reservation System during the preceding month. If payment is not received within 15 days, service will be discontinued immediately. We have the right to require that you make all payments to us automatically and electronically via a pre-authorized automated bank payment system. You agree to sign our current and subsequent forms to facilitate such payments and to instruct your bank to honor such arrangements.

Such Reservation Fees, unless otherwise specified below, shall be in accordance with **Schedule A**, as amended from time to time pursuant to the terms and conditions contained herein, which schedule is attached hereto and incorporated herein by reference. The Reservation Fees shall be due for all such reservations including, without limitation, reservations which U-Save attempts to transmit to Franchisee but which Franchisee or its employee fails to accept for any reason whatsoever and shall be paid without any setoff or deduction of any kind. The Reservation Fees Franchisee agrees to pay to U-Save consist of the following:

1. **Reservation System Operating Fee**. This fee varies based upon the source of the reservation, i.e., GDS, website, Call Center or tour. Specific rates, at the time this document was prepared, are set forth on Schedule A. These fees are subject to modification by the underlying supplier.

2. **Travel Agent and Travel Site Commissions**. All locations must utilize the TACS Program for payment of Travel Agent commissions. Said commissions will be paid at the applicable percentages accepted in the industry. For any commission due for bookings NOT made through the GDS, or any contracted source, U-Save will bill the franchisee directly for those commissions. Payment will be due within fifteen (15) days of the receipt of invoice. In regard to GDS bookings, the standard rate will be 10% for TACS. Please see attached **Schedule A** for non-standard commission rates. Franchisee must participate in the TACS system for electronic payment of travel agent commissions for all GDS generated reservations.

3. **<u>Customer Complaint Fee</u>**. This fee, as amended from time to time, covers U-Save's administrative expenses in processing customer complaints. The current Customer Complaint Fee is listed on **Schedule A**. This fee is in addition to the amounts that Franchisee must pay U-Save for resolving customer complaints under **Subsection B** below.

4. **<u>Tour/Corporate Voucher Fee</u>**. This fee, as amended from time to time, covers reservations made by tour operators or corporate customers who utilize a voucher system. The current Corporate Voucher Fee is listed on **Schedule A**.

5. **<u>GDS Support Fee (Optional).</u>** This fee, as amended from time to time, covers support provided by U-Save on an as needed basis. The current GDS Support Fee is listed on **Schedule A.**

6. **<u>No-Show Fee for GDS Reservations.</u>** This fee, as amended from time to time, covers no-shows for GDS reservations. If a GDS reservation is cancelled through the booking channel at least twenty-four (24) hours in advance of the scheduled pickup date, then there is no fee. For all other cancellations, there is a GDS no-show fee. The no-show fee is billed instead of the Reservation Operating Fee. The current GDS No-Show Fee is listed on **Schedule A.**

7. **<u>Initial (One Time) Setup Fee.</u>** This fee, as amended from time to time, covers expenses incurred in the initial setup of a franchise account on the Reservation System and all GDS connectivity, and GDS minimums. The current Initial Setup Fee is listed on **Schedule A.**

8. **<u>Monthly Support Fee.</u>** This fee, as amended from time to time, covers support provided by U-Save on a monthly basis. The current monthly Support Fee is listed on **Schedule A.**

9. **<u>Monthly Hosting Fee.</u>** This fee, as amended from time to time, covers Internet web hosting provided by U-Save on a monthly basis. The current Monthly Hosting Fee is listed on **Schedule A.**

10. **<u>Initial Deposit.</u>** This deposit, as amended from time to time, is held by U-Save as security for fees incurred under this Agreement. Upon termination of this agreement, any outstanding fees will be deducted from the Initial Deposit and the balance, if any, will be returned to the Franchisee if requested within 90 days. The Initial Deposit for each reservation channel is listed on Schedule A and is subject to increase based on volume.

