

FRANCHISE DISCLOSURE DOCUMENT



Express Oil Change Franchise, LLC
1880 Southpark Drive
Birmingham, Alabama 35244
(205) 945-1771
dholloway@expressoil.com
www.expressoil.com

The franchise offered is for an Express Oil Change/Tire Engineers Center (“Center”) specializing in quick oil change and lubrication, transmission service, air conditioning service, brake repair, tune-ups, and tire sales and service.

The total investment necessary to begin operation of a Center is \$2,562,000 - \$3,815,000. This includes \$50,000 that must be paid to the franchisor or affiliate. If you sign an Area Development Agreement to develop a number of Centers, you must pay us a development fee of \$50,000 for your first Center, and a non-refundable deposit of \$10,000 for each additional Center to be developed. The initial franchise fee for subsequent Centers developed under the Area Development Agreement is \$25,000.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all 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, 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 to you. To discuss the availability of disclosures in different formats contact Donna Holloway, 1880 Southpark Drive, Birmingham, Alabama 35244, (205) 397-1149.

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as “*A Consumer’s Guide to Buying a Franchise*,” which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing 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 your public library for other sources of information on franchising.

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

Issuance Date: July 1, 2023

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 Exhibits E and G.
How much will I need to invest?	Items 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 or Exhibit H 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 Express Oil Change 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 an Express Oil Change franchisee?	Item 20 or Exhibits E and G 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 its 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 D.

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 and Area Development Agreement require you to resolve disputes with us by arbitration only in Alabama. Out-of-state arbitration may force you to accept a less favorable settlement for disputes. It may also cost you more to arbitrate with us in Alabama than in your home state.
2. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's ability to provide services and support to you.
3. **Turnover Rate.** During the last 3 years, a large number of franchised outlets (19) were re-acquired. This franchise could be a higher risk investment than a franchise system with a lower turnover rate.

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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State specific addenda to the FDD can be found at the end of this disclosure document before the detachable receipts.

State specific addenda to the Franchise Agreement and Area Development Agreement can be found at the end of each document, respectively.

EXHIBITS

- A. Franchise Agreement
- B. Area Development Agreement
- C. Manual Table of Contents
- D. List of State Agencies/Agents for Service of Process
- E. List of Current Franchises
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Item 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Franchisor

The Franchisor is Express Oil Change Franchise, LLC and is referred to in this Disclosure Document as the “Company,” “we,” “us,” or “our.” The person who buys a franchise is referred to in this Disclosure Document as “you.” If you are a corporation, limited liability company, partnership or any other type of legal entity, the provisions of the agreements described herein also apply to your owners by virtue of our requirement that your owners personally guarantee, and be personally bound by, your obligations under the agreements.

The Company is a Delaware limited-liability company formed on April 13, 2018. Our principal business address is 1880 Southpark Drive, Birmingham, Alabama 35244. Our agents for service of process are listed in Exhibit D.

We grant franchises for the operation of Express Oil Change and Tire Engineers (“EOC/TE”) retail automotive service centers (the “Centers”). We are engaged in business activities that relate to the Centers and have not offered franchises in any other lines of business. EOC operates 290 company-owned Centers primarily in the Alabama market. We have 40 franchise-owned Centers operating in the states of Alabama, Arizona, Arkansas, Florida, Georgia, Indiana, Kansas, Louisiana, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and Virginia as of December 31, 2022. These Centers operate under the co-brand logo and signage.

Parents, Predecessors and Affiliates

Our immediate predecessor is Express Oil Change, L.L.C. (“EOC”). It also started offering franchises for EOC/TE Centers in 2014. Its address is the same as ours. EOC assigned all of its Franchise Agreements and Area Development Agreement to us as of April 13, 2018. EOC’s predecessor was Express Oil Change, Inc. (INC) which was dissolved in December 1996. INC’s business address was 190 West Valley Avenue, Birmingham, Alabama 35209. INC first offered franchises for Centers in June 1984 and first owned and operated Centers in 1979. In March 1996, EOC purchased substantially all of the assets of INC including an assignment of all of its franchise and area development agreements. EOC did not offer franchises in any other lines of business. EOC is a wholly owned subsidiary of EOC Group, Inc., with the same corporate address. EOC Group, Inc., has changed its name to Mavis Tire Express Services Corp.

Our ultimate parent company is Metis HoldCo, Inc. (“Metis”). Metis owns the following intermediate companies: Metis Buyer, Inc.; Mavis Tire Express Services TopCo Corp.; Mavis Tire Express Services Holding Corp.; Mavis Tire Express Services Intermediate Corp.; Mavis Tire Express Services Corp.; Tire Holding, Inc.; Mavis Tire Holdings, LLC; Mavis Tire Supply, LLC and Mavis Southeast, LLC. Their principal business address is 358 Saw Mill River Road, Millwood, New York 10546. On December 27, 2021, Metis (through Mavis Southeast, LLC) purchased Gimex Properties, Corp., Inc., who offers franchises for Tuffy Tire & Auto Service Centers (“TAC”). A TAC franchise is similar to the business operated by us and our franchisees.

Except as described above, we do not currently have any affiliates that offer franchises in any line of business. We do not have any affiliates that provide products or service to our franchisees.

Franchisor's Business

The franchise is a Center offering oil change and lubrication, transmission service, air conditioning service, brake repair, tune-ups, tire sales and service. We have developed and own a comprehensive system for developing and operating Centers, which includes trademarks and service marks, building designs and layouts, equipment, standards and specifications, methods and inventory control, and certain operational and business standards and policies (the "System"), all of which we may improve, further develop or otherwise modify from time to time. Our services and products are primarily used by the motoring public. The market for our products and services is a developing but competitive one. Your competitors will include service departments of national and regional department stores, service stations, motor dealerships, automotive repair centers and a number of quick-oil change programs offering products and services similar to ours. Various factors can adversely affect our market including inflation, increases in product, labor, and energy costs, the availability and cost of suitable sites, fluctuating interest and insurance rates, state and local regulations and licensing requirements, and the availability of a suitable work force. Your ability to compete in the market will depend in large part on your own capabilities, the site you select for your Center and general economic conditions. Your affiliation with our system does not guarantee you a successful or profitable business operation. Our business is not substantially seasonal.

Industry Regulations

There are no governmental regulations specific to the operation of a Center, although you will be required to comply with all local, state, and federal laws and building and zoning requirements. You will also be subject to laws governing your relationship with employees including minimum wage requirements, overtime, working conditions, and citizenship requirements. There may be other laws applicable to your business and we urge you to make further inquiries about these laws.

We offer to qualified persons the right to own and operate a Center at an agreed upon location pursuant to our standard form franchise agreement (the "Franchise Agreement"). A copy of the Franchise Agreement is attached as Exhibit A. The Franchise Agreement governs the construction and operation of the Center. We also offer to qualified persons the right to develop multiple Centers within a specific geographic area pursuant to our standard form area development agreement (the "Area Development Agreement"). A copy of the Area Development Agreement is attached as Exhibit B. The Area Development Agreement requires you to open an agreed upon number of Centers under a development schedule. You will be required to sign our then-current form of Franchise Agreement for each Center that you open provided that the initial franchise fee will not change.

Item 2 BUSINESS EXPERIENCE

President: James Durkin

James Durkin has served as the President of the Company since November 2018. From January 2017 to June 2018, he served as Chief Operation Officer of Capital Vision Services, Vienna, VA.

Executive Vice President of Real Estate Development: R. Kent Fezell

R. Kent Fezell has served as Executive Vice President of Real Estate Development of the Company since March 2018.

Executive Vice President of Operations: Jeff Grissom

Jeff Grissom has served as Executive Vice President of Operations of the Company since July 2021. From January 1984 to June 2021, he served as Senior Vice President of Operations of EOC.

Vice President of Franchise Support and Training: Robert Patterson

Robert Patterson has served as Vice President of Franchise Support and Training of the Company since March 2018.

Item 3 LITIGATION

No litigation is required to be disclosed in this Item.

Item 4 BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

Item 5 INITIAL FEES

Franchise Agreement

The initial franchise fee is \$50,000. It is payable in a lump sum on the date you sign the Franchise Agreement. The initial franchise fee is not refundable under any circumstances and is uniform to all franchisees currently purchasing a single franchise.

We reserve the right to increase the Initial Franchise Fee for subsequent Centers at any time. You will be required to pay the then-current fee amount when opening subsequent Centers.

You pay us or our affiliates no other fees or payments for services or goods before your Center opens.

Area Development Agreement

An Area Development Agreement (ADA) provides you with the exclusive development rights to a specified area for a limited amount of time for the purpose of building a specific number of Centers. In exchange for the exclusive development rights to a geographic area, you are required to pay a development fee at the signing of the ADA that is the full Initial Franchise Fee for the first Center to be developed which is \$50,000 (and \$25,000 for any additional Centers), and a non-refundable deposit of \$10,000 for each additional franchise to be developed as identified in the ADA. The per-Center deposit of \$10,000 towards additional Centers to be developed is a portion of the \$25,000 per Center Initial Franchise Fee for all subsequent Centers.

