



Franchise Services of North America Inc.

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For Immediate Release

Franchise Services of North America Inc. Announces New Franchisees for the Rent-A-Wreck System; Comments Regarding the Economy's Effect on the Company

CALGARY, ALBERTA, October 9, 2008

TSX-V Trading Symbol: FSN

Franchise Services of North America Inc. ("FSNA" or the "Company") announced today the sale of three new Rent-A-Wreck Franchises in Oyen, Alberta, and two additional locations in the Greater Toronto Area. The Oyen location is already open and renting cars, while the Toronto locations are planning for their grand openings on October 17.

Bob Barton, the Company's Chief Operating Officer stated, "We are quite pleased with the continued expansion of the Rent-A-Wreck system in Canada and welcome these new franchisees to our network."

As it relates to the current economic conditions and its effect on the Company, Mr. Barton also made the following statement, "In light of the current unfavorable capital market conditions, we wish to inform our shareholders of our continued success in selling franchises during this difficult economic period. The Company currently has several candidates under consideration for U-Save franchises in the United States, and has been advised by the U-Save master franchisee in Ontario of several candidates also considering U-Save franchises in that province. We wish to remind the investment community that with the exception of a working capital facility which has already been successfully renewed through December 2009, the Company has no other external third-party debt. While the credit markets continue to place significant strain on the economic conditions throughout North America, the Company, as a franchisor, does not require any fleet financing and is not subject to the constraints currently being experienced in the capital markets. Our franchisees continue to finance their own fleets, and we have already been advised by many of our franchisees of 2009 fleet orders made with automobile manufacturers. The Company continues to provide competitive insurance products to its franchisees for fleet operations."

About FSNA

FSNA is a publicly traded company listed on the TSX Venture Exchange. The Company and its subsidiaries own the following brands: U-Save Car & Truck Rental, U-Save Car Sales, Rent-A-Wreck of Canada, Auto Rental Resource Center ("ARRC"), Xpress Rent A Car and Peakstone Financial Services.

U-Save, together with its subsidiary ARRC, has over 1,100 locations throughout the United States and is one of North America's largest franchise car rental companies. Having primarily serviced the local market for the past 25 years, the Company is expanding into the airport market with plans for the opening of airport locations in the top 30 markets in the United States and the major airports in Canada. U-Save currently services 27 airport markets in 14 different states. U-Save Car Sales is an expansion of the U-Save brand into the car sales market, and provides goods and services to car sales operators looking to affiliate with a national brand.

Practicar Systems Inc. (a wholly owned subsidiary of FSNA) owns the rights to the Rent-A-Wreck[®] trademark for all of Canada. The Rent-A-Wreck[®] system operates a network of 55 franchises from coast-to-coast in Canada, providing a range of vehicle rental, leasing and sales options to its customers. The Rent-A-Wreck[®] system has been in continuous operation in Canada since 1976.

Forward-Looking Information

Certain statements made in this news release are forward looking including statements regarding the Company's expansion plans. The words "may," "could," "should," "would," "expect," "intend," "estimate," "anticipate," "believe," or "outlook" and similar expressions often identify forward-looking information. By their nature, forward-looking statements require FSNA to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions, forecasts, conclusions and projections will not prove to be accurate, that FSNA's assumptions may not be correct and that actual results may differ materially from such predictions, forecasts, conclusions or projections. With respect to these forward-looking statements, we have assumed, among other things, that the Toronto franchisees will open on October 17, 2008 and begin renting vehicles. We have also assumed that we will be able to continue to expand into the North American airport market. If such assumptions prove incorrect, there is a risk that the Company's statements regarding its' expansion plans could prove materially incorrect. FSNA's forward-looking statements are qualified in their entirety by these cautionary statements. In addition, the forward-looking statements are made only as of the date of this news release, and except as required by applicable law, FSNA undertakes no obligation to

publicly update these forward-looking statements to reflect new information, subsequent events or otherwise.

For further information on FSNA or any of its operating subsidiaries please contact:

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The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

-End of Announcement-