11. **<u>Call Center Reservation Fee.</u>** This fee, as amended from time to time, covers the cost of a reservation being taken by a live reservation staff in our Call Center. The current Call Center Fee is listed on **Schedule A.**

B. **<u>Customer Satisfaction Program</u>**.

1. Franchisee authorizes U-Save to act on its behalf to resolve customer complaints by payment, on Franchisee's behalf, of up to the amount periodically designated by U-Save (the "**Minimum Complaint Satisfaction Amount**"). "Minimum Complaint Satisfaction Amount" is defined as "The greater of the full amount of rental charges or $100.00." If U-Save receives a customer complaint relating to Franchisee's U-Save Car & Truck Rental® business that U-Save reasonably believes cannot be satisfied by U-Save's payment to the customer (on Franchisee's behalf) of the Minimum Complaint Satisfaction Amount (or a lesser amount), U-Save will refer the complaint to Franchisee for resolution.

Franchisee shall respond to the customer, (in the case of a tour reservation, the Franchisee will respond to U-Save within this ten (10) day time period) and use its best efforts to resolve the complaint, within ten (10) days after receiving notice of the complaint from U-Save. If U-Save does not receive written evidence of the complaint's resolution within such ten (10) day period, then Franchisee authorizes U-Save to act on its behalf and resolve the complaint by payment, on Franchisee's behalf, of any amount U-Save reasonably deems appropriate (including amounts in excess of the Minimum Complaint Satisfaction Amount).

2. At the Franchisee's request, U-Save will provide Franchisee with a monthly report reasonably documenting payments made by U-Save on Franchisee's behalf under this program.

3. Franchisee will be invoiced by U-Save, as part of Franchisee's monthly reservation system invoice, for amounts paid by U-Save during the prior month to customers in accordance with the Customer Satisfaction Program. Franchisee shall pay this amount upon receipt of the reservation invoice with payment of the other Reservation Fees identified above.

C. **Access to Information**. Franchisee agrees to designate in writing to U-Save an individual(s) who will provide, and Franchisee shall ensure that said individual provides, the Reservation System, either orally or in writing, with the most accurate and current information regarding Franchisee's program participation, vehicle availability, rates, locations, days and hours of operation, as well as all other information applicable to Franchisee and its various U-Save® rental locations which information U-Save may reasonably deem, from time to time, to be necessary for the efficient operation of the Reservation System. Franchisee agrees that U-Save has the right to rely and act upon the information provided by said individual(s) until receipt of written notification to the contrary by Franchisee and designation of a new individual(s).

D. **Use of Symbols**. Franchisee agrees to use letter and number symbols for communicating rental rates, vehicle types, credit cards and other similar information related to the rental transaction which are compatible with and conform to all of the requirements, standards and specifications established from time to time by U-Save and/or the Air Traffic Conference, or other outside standard setting agency, as soon as practical but in no event later than six (6) months after notice from U-Save of said requirements, standards and specifications. The current symbol requirements are specified on **Schedule B,** which is attached hereto and incorporated herein by reference.

E. **Compliance with Law**. Franchisee agrees to fully comply with all applicable local, state and federal laws and regulations, including, for example, consumer protection laws and regulations relating to the advertising, marketing and providing of services offered and/or processed through a computer reservation system. U-Save reserves the right to refuse to communicate or otherwise transmit any information provided to it by Franchisee through its designated individual(s), or otherwise, which would be in violation of any local, state or federal law or regulation and reserves the right to communicate to the public such additional information as U-Save, in its sole discretion, determines is necessary to comply with such laws and regulations.

F. **Prerequisites for Reservations Services**. Franchisee agrees that, as a prerequisite to receiving reservation services through the Reservation System, including, for example, the delivery of reservations to Franchisee, Franchisee will conduct all rental transactions resulting from reservations generated through the Reservation System in accordance with:

1. The terms and conditions of this Agreement;

2. U-Save's then current national account, corporate rate account and marketing programs in which Franchisee has agreed to participate by separate agreement; and

3. The terms and conditions of Franchisee's reservations, including, without limitation, the class of vehicle and the rate; provided, however, that if there are no vehicles available within the reserved vehicle class: i) Franchisee must provide renter with a vehicle in a higher class at the reserved rental rate; or ii) if there are no vehicles available within a higher class, Franchisee must provide renter with a vehicle in the next lowest class as long as it also provides the renter with the best rate for a vehicle in that class, or with the reserved rate, whichever is lower.