As the subsequent Centers are developed according to the ADA, the remaining \$15,000 Initial Franchise Fee is paid at the signing of the Franchise Agreement for each Center as each site is leased or purchased and under the franchisee's control.

**Item 6
OTHER FEES**

Type of fee	Amount	Due Date	Remarks <small>(Note 1)</small>
Royalty	Until you qualify for our Volume Royalty Program, 5% of your Gross Sales <small>(Note 2)</small>	Monthly by the 10th day of each month	“Gross Sales” includes all revenues from the Center. “Gross Sales” does not include sales tax. Gross Sales may not be under or over-stated.
Regional Advertising Contribution	You may be required to pay up to 2% of your Gross Sales	Monthly by the 10th day of each month	The Company has not established an advertising fund but may do so during the term of your Franchise Agreement.
Your Minimum Advertising Expenditure Requirement	3% of Gross Sales	Monthly	Subject to approval and verification by the Company.
Assignment fee	\$3,000	Upon transferring the franchise	Transfer is subject to our approval.
Audit	Cost of audit	Upon receipt of our invoice	Payable only if we find an understatement of Gross Sales greater than 5%.
Interest on late payments <small>(Note 3)</small>	Highest rate permitted by law, not to exceed 1.5% per month	Immediately	Payable only if required payment not paid within 10 days of due date.
Indemnification	Will vary under circumstances	As incurred	You must reimburse us if we are held liable for claims arising out of your franchise operations.
Attorney's fees and other costs	Will vary under circumstances	As incurred	Payable if your account is turned over for collection or your failure to comply with the Franchise Agreement.
Insurance	Will vary under circumstances	As incurred	If you fail to obtain or maintain required insurance, we may obtain such insurance at your expense.
Fees to evaluate alternative suppliers	Currently, out of pocket expenses only	Upon receipt of our invoice	We may impose reasonable inspection and testing fees to cover any costs in evaluating alternative approved products or suppliers you suggest.
Advertising cooperative	Maximum 3% of Gross Sales	Established by cooperative	You must join an advertising coop that we designate. Each Center in the coop has 1 vote. In addition, the Company has 1 vote plus 1 vote for each Center the Company has in the coop. Any contribution made to the coop may be taken as a credit toward the local advertising requirement. See Item 11.

Note 1: Except for the minimum advertising requirement, all fees are payable only to the Company, are non-refundable and are uniformly imposed.

Note 2: The royalty is 3% of Gross Sales until the earlier of 12 months from the date you open, or for 2 consecutive months your Gross Sales exceed \$15,000 per month if the services at the Center are limited to oil change and transmission services, or \$50,000 per month for a Center which offers any other authorized services at which time it increases to 5%. Should the sales drop below \$50,000 in subsequent months, however, the royalty remains at 5%.

If you qualify for the Volume Royalty Program, the royalty will be:

Volume Royalty Program:

Aggregate Gross Sales Per Month:	Royalty on Aggregate Gross Sales:
\$375,000	4.5%
\$475,000	4.0%
\$650,000	3.5%
\$850,000	3.0%

The intent of the Volume Royalty Program is to provide an incentive and reward to franchisees that construct new Centers or acquire existing non-EOC centers and convert them to Centers. Under the Volume Royalty Program, you may aggregate Gross Sales of the Center with Gross Sales of: (i) any Centers franchised, as of the date of the Franchise Agreement, under all previously executed franchise agreements between us and you and (ii) any Center operated by any affiliate of yours existing on the date of the Agreement. The term “affiliate” shall mean any person or entity that; (i) directly or indirectly owns your company, (ii) is directly or indirectly owned by you or (iii) is under common ownership with you. The term “owns”, “owned” or “common ownership” means a (51%) or greater ownership interest in the Centers for which aggregation of Gross Sales is sought.

The Gross Sales of Centers that are constructed and developed by the (you or your affiliate) and/or Gross Sales of non-EOC centers purchased and converted to a Center brand by (you or your affiliate) will be included in the aggregate Gross Sales in determining the applicable Volume Royalty pursuant to the Volume Royalty Program.

The Gross Sales of any Center that is purchased from another franchisee will not be included in the aggregate Gross Sales towards the Volume Royalty Program. However, if you acquire a Center from another franchisee (the “Acquired Center”) the Acquired Center’s royalty rate will equal the higher of: (i) the Selling franchisee’s Volume Royalty immediately prior to the transfer of the Acquired Center or (ii) your Volume Royalty immediately prior to the acquisition of the Acquired Center. In the event of a single purchase transaction from a single franchisee resulting in the acquisition of multiple acquired centers (“Combined Acquired Centers”) and if the Combined Acquired Centers’ Volume Royalty based solely on their combined Gross Sales is, or becomes, more favorable than the rate determined by the foregoing, the Combined Acquired Centers will be entitled to utilize the Volume Royalty based on their combined Gross Sales. Notwithstanding the foregoing, no Acquired Center’s or Combined Acquired Centers’ Gross Sales can be aggregated with your other Centers that qualify for the Volume Royalty Program for future determinations of the applicable Volume Royalty.

Note 3: Interest begins from the date of non-payment or underpayment.

Item 7
ESTIMATED INITIAL INVESTMENT
(NOTE 1)

YOUR ESTIMATED INITIAL INVESTMENT: †

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is to Be Made
Initial Franchise Fee	\$50,000 for first Center	Lump Sum	On Signing Franchise Agreement	Company
Travel and Living Expenses While Training	\$6000 - \$9,000 ^(Note 2)	As incurred	During Training	Airlines, Hotels, Restaurants and Other 3rd Parties
Equipment	\$250,000 - \$350,000 ^(Note 3)	As Incurred	When Installed	Approved Supplier
Inventory	\$32,500 - \$52,500 ^(Note 4)	Lump Sum as Ordered	30 Days after Delivery	EOC or Other Approved Supplier
Land	\$650,000 - \$1,050,000 ^(Note 5)	As incurred	As Incurred	Contractors or Other 3rd Parties
Building and Site Work	\$1,400,000 - \$2,000,000 ^(Note 5)	As Incurred	As Incurred	Contractors or Other 3rd Parties
Organization, Loan Origination and Professional Fees	\$100,000 - \$150,000	As Incurred	As Incurred	Attorneys, Lending Institutions or Other 3rd Parties
Opening Advertising	\$10,000	As Incurred	As Incurred	Local Advertising Agency
Additional Funds - 3 Months	\$63,500 - \$143,500 ^(Note 6)	As Incurred	As Incurred	Employees, Suppliers, Utilities, etc.
TOTAL ESTIMATED INITIAL INVESTMENT \$2,562,000 - \$3,815,000.				

Note 1: None of the fees listed above are refunded once incurred. We do not offer financing for any part of your initial investment.

Note 2: This estimate includes lodging, meals and transportation for 5 persons. These costs may vary, depending on the location of lodging, eating habits and means of transportation you choose. This estimate does not include salaries, payroll taxes and worker's compensation insurance for your employees as those costs are included in Additional Funds and are discussed in Note 5 below.

Note 3: The estimated cost of your equipment, point of sale computers, and signage, is \$250,000 to \$350,000. If you lease the equipment package, it is estimated that your lease payments will be \$3,000.00 to \$4,500.00 per month.

Note 4: An estimated amount of \$32,500 to \$52,500 is anticipated for starting inventory to include tires, oil and associated fluids, filters, wipers, belts, hoses and various auto parts.

Note 5: Centers are typically free-standing street locations. If you lease an existing facility, your leasing cost will vary considerably depending on your financial condition and the size, condition, age, and location of the leased premises; but, as a general rule, your cost of leasing free-standing locations consisting of 3,000 to 5,000 square feet can be expected to run from \$15.00 to \$30.00 per square foot with leasehold

improvements plus ad valorem taxes and insurance as additional rent. These costs are negotiated between you and a third party. Leasehold improvements will also vary according to the size and condition of the premises. Neither the rental nor the leasehold improvement costs are factors under our control and therefore we cannot estimate them with significant accuracy.

The cost of purchasing and developing a site for a Center will vary considerably depending on such factors as the location and size of the site and the local real estate market. You will need to purchase or lease a site of approximately 25,000 to 35,000 square feet in a commercial or retail area and construct a 6 to 9 bay facility on the site. The estimated cost of the property is \$650,000 to \$1,050,000 and the building and site work is estimated to be \$1,400,000 - \$2,000,000. If you lease the land and building for the Center, your estimated lease payments should be \$10,875 to \$12,750 per month plus ad valorem taxes and insurance as additional rent. These costs are negotiated between you and a third-party landlord.

Note 6: This is an estimate of your pre-opening expenses and working capital requirements for the first year of operation. Pre-opening expenses are estimated to range between \$23,500 and \$43,500 and include such items as salaries during training, utility deposits, and salaries for a manager during 4 to 8 weeks of training and for your crew during the 2-week period before opening. Working capital for the first 3 months is estimated to range between \$63,500 and \$143,500, and includes general operating expenses, such as debt service, lease payments, equipment rental, inventory, payroll, expenses, facilities expenses, insurance, repairs and maintenance, and other costs. These figures are estimates and we cannot assure you that you will not have additional expenses in opening the Center.

†TOTAL ESTIMATED CASH REQUIRED: \$400,000 - \$600,000 (The amount of cash required depends on the method of financing used.)