G. **GDS Requirements.** Certain components of the U-Save Reservation System are provided through the Global Distribution Systems (GDS). Franchisee agrees to comply with any requirements imposed by GDS, including, but not limited to the following:

1. Franchisee, at the point in time U-Save is ready to open the Franchise location on the System, shall be provided with a copy of the Car Rental Policy U-Save is prepared to display in the System. Franchisee shall have three (3) days to send written requests to U-Save for modifications to the information contained in the Car Rental Policy. If after three (3) days no modifications are requested by the Franchisee, U-Save will have the right to load and activate the Franchise location in the System with the information contained in the Car Rental Policy at that time.

2. When a customer produces a confirmation number for a reservation not found in the System, Franchisee will immediately contact U-Save's Toll-Free Help Line at 1-800-272-8728 to gather reservation information and provide a solution satisfactory to the customer.

3. Franchisee will hold all reserved vehicles for a minimum three (3) hour period beyond the scheduled customer arrival time.

H. **Customer Complaints.** Franchisee shall deliver consistent satisfactory performance to its customers and shall maintain a complaint ratio of no more than 1% complaints of any nature for each revenue channel or source of reservations.

I. **Operating Hours for Airport Locations.** Franchisees servicing airport locations must be open until one hour after the last flight of the day.

J. Customer No-Show Fee. At your option, you may choose to charge your customer a no-show fee. You are not required by us to charge such a fee, and many of the national rental car companies do not charge such a fee. If, however, you choose to charge a fee, you may only charge a one-day base rental fee (i.e., you may not include taxes or surcharges) for a no-show or cancellation made less than 24 hours prior to the reserved pick-up time.

II. U-SAVE RESPONSIBILITIES.

A. **Solicitation and Transmission of Reservations**. U-Save agrees to provide a Reservation System which may be utilized for the solicitation, reception and transmission of national and international reservations for and on behalf of Franchisee.

B. **Research and Development**. U-Save agrees to use the facilities, equipment and personnel, in part, to conduct research and development to enhance the Reservation System.

III. **FEE INCREASE**. On January 1 of each year of this Agreement, U-Save has the right to increase the then current fee schedule. Such increase is in U-Save's sole discretion, and generally will reflect cost increases born by U-Save in providing the services under the Agreement.

IV. **TERM OF AGREEMENT.** The term of this Agreement shall commence on the date set forth above and shall continue until terminated as provided in Section XI hereof.

V. **AMENDMENT OF AGREEMENT**. Except as otherwise provided herein, U-Save reserves the right, upon ten (10) days' prior written notice to Franchisee, to require Franchisee to execute a modified or substitute agreement containing such revised terms and conditions governing this or similar programs as U-Save deems appropriate within its sole discretion; provided, however, that U-Save may not make any changes which would modify Franchisee's rights under its Franchise Agreement without Franchisee's prior written consent**; provided further, however, that all rate changes imposed on U-Save by vendors will be passed on immediately as they are passed on to U-Save, and in some cases those changes are imposed with little or no notice.**

VI. **FRANCHISEE DEFAULT**. If Franchisee defaults on any term or provision of this Agreement and fails to cure said default within three (3) days of Franchisee's receipt of a written notice of default from U-Save, U-Save shall have the unqualified right, without liability of any kind, to terminate services provided hereunder and/or to terminate this Agreement, effective immediately upon expiration of the three (3) day cure period, without any obligation to deliver a written notice of termination to Franchisee. If, in U-Save's sole discretion, Franchisee's default cannot be cured or is so significant as to endanger U-Save's relationship with any of its sources of reservations, then U-Save shall have the unqualified right, without liability of any kind, to terminate services provided hereunder and/or to terminate this Agreement, effective immediately, without any obligation to deliver a written notice of termination to Franchisee. Upon termination, U-Save may discontinue all services offered under this Agreement, including all such services directly or indirectly relating to reservations and to the Reservation System which are provided on behalf of Franchisee, including, without limitation, the solicitation, reception and transmission of reservations for and on behalf of Franchisee.

VII. **OUTSTANDING INDEBTEDNESS**. In the event that this Agreement is terminated, Franchisee agrees to pay all outstanding fees due U-Save arising from this Agreement within fifteen (15) days after receipt of a final invoice therefore from U-Save.

VIII. **PROCESSING AND DELIVERY**. U-Save shall not be liable for any damages, including, for example, consequential damages, for delays in the performance of, or inability to perform, the services contemplated hereunder, or for any errors or omissions with respect to information or data processed or delivered, or to be processed or delivered through the Reservation System and Franchisee hereby waives and releases U-Save from any such liability.

IX. **FRANCHISE AGREEMENT OBLIGATIONS**. Franchisee acknowledges and agrees that as long as U-Save maintains the Reservation System and makes it available to Franchisee in accordance with the terms of this Agreement or any substitute agreement (as amended from time to time), U-Save shall have fulfilled its obligations to Franchisee regarding reservations, if and to the extent such obligations arise from the Franchise Agreement.

X. **INDEMNIFICATION**. Except as otherwise provided herein, each party (the "Indemnifying Party") agrees to protect, indemnify, defend and hold the other party, its parent, subsidiaries and affiliates and their respective officers, directors, agents, successors and assigns, harmless from and against any and all claims, suits, demands, liabilities, expenses (including reasonable attorney's fees and court costs) and causes of action directly or indirectly arising out of or relating to any conduct by the Indemnifying Party or its officers, directors, agents, employees or legal representatives or arising out of or relating to the Indemnifying Party's failure to comply with the terms and conditions of this Agreement. The indemnification obligations contained herein shall survive the termination of this Agreement.

XI. **TERMINATION OR TRANSFER**. U-Save reserves the right, upon thirty (30) days' prior written notice to Franchisee, to cancel or terminate this Agreement. In the event Franchisee's Franchise Agreement expires or terminates or is transferred pursuant to the terms of the Franchise Agreement, then this Agreement shall simultaneously terminate or transfer, as appropriate. Franchisee shall, however, continue to be responsible for all of its obligations hereunder that arose prior to expiration, termination or transfer.

XII. **WAIVER**. Failure by either party to exercise any of its rights, powers or options with respect to any breach or default, or to insist upon strict compliance with the terms and conditions contained in this Agreement, shall not in any event constitute a waiver of the terms and conditions of this Agreement or the right at any time thereafter to require exact and strict compliance with such terms and conditions.

XIII. **REMEDIES CUMULATIVE**. The rights, powers, and remedies provided in this Agreement are cumulative with and not exclusive of the rights, powers, or remedies provided by law or provided by any other agreement between Franchisee and U-Save or its affiliates or subsidiaries, including, without limitation, the Franchise Agreement.

XIV. **SEVERABILITY**. All provisions of this Agreement are severable. Any provision of this Agreement which is invalid, unenforceable or illegal shall not affect the validity, enforceability or legality of any other provision, unless and to the limited extent that such invalidity, unenforceability or illegality alters the meaning of such other provision.

XV. **NOTICE**. All notices to be given hereunder shall be in writing and shall be sent by facsimile, hand delivery, first class mail, overnight mail or certified mail, return receipt requested, postage prepaid:

If to U-Save to:

U-Save Auto Rental of America, Inc.
219 Industrial Drive
Ridgeland, MS 39157
Attention: Office of General Counsel

and

If to Franchisee, to the address
and person designated by Franchisee
at the end of this Agreement

or such other address as either party may designate to the other party upon thirty (30) days prior written notice.

XVI. **REFERENCES**. The headings contained herein are used for convenience of reference only, are not intended to be a part of the text hereof and shall not be used to construe the provisions contained herein. All references to "Agreement" in this document include all of the schedules attached hereto.

XVII. **ASSIGNMENT**. U-Save may, in its sole discretion, assign its rights and obligations. Franchisee, if applicable, may assign its rights and obligations hereunder only pursuant to a simultaneous assignment of its Franchise Agreement which assignment is in accordance with the terms and conditions of the Franchise Agreement.