If you purchase an existing Center, you may have to make a greater or smaller investment, depending on the circumstances, than the estimated initial investment shown above. The price and terms of payment for such Centers will be established by mutual agreement.

If you sign an Area Development Agreement, you must pay us a non-refundable development fee which is described in Item 5. You will also need funds for working capital to pursue your development obligations. We are unable to estimate the extent of your working capital needs, which will depend in large part on the number of Centers you develop. There is no other initial investment required upon execution of an Area Development Agreement. However, an initial investment will be required for each Center that you open. Our current estimate of this investment is described above.

We relied on our experience in business and information provided to us by our franchisees to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase our franchise.

Item 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Generally

To ensure that high, uniform standards of quality and service are maintained, you must operate your Center in strict conformity with our methods, standards, and specifications and you must purchase equipment, point of sale computer system, fluids, oil, grease, filters, supplies, brake discs and pads, plugs, tires and distributor parts, and other products and materials only from suppliers which we have approved. You are not required to purchase or lease anything from us; however, we can be an approved supplier for any items. We formulate and modify, at our sole discretion, specifications and standards that we impose on franchisees

and suppliers. Standards and specifications are issued to franchisees through the Manual and to suppliers by written agreement, if requested. We attempt to negotiate purchase arrangements with our suppliers (including price terms), for the benefit of all Centers, including those owned by franchisees. We do not provide any material benefits to you based on your use of designated or approved suppliers. If you want to use another supplier, you must make a written request to us for approval, which approval will not be unreasonably delayed, withheld or denied, and your request will receive a response of approval or disapproval within 90 days. Approval must be obtained in writing. We do not maintain written criteria for approving suppliers and thus these criteria are not available to you or your proposed supplier. There are no franchisee purchasing or distribution cooperatives; however, effective May 1, 1996, each franchisee became eligible for national account status with Valvoline, our approved supplier for oil and other products.

Items We Supply or Derive Income From

We are currently an approved supplier for oil, filters, products and other supplies. We will derive income from purchases of these supplies by our franchisees. Currently there are no items for which the Company or our affiliates are the only approved supplier. There are no approved suppliers in which any of our officers owns an interest.

EOC is a distributor for Valvoline, which is the primary source of bulk oil for our franchisees. While Valvoline directly invoices our franchisees for bulk oil that EOC delivers, EOC is paid a delivery fee by Valvoline which is currently an average of \$1.01 per gallon.

The sale of all other products by EOC to our franchisees totaled \$1,053,032 for the year ended December 31, 2022, which was 0.016% of Sales Revenue of \$64,285,528. In addition, a number of EOC's vendors contribute to our annual franchise convention but the total sum amount is immaterial.

Franchisor Right to Name National Account Supplier

We reserve the right to establish a "national" account with a major bulk oil supplier for the benefit of the Company and our franchisees. If such an account is established, you agree to purchase for all franchises that you own, or are affiliated with, a minimum of 85% of your inventory requirements of bulk oil, oil filters, air filters and chemicals from such supplier or independent distributors expressly designated by such supplier in writing from time to time. Your failure to purchase at least 85% of bulk oil, oil filters, air filters and chemicals from any such sources shall be cause for termination and/or non-renewal of the Franchise Agreement.

The Company is a designated distributor of such supplier. We will fully disclose to you the terms and conditions of our agreement with the supplier. If the Company intends to establish a national account with a supplier that is not recognized as one of the top five oil suppliers in the United States, we must obtain the approval of a majority of system franchisees who are not affiliated with the Company.

Lease of Premises

We have the right to approve the terms of any lease for the premises of your Center. Any lease for the premises must contain certain provisions described in Section V.B. of the Franchise Agreement.

Development of the Premises

You are responsible for developing the Center and all expenses associated with it. We will furnish you our standard building plans or general plans for the interior design and layout, fixtures, furnishings, signs and equipment which you must adapt to the premises. You must submit to us your plans and specifications for

adapting our general floor plans and interior design and layout to your premises for our approval and any changes to your plans and specifications are subject to our prior approval.

Purchase of Equipment, Fixtures, Furnishings, Inventory and Supplies

You must purchase and install all equipment, point of sale software and hardware, fixtures, furnishings and signs that meet our standards and specifications. In addition, you are required to purchase all fixtures, equipment, furnishings, signs, inventory, advertising material and other supplies used in the operation of the Center only from approved suppliers. We may modify the list of approved suppliers and/or brands. After notice of such modification, you may not re-order any brand or from any supplier which is no longer approved.

If you propose to use any brand and/or supplier which is not then approved by us, you must first notify us and submit sufficient information, specifications and samples concerning such brand and/or supplier so that we can decide whether such brand complies with our specifications and standards and/or such supplier meets our approved supplier criteria. We have the right to charge reasonable fees to cover our costs. We will notify you of our decision within a reasonable time. We may prescribe procedures for submission of request for approval and impose obligations on suppliers, which we may require to be incorporated into a written agreement. Our approved suppliers can provide you with 100% of your total purchases in connection with the establishment of your Center and between 80% and 90% of your total purchases in connection with the operation of the Center.

Advertising by You

You must submit to us for our prior approval samples of all advertising and promotional materials, including internet or intranet web pages, not prepared or previously approved by us and which vary from our standard advertising and promotional materials. You may not use any advertising or promotional materials that we have disapproved. All of your advertising in any medium shall be conducted in a dignified manner and shall conform to the standards and requirements of the Manual. You must follow all Company guidelines on advertisements and communications through electronic social media, such as Facebook, Instagram, Twitter, LinkedIn, YouTube, email, etc.

In addition to the 3% of gross sales you must spend monthly on marketing activities, you must also commit an additional \$10,000 on the opening advertising and promotion of your Center. The program is subject to our approval.

If you are part of an established advertising cooperative, a vote by the Council will determine the advertising agency to be used. We do not derive any income as a result of your using any advertising agency.

Insurance

You must purchase and maintain in force: (a) comprehensive general liability insurance, including product liability coverage and automobile liability coverage for both owned and non-owned vehicles with minimums of \$250,000 per person / \$500,000 per occurrence for bodily injury and \$100,000 property damage and a \$1,000,000 commercial liability policy; (b) worker's compensation and employer's liability insurance as well as such other insurance as may be required by statute or rule of the state in which the Center is located; and (c) fire, vandalism and extended coverage insurance with primary and excess limits of not less than the full replacement value of the Center and its furniture, fixtures and equipment. All insurance policies must be issued by carriers approved by us, and must provide for 30 days prior written notice to us of any material modification, cancellation or expiration of such policy.

Item 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement	Disclosure Document Item
Site selection and acquisition/ lease	Section V.B. of the Franchise Agreement and Section III.C. of the Area Development Agreement	Items 7, 8 and 11
Pre-opening purchases/leases	Sections V.B., V.C., V.H. and V.J.(iv) of the Franchise Agreement	Items 6, 7 and 8
Site development and other pre-opening requirements	Section V.B. and V.C. of the Franchise Agreement	Items 6, 7 and 8
Initial and ongoing training	Section V.D. of the Franchise Agreement	Item 11
Opening	Section V.C. of the Franchise Agreement	Item 11
Fees	Section IV. of the Franchise Agreement and Section II. of the Area Development Agreement	Items 5, 6 and 7
Compliance with standards and policies/operating manual	Sections V.A., V.E., V.F., V.G., V.I., V.J., V.K. and VII of the Franchise Agreement	Items 8 and 11
Trademarks and proprietary information	Sections I.C. and V.B.(1) of the Area Development Agreement and Sections VI, VII and VIII of the Franchise Agreement	Items 13 and 14
Restrictions on products/ services offered	Sections V.E., V.J. and V.K. of the Franchise Agreement	Item 16
Warranty and customer service requirements	Section V.N. of the Franchise Agreement	Item 11
Territorial development and sales quotas	Sections I and III of the Area Development Agreement	Item 12
Ongoing product/service purchases	Section V.J. and V.K. of the Franchise Agreement	Item 8
Maintenance, appearance and remodeling requirements	Sections V.F. and V.I. of the Franchise Agreement	Not applicable
Insurance	Section XI of the Franchise Agreement	Items 7 and 8
Advertising	Sections V.H. and X of the Franchise Agreement	Items 6, 7, 8, and 11
Indemnification	Section XVII of the Franchise Agreement	Item 6
Owner's participation/ management/staffing	Section V.G. of the Franchise Agreement	Item 15
Records and reports	Section IX. of the Franchise Agreement	Item 8
Inspections and /audits	Sections V.L. and IX.F. of the Franchise Agreement	Item 6
Transfer	Section VII of the Area Development Agreement and Section XII of the Franchise Agreement	Items 6 and 17
Renewal	Section I.F. of the Area Development Agreement and Section II.B of the Franchise Agreement	Item 17

Obligation	Section in Agreement	Disclosure Document Item
Post-Termination obligations	Section VI.D. of the Area Development Agreement and Section XIV. of the Franchise Agreement	Item 17
Non-Competition covenants	Section V. of the Area Development Agreement and Section XV. of the Franchise Agreement	Item 17
Dispute resolution	Section XVI of the Area Development Agreement and Section XXIV. of the Franchise Agreement	Item 17
Other: Guaranty of franchisee obligations (Note 1)	Section XVIII and page 31 of the Franchise Agreement	Item 1
Note 1: Each of your owners, if you are a corporation or other legal entity, agree to personally guarantee, and be personally bound by, your obligations under the agreements		

**Item 10
FINANCING**

We do not offer any direct or indirect financing. We do not guarantee your notes, leases or other obligations.

**Item 11
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS
AND TRAINING**

Except as listed below, we are not required to provide you with any assistance.

Pre-Opening Obligations

We will provide the following pre-opening assistance:

1. We will provide you with general guidance, counseling and assistance in evaluating prospective sites for the Center (Area Development Agreement, Section V.A.1) (Franchise Agreement, Section III.G.). Generally, we do not own the premises of Centers and lease them to franchisees;
2. We will provide you with standards and specifications for the construction of the Center including standard building plans and general plans for the interior design and layout, fixtures, furnishings, signs and equipment (Area Development Agreement, Section V.A.2) (Franchise Agreement, Section III.A.);
3. We will provide you initial advisory assistance in the operation of the Center as we deem necessary (Franchise Agreement, Section III.C.);
4. We will provide initial training to you and/or your manager and your initial Center crew (Franchise Agreement Section III.B.). This training is described in detail later in this Item;
5. We will loan to you a copy of our Manual (Franchise Agreement, Section III.D). The table of contents of the Manual is attached to this Disclosure Document as Exhibit C. The Manual contains 189 pages;

6. We will provide you an initial set of recommended accounting, inventory and inspection forms (Franchise Agreement, Section III.E);
7. We will provide 1 of our experienced Center managers for up to 5 days to assist you in opening the Center (Franchise Agreement, Section III.M.); and
8. We will provide you with other services on a contract basis including: purchases of equipment and initial inventory; construction or remodeling of the premises; provide marketing materials; and, train Franchisee's personnel not included in the initial training, the costs of such services shall be negotiated and are not included in the initial franchise fee (Franchise Agreement III.N.).

Continuing Obligations

We will provide the following assistance during the operation of your Center:

1. We will provide you continuing advisory assistance in the operation of the Center as we deem necessary (Franchise Agreement, Section III.C.);
2. We will continue our best efforts to maintain high standards of quality, appearance and service of the System including: (i) conducting inspections of the Center and evaluating products sold and used and services rendered; (ii) upon request, disseminate our standards and specifications for non-secret items or suppliers; (iii) establish standards of qualify for products used and sold at the Center and criteria and procedures for approval of suppliers; and (iv) establish performance standards and specifications for the services rendered at the Center (Franchise Agreement III.F.);
3. We will keep you informed of any innovation and changes in the services and products of the System (Franchise Agreement, Section III.I.);
4. We will provide you with samples of advertising and promotional plans and materials which we develop (Franchise Agreement, Section III.J.);
5. We will provide you with bookkeeping and accounting procedures and techniques which we develop (Franchise Agreement, Section III.K.);
6. We will assist you in obtaining the benefits of our mass or bulk purchasing power for products and supplies (Franchise Agreement, Section III.L.); and
7. We, at our discretion, may establish and administer an advertising fund for the development of advertising and related promotions and materials (Franchise Agreement, Section X).

Site Selection

You select the site for your Center, subject to our approval. If you enter into an Area Development Agreement with us, you must select sites within the Assigned Territory. We will counsel and advise you in evaluating your site, as we deem appropriate. The factors we consider in approving a site are general location and neighborhood, traffic patterns, parking and lot size. If we do not agree on the site, you agree to allow us up to 150 days to work on your behalf to find and propose one or more suitable sites that meet all of our site selection criteria and would thereby be approved by us. Before you lease a site, you must submit to us the proposed lease agreement which must contain provisions allowing us the option to assume the lease if you default under the lease or Franchise Agreement and giving us the right to enter the premises to make modifications to the premises to protect our Marks.

Time to Open

We estimate that the time from the date you sign the Franchise Agreement to the date you open your Center will be between 6 and 15 months. However, this time estimate may vary depending on numerous factors including location, construction schedules, financing, satisfactory completion of our training program, completing delivery and installation of equipment and procuring opening inventory. Your Center must be opened and operating within 15 months after you sign the Franchise Agreement.

Training

Before you open your Center, you and/or your designated manager and your initial crew must successfully complete our initial training program. The initial training program consists of both classroom and hands-on training covering all phases of the Center's operation. The in-Center training is usually conducted at a Center in Alabama for a period of 8 weeks for you and/or your manager and 2 weeks for your initial crew, depending upon the background and experience of the person being trained. The training is conducted at one of our strategically located training centers. Training is conducted approximately 60 to 100 days before you open your Center.

Training is conducted by various members of our staff and Center personnel who have an average of 5 – 10 years of experience in the operation of Centers. The training is conducted under the supervision of Robert Patterson, Vice President of Franchise Support and Training, who has been conducting the initial training for our franchisees for more than 8 years.

We do not charge any fees for attending the initial training program. However, as described in Item 6, you will be responsible for all compensation and expenses (including travel, meals and lodging) incurred in connection with the initial training program. Neither you nor your employees will receive any compensation from us for services performed during training.

There is a 1-day Orientation, in Birmingham, Alabama. You will begin the day by meeting with your FSTO (Franchise Training & Support Officer) at our corporate office. This orientation will cover topics in the following areas:

- Company Philosophy & Policies
- ISI POS System Review
- Center Procedures Review & Simulation
- Observation of Center Operations

After your orientation, you will begin the New Owner Training Instructional materials for the 8-10 week initial training program. The training program is intended to protect and maintain the Marks and the System and not to control the day-to-day operations of the Center. The subjects covered and approximate timing of each are described on the following chart.

TRAINING PROGRAM - New Owner

Subject	Hours of On-The-Job Training	Hours of Classroom Training	Location
Pit Procedures	30-40	0	Birmingham, AL
Hood Procedures	30-40	0	Birmingham, AL
Inventory Management	30-40	0	Birmingham, AL
Mechanical – Part 1	30-40	0	Birmingham, AL
Mechanical – Part 2 (including Tire Training)	30-40	0	Birmingham, AL
Tire Bootcamp	4	12	Birmingham, AL
Corporate week Recruiting & Retention Payroll Business & Accounting Functions Marketing Strategies OSHA Regulations & Compliance/Claims Management Executive Lunch & Owner Training Review	30-40	0	Birmingham, AL
Train-the-Trainer/Pit	30-40	0	Birmingham, AL
Train-the-Trainer/Hood	30-40	0	Birmingham, AL
Overview	30-40	0	Birmingham, AL

Note: There is an additional 5 hours per week of classroom training consisting of Oil Bay Training and Leadership Training.

Note: Orientation & Training is facilitated by your FSTO at Center locations & the corporate office in Birmingham, AL.

TRAINING PROGRAM - Initial Center Crew

Subject	Hours of On-The-Job Training	Hours of Classroom Training	Location
Orientation EOC&SC Operational Procedures	0	8	Birmingham, AL
In-Center Training	24 - 30	0	Birmingham, AL
Training Review	6 - 10	0	Birmingham, AL
In-Center Training	32 - 40	0	Birmingham, AL
Training Review	1 - 2	0	Birmingham, AL

In addition to the initial training program, we may require you and your manager to attend and successfully complete periodic or additional training programs. As of the date of this disclosure document, we do not offer additional training programs or refresher courses but may establish them in the future.

All training must be completed to our satisfaction.

ADVERTISING

Advertising Fund

We may, in our sole discretion, establish and administer a national or regional advertising fund (the "Fund"). You must contribute to the Fund amounts that we establish from time to time, not to exceed 2% of your gross sales, payable monthly by the 10th of each month. Company Centers will contribute to the Fund on the same basis. The Fund will not spend any money on advertising, which is principally a solicitation for the sale of new franchises. As of the date of this Disclosure Document, we have not established the Fund.

We will seek the advice of franchisees by formal or informal means with respect to the creative concepts and media used for programs financed by the Fund. However, the advertising advisory committee will serve only in an advisory capacity. We will have final authority over all aspects of the Fund. We will have the right to change or dissolve the advertising advisory committee.

We will have sole discretion over all aspects of programs financed by the Fund including national or regional media, creative concepts, materials and endorsements. Although the Fund's purpose will be to maximize general recognition and patronage of the Marks for the benefit of all Centers, we cannot assure you that any particular Center will benefit directly or on a pro rata basis from the placement of advertising. We are not required to spend any amount on advertising in your area or territory. The Fund may be used to pay for the cost of preparing and producing any materials and programs we select, including video, audio and written advertising materials, updating and maintaining our internet web page, and for the cost of employing advertising agencies and supporting market research activities.

The Fund will be accounted for separately from our other funds and will not be used to defray any of our general operating expenses, except for reasonable salaries, administrative costs and overhead we may incur in activities related to the administration of the Fund. The Fund will not be audited; however, we will prepare annually a statement of monies collected and costs incurred by the Fund and furnish you a copy upon your written request.