XVIII. APPLICABLE LAW. This Agreement shall be governed by and construed under and in accordance with the laws of the State of Mississippi without giving effect to its conflicts rules.

XIX. JURISDICTION AND VENUE. If Franchisee institutes any legal or equitable action against U-Save, Franchisee must proceed in any state or federal court of general jurisdiction located in the state of Mississippi. Franchisee irrevocably submits to the jurisdiction of Mississippi courts and waives any objection it may have to either the jurisdiction or venue of Mississippi courts.

XX. WAIVER OF JURY TRIAL. Each party hereto irrevocably waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in any controversy or claim arising out of this reservation System Agreement.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the date written below.

U-SAVE AUTO RENTAL OF AMERICA, INC.

By: ______________________________________

Its: ______________________________________

Date: ____________________________________

____
Print or Type Franchisee's Corporate Name
d/b/a U-SAVE CAR & TRUCK RENTAL®

By: ______________________________________

____
Print or Type Name of Signing Officer

Its:______________________________________

Date: ____________________________________

Mailing Address for Notice to Franchisee Pursuant to Paragraph XV above:

____

____

____

Attention:__________________________________

Return Signature Copy to:

U-Save Auto Rental of America, Inc.
Attention: Office of the General Counsel
219 Industrial Drive
Ridgeland, MS 39157

<u>**LIST OF SCHEDULES**</u>

SCHEDULE A
RESERVATION OPTIONS AND FEES
(Revised August 13, 2021)

The Reservation Fees listed below, as amended from time to time pursuant to the terms and conditions of the Reservation Systems Agreement, are cumulative for all reservations made for delivery to United States locations.

On-Line Booking In order to have access to online reservations, you must have connection to the TSDRez system through TSD. This service provides connectivity to your rental management software's availability and pricing, allowing reservations to be made directly into your TSD system. Access to TSDRez is included in your monthly fee to TSD,

Call Center/Non-GDS Booking Sources Live telephone and non-GDS rental booking services.

$700.00 deposit (subject to increase based on volume)
No Set-up fee
No Support Fee
$ 0.15 per reservation customer complaint fee

Global Distribution System (GDS) Web system used by travel agents and other major travel sources.

$2,000.00 minimum deposit (subject to increase based on volume projections)
$1,000.00 set-up fee (Additional satellite locations require a $500 set-up fee per location)
$ 75.00 monthly support fee
$ 0.15 per reservation customer complaint fee

Call Center/Non-GDS Booking Sources - per reservation fees:

Source	Honored	No-show	Cancellation	Commission	Marketing Fee
Call Center	$4.95	$3.95	$0.00	N/A	N/A
USAVE.com	$4.95	$3.95	$0.00	N/A	N/A
BookingGroup	$4.95	$3.95	$0.00	10% T&M	N/A
CarTrawler *US Locations only	$4.95	$3.95	$0.00	15% T&M	N/A
Kayak	$4.95	$3.95	$0.00	15% T&M	N/A
Other Systems	$4.95	$3.95	$0.00	Imposed T&M where applicable	N/A
Future System	Will vary	Will vary	Will vary	Will vary	N/A

Pre-paid Rates* - per reservation fees:
* requires TSDRental counter system, TSDRez and credit card processing through the counter system. Prepaid vehicles must be held for the entire arrival day.

Source	Honored	No-show	Cancellation	Commission	Marketing Fee
USAVE.com	$5.00	$4.00	$0.00	N/A	
Kayak	$4.95	$3.95	$0.00	15% T&M	

Discontinued Systems
*Carrentals.com standalone system discontinued Nov 17, 2020

CarRentals.com	$7.50	$5.50	$3.00	21% T&M	2% T&M[i]
CarRentals.com *only reservations booked prior to Nov 17, 2020 Notes	The commission calculation will be the greater of the Alternate Minimum Commission Calculation or the actual time and mileage calculation, as defined in the grid above. The **Marketing Fee[i]** is not included in the commission calculation and is collected in addition to the commission fee. Alternate Minimum Commission Calculation = 15.75% of gross T & M booked				
CarRentals.com Prepaid	$7.50	$5.50	$4.00	21% T&M	2% T&M[i]
CarRentals.com Notes	Notes - $7.50 on a **minimum** of 100% of reservations booked + 21% T&M commission payable on a **minimum** of 100% of all pre-paid reservations booked through the site. Full payment is taken at the time of booking. The **Marketing Fee[i]** is not included in the commission calculation and is collected in addition to the commission fee. No refunds are available to the customer. Payment is processed through participating location's TSD Rental counter system.				