We advertise Centers in various media including television, radio and newspaper, or through billboards, direct mail, email, and on internet or intranet web page. Our advertising is developed primarily by outside advertising agencies. To date, most of our advertising has been local.

Advertising Cooperatives

We have the right to establish local and/or regional advertising cooperatives for Centers, covering such geographical areas as we may designate from time to time. We have the right to change, dissolve or merge advertising cooperatives.

You must participate in such advertising cooperative and its programs (other than price advertising as to which you may choose not to participate) and abide by its bylaws. You must contribute such amounts to the advertising cooperative(s) as they determine from time to time in accordance with their bylaws. Any Company Centers located in such designated local or regional areas will contribute to the cooperative on the same basis. Contributions to such local and regional advertising cooperatives are credited toward the 3% local advertising expenditures required by the Franchise Agreement.

The bylaws of your cooperative will be made available for you to review. The advertising cooperatives will be administered by us. The financial statements of the advertising cooperatives will be audited, and reports will be made available to you. Each Center located within the local or regional area of the advertising

cooperative is entitled to 1 vote and the Company shall have 1 vote ex officio and 1 vote for each Company-Owned Center in the advertising area.

Advertising conducted by the cooperatives may be in various media including television, radio, and newspaper or through billboards, direct mail, email and internet or intranet web pages. The advertising will be developed primarily by outside advertising agencies. The cooperatives will not use funds for advertising which is primarily a solicitation for the sale of franchises.

As of the date of this disclosure document, we have 1 Advertising Cooperative established in the Atlanta, Georgia region.

Warranty

We do have a chain-wide warranty program for our customers. You must abide by its terms and accept the warranty compensation and limits. The warranty program is subject to change at the Company's sole discretion.

Computer/Point of Sale System

Before you open your Center, you must purchase and install as a part of your equipment package the required computer hardware, software, internet connections and service, required dedicated phone line and other computer-related accessories and equipment (Point of Sale System). The cost of the Point-of-Sale System will range from \$12,000 to \$20,000 as identified in the "Equipment" section of Item 7. You must obtain and maintain high-speed communication access with a static IP Address for your point of sale ("POS") system, a service with a minimum 100 Meg download and 20 Meg upload is recommended and maintain and utilize an Express Oil Change email address.

The required software system currently being utilized is a point-of-sale software system from ISI, Inc. which consists of bay stations, cashier station, mechanical station, office server, printers, routers, switches and software, as well as the server at our corporate office. The ISE Estimator utilized with our POS system is under license from Epicor and will be considered a part of the POS system. A 1-time data license fee of \$1,495.00, plus \$89.00 per month, for the ISE Estimator is required. You must keep your support with ISI, Inc., in good standing and perform any and all software updates received from ISI, Inc. in a timely manner. The annual cost of maintenance updates, upgrading of the system and required software is estimated to be \$5,100 at this time.

In addition to the items above, the following parameters are required to maintain and operate the POS system:

- You must backup and safely secure the backups for your POS system within the EOC/TE Guidelines.
- All network cabling for the POS System shall be at a minimum CAT6. Costs range from \$7,000.00 to \$20,000.00. Cabling costs may include cameras and phone solutions. These costs may vary based upon the contractor and types of services chosen.
- ISI Central Vehicle Sharing. You are required to opt-in unless EOC is maintaining and handling fleet billing.

- Optional - Wireless Credit Card Terminals may be used and must be segmented to a separate Wireless Network to meet PCI compliance.
- Optional – Video recording system for the store for security purposes; if networked, it must be segmented apart from the POS network to meet PCI compliance.
- Optional - Tablets for Fleet Signature may be used and purchased at Owners discretion (Model - Samsung Galaxy Tab A8 SM-X200NZAAXAR). Required if utilizing EOC Fleet billing services.

In order to have access to critical mechanical repair information, all franchisees are required to sign up for and use either of these two software programs that are compatible with our POS system, which includes either the AllData system, which is approximately \$99 a month, or the Identifix system which is approximately \$124 a month.

Neither the Company nor ISI can guarantee nor support any hardware / software not purchased from ISI, Inc., or not contained in their list of approved hardware / software.

This POS will, at a minimum, generate or store data concerning vehicle service history, inventory, coupon/discounts, customer information, fleet information, employee information and vehicle maintenance database.

You must assist us in bringing your system on-line with our home office systems and to maintain this connection as we require. We will have independent access to and may retrieve from your Point-of-Sale System all the data that we consider necessary or appropriate. There are no contractual limitations on our right to retrieve information.

You must maintain the POS and keep it in good repair. There is no contractual limit on our ability to require you to upgrade the system, add components or replace components.

We cannot estimate the cost of upgrading your Point-of-Sale System or its components because it will depend on your repair history, local costs of computer maintenance services in your area and technological advances which we cannot predict at this time.

We will be upgrading our website, email program and loyalty application in the future. There are no limitations to the changes we deem necessary. We require your support, with appropriate notification, if there are data or functionality changes requiring information from you to deliver the upgraded systems.

Item 12 TERRITORY

Franchise Agreement

The Franchise Agreement grants to you the right to own and operate a Center at a specified location. You may not conduct the business of your Center at any site other than the premises. The franchise agreement does not grant you the right to use other channels of distribution such as the Internet. The Franchise Agreement does not provide you with any options, rights of first refusal or similar rights to acquire additional franchises. Our approval for relocation of the Center during the term of the franchise agreement is only granted on a case-by-case basis depending on your particular situation. Under no circumstances will we approve a relocation that would encroach on the protected area of another Center.

As long as you are not in default of the Franchise Agreement, and except as noted below, we will not operate or grant to a third party the right to operate a Center within 1 mile of the location of your Center (“Protected Area”). We determine if you are in default pursuant to Section XIII of the Franchise Agreement or Section VI of the ADA. Continuation of this exclusive area is not dependent upon your achievement of a certain sales volume, market penetration or other contingency.

Except for the rights expressly granted to you under the Franchise Agreement, we retain all of our rights and discretion with respect to the Marks, the System and other Centers, including the right to:

(a) grant others licenses for the Marks, in addition to those franchises already granted to existing franchisees; and

(b) develop and establish other systems for the same or similar products or services utilizing the same or similar proprietary marks, or other proprietary marks, and to grant licenses without providing you any right therein.

Other than the items listed above, there are no other circumstances that would permit us to modify your Protected Area.

Area Development Agreement

The Area Development Agreement (“ADA”) grants you the right to develop an agreed upon number of Centers within a geographical territory described in the ADA (the “Development Area”). The size of the Development Area will depend on the number of Centers suitable for the Development Area, as determined by us and you in light of factors such as population density and the residential and commercial character of the area. The number of Centers and the dates the options are to be exercised are set forth in the ADA (the “Development Schedule”).

During the term of the ADA and provided you are in compliance with the ADA and all other agreements with us, we will: (a) grant to you, in accordance with Section III of the ADA, a cumulative number of Centers all of which are to be located within the Development Area; and (b) not operate nor grant the right to operate any Center located within the Development Area. Continuation of your exclusivity in the Development Area is not dependent upon your achievement of a certain sales volume, market penetration or other contingency. You maintain rights to your Development Area even though the population increases. We may not alter the Development Area without your consent unless you default in your performance of the ADA. You must open and operate the cumulative number of Centers set out in the Development Schedule. We have no obligation under any circumstances to extend the Development Schedule. Your failure to develop and operate Centers in accordance with the Development Schedule will be a material breach of the ADA. After successful completion of the Development Schedule, you have a 3-year right of first refusal with respect to additional Centers developed in your Development Area.

Competing Businesses

As noted in Item 1, Gimex franchises others to operate Tuffy Tire & Auto Service centers, that sell goods and services substantially similar to those offered by EOC under TAC’s names and marks. The services offered by a TAC include quick oil change and lubrication, transmission service, air conditioning service, brake repair, tune-ups and tire sales and service. TAC’s may be operated by TAC franchisees in your protected area. Also, the TAC franchisees may solicit or accept orders within your protected area and service their customers from locations within your protected area. We and Gimex intend to let the TAC and EOC/TE franchise systems follow normal expansion plans under their respective names and trademarks and to permit the systems to operate as they have in the past, including in competition for the same or

similar products and services, and customers. We are not obligated to limit competition or resolve conflicts between us and franchisees of EOC/TE or TAC. Gimex’s principal address is 358 Saw Mill River Road, Millwood, New York 10546.

**Item 13
TRADEMARKS**

Your right to use our Marks is granted only under the Franchise Agreement. You have no right to use any of our Marks under the Area Development Agreement. We have the right to use and license others to use the Marks pursuant to a long-term license agreement with EOC.

Our principal mark is the combined Mark “Express Oil Change 10 Minutes Service and design/Tire Engineers Full Service Auto Care and design” which was registered on the Principal Register of the United States Patent and Trademark Office (“PTO”) No. 4,566,952 on July 15, 2014. In addition, the service mark “Tune-Up Clinic and design” was registered on the Principal Register of the PTO on June 30, 1981, No. 1,159,428. The “Tune-Up Clinic and design” service mark is incontestable, and all affidavits and renewals required to be filed have been filed.