Global Distribution Systems (GDS)* - per reservation fees:

* requires TSDRental counter system, TSDRez and credit card processing through the counter system

Source	Honored	No-show	Cancellation	Commission	Marketing Fee
Priceline	$10.95	$9.95	$0.00	27-32% T&M	N/A
Priceline (Priceline.com, Booking.com and RentalCars.com)	The commission calculation is based on two (2) factors: 1) the geographical point of sale and 2) the geographical destination. U.S. Points of Sale to U.S. Destination = 27% of Total Time and Mileage for honored reservations. U.S. Points of Sale to All Other Destinations = 29% of Total Time and Mileage for honored reservations. All other Points of Sale to U.S. Destination All Destinations = 32% of Total Time and Mileage for honored reservations.				
Onetravel.com	$9.95	$7.75	$0.00	15% T&M	N/A
Expedia	$10.95	$9.95	$0.00	21% T&M	2% T&M[ii]
Expedia (Expedia, Travelocity, Carrentals.com and Orbitz) Notes	The commission calculation will be the greater of the Alternate Minimum Commission Calculation or the actual time and mileage calculation, as defined in the grid above. The **Marketing Fee[ii]** is not included in the commission calculation and is collected in addition to the commission fee. Alternate Minimum Commission Calculation = 15.75% of gross T&M booked				
Other Systems	$9.95	$7.75	$0.00	Imposed T&M where applicable	N/A
Future System	Will vary	Will vary	Will vary	Will vary	N/A

It is a requirement to participate in Option 1 (Call Center, Online and Other Online Booking Services). Option 2 expands Option 1 with placing your location(s) on the Global Distribution Systems (GDS). Please indicate your choice below:

1.	Call Center, Online Booking[i] and Other Online Booking Services	Deposit: $700
2.	Call Center, Online Booking[i], Other Online Booking Services and Global Distribution System	Deposit: $2,000 GDS Set Up Fee: $1,000 + ($500 per added locations)

________I have selected Option 1 and enclose my check(s) for the deposit amount of $700.00 and a set-up fee of $0.00.

________I have selected Option 2 and enclose my check(s) for the deposit amount of $2,000.00 and a GDS set-up fee of $1,000.00. ($1000 for first location and $500 for each additional location added).

Please Note: If you select Option 2, you ***must*** complete the pages **following** Schedule B regarding the Global Distribution System.

If a reservation invoice is not paid by the stated due date, your bank account will be debited, or credit card charged (based on selection on Schedule C) fifteen (15) days after the invoice date. If method of payment is rejected, your reservation services will be discontinued immediately and your deposit applied to any outstanding balance. In order to have service reestablished, a $500 connection fee will be charged, and an additional deposit will be required.

[i] This fee is a national/international marketing fee for certain sources to pay for the promotion of their services. This marketing fee charge is in no way connected to the marketing fee you pay to U-Save Auto Rental.
[ii] This fee is a national/international marketing fee for certain sources to pay for the promotion of their services. This marketing fee charge is in no way connected to the marketing fee you pay to U-Save Auto Rental.

ALTERNATE SCHEDULE A
RESERVATION OPTIONS AND FEES – Corporate RezCentral (Web Hosting)
(Revised January 21, 2021)

The Reservation Fees listed below, as amended from time to time pursuant to the terms and conditions of the Reservation Systems Agreement, are cumulative for all reservations made for delivery to United States locations.