In addition, the following trademarks and service marks registered on the Principal Register, as of the date of this Disclosure Document:

Mark	Registration No.	Date
TURN TO US	3,227,809	April 10, 2007
EXPRESS OIL CHANGE	3,359,314	December 24, 2007
Tire Engineers	4,442,726	December 3, 2013
CHANGING OIL CHANGING LIVES	4,521,270	April 29, 2014
	1,534,649	April 11, 1989
	3,377,493	February 5, 2008
	3,377,494	February 5, 2008
	4,566,952	July 15, 2014
	4,587,502	August 19, 2014
	4,623,570	October 21, 2014
	5,038,800	September 13, 2016
	5,154,935	March 7, 2017
	5,264,195	August 15, 2017

There are no currently effective material determinations of the PTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, nor are there any pending infringements, opposition or cancellation proceedings or material litigation, involving our Marks. There are no agreements in effect which significantly limit our right to use or license the use of the Marks in a manner material to the franchise.

From time to time, we have become aware of other users of names, marks and/or trade dress which may be confusingly similar to ours. Where appropriate, we have taken and will take legal action. There are no superior rights or infringing uses actually known to us that could materially affect your use of the Marks.

The Franchise Agreement grants to you the right to use our current and future Marks to identify the services and/or products offered by Centers. If we are required to modify or discontinue the use of any Mark, you must comply with our directions. We will have no liability or obligation for your modification or discontinuance of any Mark or promotion of a substitute trademark, service mark or trade dress.

You must follow our rules when using our Marks. You must receive our approval when choosing your corporate name. You cannot use our Marks as a part of a corporate name or with modifying words, designs or symbols without our consent. All of your usage of the Marks and any goodwill you establish are to our exclusive benefit and you retain no right in the Marks on termination or expiration of the Franchise Agreement. You must obtain fictitious or assumed name registrations as we require, or under applicable law.

You must immediately notify us of any apparent infringement of or challenge to your use of any Mark or claim by any person of any rights to any Mark. We will have the sole discretion to take any action we deem appropriate and will have the right to control exclusively any litigation or PTO or other administrative proceeding arising out of any infringement, challenge or claim or otherwise relating to any Mark. You must execute any and all instruments and documents, provide assistance and do such things as, in the opinion of our counsel, may be necessary or advisable to protect our interests in any litigation or PTO or other proceeding or otherwise to protect our interest in the Marks. We have no obligation under the Franchise Agreement to protect you against or reimburse you for any damages for which you are held liable in any proceeding arising out of your use of the Marks.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents material to the franchise. We claim copyright protection of our Manual and related material, our form Area Development and Franchise Agreements and advertising and promotional materials. Although these materials have not been registered, they are considered proprietary and confidential and are considered our property and you may use them only as provided in the Franchise Agreement.

There are no agreements in effect, which significantly limit our right to use or license the use of the copyrighted materials. We do not know of any infringing uses, which could materially affect your use of the copyrighted materials in any state. We are not required by the Franchise Agreement to protect or defend copyrights.

We will disclose to you certain confidential or proprietary information and trade secrets. Except as is necessary in connection with the operation of the Center, and as we approve, you may not use for your own benefit or communicate to any other person any of our trade secrets and confidential information. You may disclose to your employees only such information and trade secrets as are necessary to operate your business and, then, only while the Franchise Agreement is in effect.

Item 15
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION
OF THE FRANCHISE BUSINESS

We do not require you to personally participate in and direct the operation of the Center although such personal participation and direction is encouraged. You must devote your best efforts to the development and success of the Center. The Center must at all times be under the direct on-premises supervision of you or your manager who has completed our training program and devotes his entire time during business hours to the operation of the Center. If you are a partner, corporation, limited liability company, or other legal entity, each owner of at least 5% of your equity and voting rights must undertake to be personally bound, jointly and severally, by your obligations under the Franchise Agreement and Area Development Agreement, if any.

Item 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must operate the Center pursuant to the terms of the Franchise Agreement and the provisions of the Manual. We require you to provide all approved services and products that we determine from time to time to be appropriate for your Center. You may not offer for sale any products that we have not approved. We have the right to change the type of authorized products from time to time. You must operate the Center in accordance with our methods, standards and specifications and you cannot operate any other business activity from the Center, nor can you place at the Center any cigarette machines, pinball machines, juke boxes or other type of amusement or vending machines or signs or posters without our consent. Currently, you are restricted to the following services: oil change and lubrication, transmission service, brake repair, tune-ups, alignments, tire sales and service and air conditioning service, belts, hoses, filters, wiper blades, light bulbs, batteries, shocks, and struts. Additionally, this could include repair and maintenance of any major automotive sub-systems such as HVAC, steering and suspension, brakes, starting and charging, electrical, drive train, and emissions. You must at all times maintain an inventory of approved products sufficient in quantity, quality and variety to realize your Center's full potential.

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Item 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

FRANCHISE AGREEMENT

Provision	Section in franchise agreement	Summary
a. Length of the franchise term	Section II.A.	10 years
b. Renewal or extension	Section II.B.	10-year renewal if you meet stated renewal requirements
c. Requirement for franchisee to renew or extend	Section II.B.	Written notice to us; complete remodel and renovate; not in default; satisfy monetary obligations to us; lease for premises for renewal term; execute release; meet current qualification and training requirements; equipment and inventory meet our standards; You may be asked to sign a new franchise agreement with materially different terms and conditions including a higher royalty and advertising contribution not to exceed 20% of the current fees.
d. Termination by franchisee	None	Not Applicable
e. Termination by franchisor without cause	None	Not Applicable
f. Termination by franchisor with cause	Section XIII	We can terminate only if you default
g. "Cause" defined - curable defaults	Section XIII.C.	Curable defaults: nonpayment of fees, failure to comply with Manual, danger to public health or safety, violation of law or statute, failure to obtain our approval, misuse of proprietary information or Marks, failure to maintain insurance, failure to pay suppliers, failure to make required purchases from suppliers.
h. "Cause" defined – non-curable defaults	Sections XIII.A. and B.	Non-curable defaults: failure to timely open Center or loss of possession of premises; insolvency or bankruptcy; foreclosure and sale of personal property; conviction of felony or crime of moral turpitude; unapproved transfer; breach of in-term covenants; disclosure of trade secrets; failure to timely transfer upon death or incapacity; repeated defaults, even if cured

Provision	Section in franchise agreement	Summary
i. Franchisee's obligations on termination/non-renewal	Section XIV.	Cease to operate franchise and use of Marks; completely de-identify the premises; pay amounts and damages due; turn over franchise records and Manual; comply with covenants (see "r" below)
j. Assignment of contract by franchisor	Section XII.A.	No restriction on our right to assign
k. "Transfer" by franchisee - defined	Section XII.B.(1)	Includes pledge, gift, sale or transfer of the Franchise Agreement or the business or ownership change
l. Franchisor approval of transfer by franchisee	Section XII.B.	We have the right to approve any transfer, but will not unreasonably withhold approval
m. Conditions for franchisor approval of transfer	Section XII.B. and Exhibit C	All obligations to us are satisfied; release signed in the form attached to the franchise agreement as Exhibit C; transferee must qualify and either assume the agreement or execute a new franchise agreement and complete training; transfer fee paid
n. Franchisor's right of first refusal to acquire franchisee's business	Section XII.E.	We can match any offer for your business
o. Franchisor's option to purchase franchisee's business	Section XIV.G.	We can purchase your business or assets at fair market value
p. Death or disability of franchisee	Section XII.F.	Franchise must be assigned to an approved person within 9 months
q. Non-competition covenants during the term of the franchise	Section XV.B.	No involvement in competitive business regardless of location
r. Non-competition covenants after the franchise is terminated or expires	Section XV.	No interest in a competitive business for 18 months within 3 ¹ / ₂ miles of the franchise location or any other Center in operation or under construction
s. Modification of agreement	Section XXI.	No modification except by written agreement signed by both parties; however, Manual and System are subject to change by us
t. Integration/merger clause	Section XXI.	Only terms of Franchise Agreement are binding (subject to state law); any other representations or promises outside this disclosure document or the franchise agreement may not be enforceable
u. Dispute resolution by arbitration or mediation	Section XXIV.	Except for certain claims, all disputes must be arbitrated
v. Choice of forum	Section XXIV.	Arbitration must be held in Jefferson County, Alabama (subject to state law)
w. Choice of law	Section XXIII.	Alabama law applies, subject to state law

This table lists certain important provisions of the area development agreement. You should read these provisions in the area development agreement attached to this disclosure document.