Call Center: $15.00 per month
$ 0.15 per reservation customer complaint fee

Call Center/Non-GDS Booking Sources - per reservation fees:

Source	Honored	No-show	Cancellation	Commission	Marketing Fee
Call Center	$4.95	$3.95	$0.00	N/A	N/A
USAVE.com	$4.95	$3.95	$0.00	N/A	N/A
Future System	Will vary	Will vary	Will vary	Will vary	N/A

If a reservation invoice is not paid by the stated due date, your bank account will be debited, or credit card charged (based on selection on Schedule C) fifteen (15) days after the invoice date.

SCHEDULE B

Vehicle Type Matrix

Category		Type		Trans /Drive		Aircon/ Fuel	
M	Mini	B	2-3 Door	M	Manual Unspecified Drive	R	Unspecified Fuel/Power With Air (N. American use)
N	Mini Elite	C	2/4 Door	N	Manual 4WD	N	Unspecified Fuel/Power Without Air (N. American use)
E	Economy	D	4-5 Door	C	Manual AWD	D	Diesel Air
H	Economy Elite	W	Wagon/Estate	A	Auto Unspecified Drive	Q	Diesel No Air
C	Compact	V	Passenger Van	B	Auto 4WD	H	Hybrid Air
D	Compact Elite	L	Limousine	D	Auto AWD	I	Hybrid No Air
I	Intermediate	S	Sport			E	Electric Air
J	Intermediate Elite	T	Convertible			C	Electric No Air
S	Standard	F	SUV			L	LPG/Compressed Gas Air
R	Standard Elite	J	Open Air All Terrain			S	LPG/Compressed Gas No Air
F	Full-size	X	Special			A	Hydrogen Air
G	Full-size Elite	P	Pick up Regular Cab			B	Hydrogen No Air
P	Premium	Q	Pick up Extended Cab			M	Multi Fuel/Power Air
U	Premium Elite	Z	Special Offer Car			F	Multi fuel/power No Air
L	Luxury	E	Coupe			V	Petrol Air (European use)
W	Luxury Elite	M	Monospace (European use)			Z	Petrol No Air (European use)
O	Oversize	R	Recreational Vehicle			U	Ethanol Air
X	Special	H	Motor Home			X	Ethanol No Air
		Y	2 Wheel Vehicle				
		N	Roadster				
		G	Crossover				
		K	Commercial Van/Truck				

Option 1: Pre-authorized Payment (Debit) Service Authorization Agreement

(THIS FORM MUST BE COMPLETED AND RETURNED WITH THE EXECUTED FRANCHISE DOCUMENTS.)

I (we) authorize U-Save Auto Rental of America, Inc. and the financial institution listed below to electronically debit my (our)

☐ Checking or ☐ Savings Account specified below for: monthly royalty, marketing, insurance, and reservation fees on our account:

Our account will be debited through an ACH transfer 15 days after invoice date, for the term of the agreement.

______________________ **Bank Name**		______________________ **Branch Location**
______________________ **City**	________ **State**	______________________ **Zip Code**
______________________ **Bank Transit/ABA Number**		______________________ **Account Number**

This authority is to remain in full force and effect until U-Save Auto Rental of America, Inc. and the above bank have received written notification from me (or either of us) of its termination in such time and in such manner as to afford U-Save Auto Rental of America, Inc. and the above bank a reasonable opportunity to act on it.

______________________ **Owner or authorized agent**	______________________ **Franchise Number**
______________________ **Signature**	______________________ **Date**

Note: Please attach a voided check or copy of a voided check.

-OR-

Option 2: Credit Card Authorization

Type of Card (circle one)	Visa	Master Card	Amex
Credit Card Number	______________________		
Expiration Date	______________________		
3 or 4 digit number on front or back of card	______________________		
Name on card	______________________		
Mailing address of card	______________________		
Zip code	______________________		
Signature	______________________		
Date	______________________		

U-SAVE AUTO RENTAL®

ILLINOIS AMENDMENT TO RESERVATION SYSTEMS AGREEMENT

This Amendment modifies the Reservation Systems Agreement dated________________, ____________ (“Reservation Systems Agreement”) between U-Save Auto Rental of America, Inc. (“U-Save,” “we,” “us” or “our”), _______________________________ (“you” or “Franchisee”).

Illinois law governs the agreements between the parties to this franchise.
Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void.

Section 41 of the Illinois Franchise Disclosure act provides that any condition, stipulations or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Your right upon termination or non-renewal of a franchise agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

Payment of the initial franchise fee shall be deferred until Franchisor has satisfied its pre-opening obligations to Franchisee and Franchisee has commenced doing business. The Illinois Attorney General’s Office imposed this deferral requirement due to Franchisor’s financial condition.

____
Franchisee’s Signature

____
Print Name

____
Date Signed

U-SAVE AUTO RENTAL OF AMERICA, INC.

By:____

Title:______________________________________

Date:______________________________________

REPRESENTATION

The Franchisor represents that this prospectus does not knowingly omit any material fact or contain any untrue statement of a material fact.

State Effective Dates

The following states have franchise laws that 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 document is effective and may be used in the following states, where the documents is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT
(Your Copy)

This disclosure document summarizes provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If U-Save Auto Rental of America, Inc. offers you a franchise, U-Save Auto Rental of America, Inc. must provide this Disclosure Document to you fourteen (14) calendar days before you sign a binding agreement with, or make a payment to, U-Save Auto Rental of America, Inc. or an affiliate in connection with the proposed franchise sale. New York State Law requires a franchisor to provide to provide the franchise disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Under Illinois, Iowa, Maine, Nebraska, Oklahoma, Rhode Island or South Dakota law, if applicable, U-Save Auto Rental of America, Inc. must provide this disclosure document to you at your first personal meeting to discuss the franchise.

If U-Save Auto Rental of America, Inc. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified in Exhibit F.

The name, principal business address and telephone number of each franchise seller offering the franchise: U-Save Auto Rental of America, Inc., 219 Industrial Drive, Ridgeland, Mississippi 39157, (601) 713-4333; and, Jason Brown, Director, Franchise Sales, U-Save Auto Rental of America, Inc., 219 Industrial Drive, Ridgeland, Mississippi 39157, (601) 713-4333.

Issuance Date: February 22, 2022

See Exhibit G for our registered agents authorized to receive service of process.

I have received a disclosure document dated February 22, 2022 that includes the following Exhibits:

Page 50	FDD State Disclosure Addenda
Exhibit A-1	List of Franchises
Exhibit A-2	List of Franchisees That Have Signed Franchise Agreements for Stores Which Were Not Yet Operational
Exhibit A-3	List of Franchisees Who Left the System
Exhibit B	Financial Statements
Exhibit C	Franchise Agreement and State-Specific Amendments
Exhibit D	Termination Agreement and Release
Exhibit E	List of Franchise Sales and Service Personnel
Exhibit F	List of State Franchise Agencies
Exhibit G	List of U-Save Agents for Service of Process
Exhibit H	Table of Contents of Operations Manual
Exhibit I	Reservation Agreement

Please sign this copy of the receipt, date your signature, and return it to Franchise Sales Department, U-Save Auto Rental of America, Inc., 219 Industrial Drive, Ridgeland, Mississippi 39157.

Date	Signature	Printed Name
Date	Signature	Printed Name

RECEIPT

(Our Copy)

This disclosure document summarizes provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If U-Save Auto Rental of America, Inc. offers you a franchise, U-Save Auto Rental of America, Inc. must provide this Disclosure Document to you fourteen (14) calendar days before you sign a binding agreement with, or make a payment to, U-Save Auto Rental of America, Inc. or an affiliate in connection with the proposed franchise sale. New York State Law requires a franchisor to provide to provide the franchise disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Under Illinois, Iowa, Maine, Nebraska, Oklahoma, Rhode Island or South Dakota law, if applicable, U-Save Auto Rental of America, Inc. must provide this disclosure document to you at your first personal meeting to discuss the franchise.

If U-Save Auto Rental of America, Inc. do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified in Exhibit F.

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______________	____________________________	______________________________
Date	Signature	Printed Name
______________	____________________________	______________________________
Date	Signature	Printed Name