AREA DEVELOPMENT AGREEMENT

Provision	Section in area development agreement	Summary
a. Length of area development agreement term	Section I.	Term ends on the 180th day after the date last Center opens pursuant to the Development Schedule
b. Renewal or extension	None	Not applicable
c. Requirements for developer to renew or extend	None	Not applicable
d. Termination by developer	None	Not applicable
e. Termination by franchisor without cause	None	Not applicable
f. Termination by franchisor with cause	Section VI.	We can terminate you only for cause
g. "Cause" defined – curable defaults	Section VI.C.	Curable defaults: failure to meet the development schedule, failure to comply with the terms of the area development agreement or any franchise agreement.
h. "Cause" defined – non-curable defaults	Section VI.B.	Includes bankruptcy and insolvency; failure to timely develop Centers; unauthorized transfer; misrepresentations; unauthorized use of Marks; conviction of a felony or any crime involving moral turpitude
i. Developer's obligations on termination /non-renewal	None	Not applicable
j. Assignment of contract by franchisor	Section VII.A.	No restriction on our right to assign
k. "Transfer" by developer - defined	Section VII.B.	Includes transfer of the Area Development Agreement or ownership change
l. Franchisor approval of transfer by developer	Section VIII.B.	We have the right to approve any transfer, but will not unreasonably withhold approval
m. Conditions for franchisor approval of transfer	Section VII.B.	All obligations to us are satisfied; transferee must qualify and either assume agreement or execute new area development agreement
n. Franchisor's right of first refusal to acquire developer's business	Section VII.B.	We can match any offer for your business
o. Franchisor's option to purchase developer's business	None	Not applicable
p. Death or disability of developer	Section VII.B.	Area Development Agreement must be assigned to an approved person within 9 months

Provision	Section in area development agreement	Summary
q. Non-competition covenants during the term of area development agreement	Section VIII.	No interest in competitive business regardless of location
r. Non-competition covenants after the area development agreement is terminated or expires	Section VIII.	No interest in a competitive business for 18 months within the Development Area or within 3½ miles of any Center in operation or under construction
s. Modification of agreement	Section XIV.	No modification except by written agreement signed by both parties
t. Integration/merger clause	Section XIV.	Only the terms of the Area Development Agreement are binding (subject to state law); any other representations or promises outside this disclosure document or the Area Development Agreement may not be enforceable
u. Dispute resolution by arbitration or mediation	Section XVI	Except for certain claims, all disputes must be arbitrated
v. Choice of forum	Section XVI	Arbitration must be in Jefferson County, Alabama (subject to state law)
w. Choice of law	Section XIV.	Alabama law applies, subject to state law

**Item 18
PUBLIC FIGURES**

We do not use any public figure to promote the sale of our franchises.

**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.

Except for the historical data relating to certain average sales & expenses set forth below, we do not make any financial performance representations.

Most Centers offer substantially the same products and services to the public. None of the franchised Centers have customarily received services not generally available to other franchisees and substantially the same services will be available to you.

The following financial performance representation is the average historical data relating to the operation of our franchised Centers which were opening during the 12-month period from 01/01/2022 to 12/31/2022. With a total of 40 franchised Centers, only 38 of them were in operation for the 12-month period included

in the data group. During the 12-month period, the average Gross Sales per Center was \$1,957,463 and the median Gross Sales per Center was \$1,842,060. Of the representative group, 22 or 57.9% did not achieve the average Gross Sales figure.

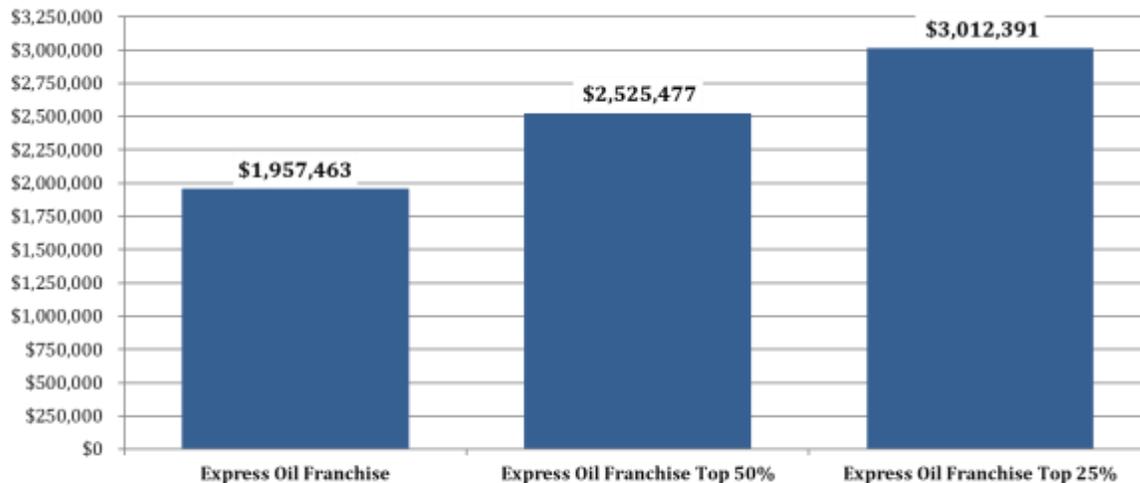
The following financial performance representation, broken out by Quarterlies, is the average and median historical data relating to the operation of our franchised Centers for the period of 1/1/2022 to 12/31/2022. The store sampling includes all 38 co-branded franchise Centers in the system open before 12/31/2022.

	2022 Average	2022 Median	# of Stores
Q1	\$3,012,391	\$2,952,043	10
Q2	\$2,038,562	\$2,001,647	10
Q3	\$1,600,862	\$1,582,013	9
Q4	\$1,051,809	\$1,047,876	9

As used herein, the term “Gross Sales” is defined as the total amount of all sales of merchandise or services sold or rendered by Franchisee in connection with the Center and income of every kind and nature, including Franchisee's share of any revenues from vending or coin operated machines located on the Center premises, less all federal, state, county and/or city sales taxes, less any discounts at point of sale. We do not require our individual franchisees to report their Center costs to us. However, we operate 290 company Centers and are providing the average costs based on our experience. For a franchised Center, the average percentage of costs of goods, labor expense, operating expense, royalty and marketing could be anticipated to be: 30%, 32%, 8.5%, 5% and 3%, respectively.

The following chart shows the industry average for the type of franchise we offer and our franchise center averages of Gross Sales:

Average Per Store Gross Sales



* Express Oil Change average of all Franchise locations open prior to 1/1/2022 and the open the full 12 months of 2022

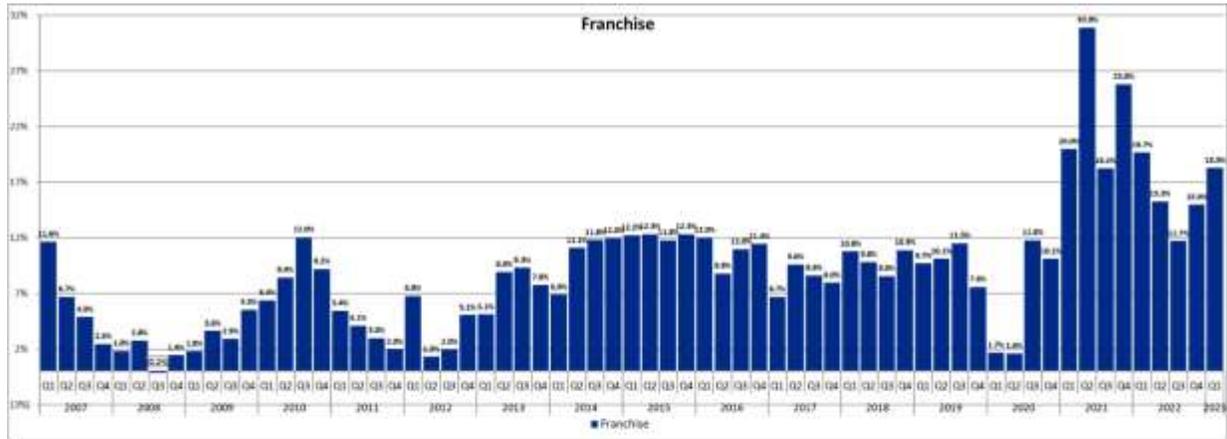
For the data presented in the above chart:

Express Oil Chain-Wide: 38 franchise Centers were open prior to 1/1/2022, the average Gross Sales per center was \$1,957,463 and the median Gross Sales per Center was \$1,842,060.

Express Oil Top 50%: The total number in the top 50% were 20 franchise Centers open prior to 1/1/2022, the average Gross Sales per center was \$2,525,477 and the median Gross Sales per Center was \$2,313,796.

Express Oil Top 25%: The total number in the top 25% were 10 franchise Centers open prior to 1/1/2022, the average Gross Sales per center was \$3,012,391 and the median Gross Sales per Center was \$2,952,043.

The following chart represents the Company’s Chain-Wide franchised Centers quarterlies:

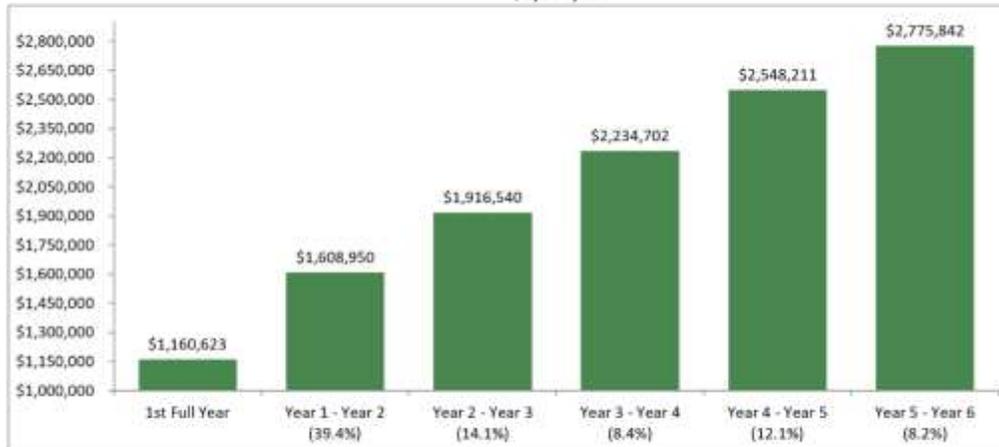


* Note: Same Store Sales (SSS) defined as aggregate revenue for all stores open at least 13 months at the end of indicated quarter. Percent change represents growth/decline over the same quarter for the previous year.

First Full Year Sales – Franchise Stores

Average of Openings in Last 3 Years*
Annual Sales Growth Rate **

\$1,160,123



* Average of sales for 15 most recent franchise store openings that have completed their first 12 full months of sales as of 3/31/2023, excluding conversions.
 ** Average percentage sales increase of most recent 15 franchise stores completing the corresponding year of operation, excluding conversions.
 *** Median first year sales for 15 most recent franchise stores openings as of 3/31/2023, excluding conversions is \$975,436. (6 stores above average, 9 stores below average)

Note: These results should not be considered as the actual or probable results that will be realized by you. Your own financial results are likely to differ from these results. You are urged to consult with appropriate financial, business and legal advisors in connection with this historical information. Substantiation of data used in preparing this analysis will be made available to you upon reasonable request.

You are urged to consult with appropriate financial, business and legal advisors in connection with this historical information. Substantiation of data used in preparing this Item 19 will be made available to you upon reasonable request. However, we will not disclose the identity or sales data of any particular Center without the consent of that franchisee, except to any applicable state registration authorities or except in connection with the sale of a Company-owned Center.

Some Centers have sold this amount. Your individual results may differ. There is no assurance that you'll earn as much.

Other than the preceding financial information representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any 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 the Company's management by contacting our Executive Vice President, R. Kent Feazell at 1880 Southpark Drive, Birmingham, Alabama 35244, (205) 945-1771, the Federal Trade Commission and the appropriate state regulatory agencies.

Written substantiation for the financial performance representation will be made available to you upon reasonable request.

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Item 20
OUTLETS AND FRANCHISE INFORMATION

Table No. 1 - System-Wide Outlet Summary
For Years 2020 to 2022

	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2020	110	109	-1
	2021	109	58	-51
	2022	58	40	-18
Company- Owned	2020	151	182	+31
	2021	182	251	+69
	2022	251	290	+39
Total Outlets	2020	261	291	+30
	2021	291	309	+18
	2022	309	330	+21

Table No. 2 - Transfers of Outlets from Franchisees to New Owners
(Other than the Company) For Years 2020 to 2022

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Totals	2020	0
	2021	0
	2022	0

Table No. 3 - Status of Franchised Outlets
For Years 2020 to 2022

State	Year	Outlets at Start of Year	Outlets Opened	Termi- nations	Non- Renewals	Reacquired by Company	Ceased Operations - Other Reasons	Outlets at End of Year
Alabama	2020	21	1	0	0	4	0	18
	2021	18	0	1	0	9	0	8
	2022	8	0	1	0	3	0	5
Arkansas	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	3	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Company	Ceased Operations - Other Reasons	Outlets at End of Year
Florida	2020	13	3	0	0	0	0	16
	2021	16	1	0	0	6	0	11
	2022	11	0	0	0	1	0	10
Georgia	2020	37	1	0	0	0	0	38
	2021	38	0	0	0	24	0	14
	2022	14	0	0	0	11	0	3
Illinois	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Mississippi	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	1	0	1
	2022	1	0	0	0	0	0	1
North Carolina	2020	8	0	0	0	0	0	8
	2021	8	1	0	0	3	0	6
	2022	6	0	0	0	0	1	5
Ohio	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Oklahoma	2021	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	1	0	2
South Carolina	2020	6	2	0	0	1	0	7
	2021	7	0	0	0	6	0	1
	2022	1	0	0	0	0	0	1
Tennessee	2020	5	0	0	0	0	0	5
	2021	5	0	0	0	2	0	3
	2022	3	1	0	0	0	0	4
Texas	2020	5	0	0	0	3	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
Utah	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Virginia	2020	5	0	0	0	0	0	5
	2021	5	0	0	0	2	0	3
	2022	3	0	0	0	0	0	3
West Virginia	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Company	Ceased Operations - Other Reasons	Outlets at End of Year
Totals	2020	110	7	0	0	8	0	109
	2021	109	3	1	0	53	0	58
	2022	58	2	0	0	19	1	40

**Table No. 4 - EOC Company-Owned Outlets
For Years 2020 to 2022**

State	Year	Outlets at Start of Year	Outlets Opened	Reacquired by Company	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Alabama	2020	75	14	4	0	0	93
	2021	93	0	9	0	0	102
	2022	102	1	3	0	0	106
Arizona	2020	3	0	0	0	0	3
	2021	3	0	0	0	0	3
	2022	3	0	0	0	0	3
Arkansas	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
	2022	0	0	3	0	0	3
Florida	2020	8	0	0	0	0	8
	2021	8	0	6	0	0	14
	2022	14	3	1	0	0	18
Georgia	2020	13	2	0	0	0	15
	2021	15	3	24	0	0	42
	2022	42	3	11	0	0	56
Indiana	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
Kansas	2020	0	1	0	0	0	1
	2021	1	1	0	0	0	2
	2022	2	0	0	0	0	2
Louisiana	2020	3	2	0	0	0	5
	2021	5	2	0	0	0	7
	2022	7	1	0	0	0	8
Mississippi	2020	7	0	0	0	0	7
	2021	7	1	1	0	0	9
	2022	9	1	0	0	0	10

State	Year	Outlets at Start of Year	Outlets Opened	Reacquired by Company	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Missouri	2020	0	0	0	0	0	0
	2021	0	1	0	0	0	1
	2022	1	0	0	0	0	1
North Carolina	2020	5	0	0	0	0	5
	2021	5	0	3	0	0	8
	2022	8	2	0	0	0	10
Oklahoma	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
	2022	0	0	1	0	0	1
South Carolina	2020	5	1	1	0	0	7
	2021	7	1	10	0	0	17
	2022	17	2	0	0	0	19
Tennessee	2020	19	0	0	0	0	19
	2021	19	1	2	0	0	22
	2022	22	2	0	0	0	24
Texas	2020	12	3	3	0	0	18
	2021	18	3	0	0	0	21
	2022	21	5	0	0	0	26
Virginia	2020	0	0	0	0	0	0
	2021	0	0	2	0	0	2
	2022	2	0	0	0	0	2
Totals	2020	151	23	8	0	0	182
	2021	182	16	53	0	0	251
	2022	251	20	19	0	0	290

**Table No. 5
Projected Openings as of December 31, 2022**

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchise Outlet in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
Alabama	0	0	5
Arizona	0	0	0
Arkansas	1	1	0
Florida	1	0	1
Georgia	0	0	7
Illinois	0	0	0
Indiana	0	0	0
Kansas	0	0	0
Louisiana	0	0	1

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchise Outlet in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
Mississippi	0	0	1
Missouri	0	0	2
North Carolina	1	0	1
Ohio	1	0	0
Oklahoma	0	0	0
South Carolina	0	0	3
Tennessee	0	0	1
Texas	0	0	3
Utah	0	0	0
Virginia	2	0	0
West Virginia	0	0	0
Totals	5	0	25

The names, addresses and telephone numbers of our franchisees and their Centers as of the date of this Disclosure Document are listed in Exhibit E. The locations of our Company-owned Centers are listed in Exhibit F.

Exhibit G lists the names, addresses and current business telephone number (or, if unknown, the last known home telephone number) as of December 31, 2022, of every franchisee who had a Center terminated, not renewed, cancelled, left the system or otherwise voluntarily or involuntarily ceased to do business under their franchise agreement in 2022 or who has not communicated with us within the 10 weeks prior to the date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed when you leave the franchise system.

During the last 3 fiscal years, we have not signed confidentiality agreements with any former or current franchisees restricting their ability to speak openly about their experience with the Company.

As of the date of this Disclosure Document, the Company does not have any trademark-specific franchisee organization or association.

Item 21 FINANCIAL STATEMENTS

The financial statements listed below are attached to this Disclosure Document as Exhibit H.

An Audited financial statement of Express Oil Change Franchise, LLC for the fiscal years ended December 31, 2022, December 31, 2021, and December 31, 2020, and unaudited statements for our most recently ended quarter, if available.

Item 22 CONTRACTS

Attached as exhibits to this Disclosure Document are the following contracts:

Franchise Agreement (Exhibit A)

- Ownership Interest
- Guaranty
- Franchisee's Organization
- Standard Lease Rider
- General Release

Area Development Agreement (Exhibit B)

- Ownership Interest
- Development Area

Item 23
RECEIPTS

You will find copies of a detachable receipt at the end of this Disclosure Document.

EXHIBIT A

**EXPRESS OIL CHANGE FRANCHISE, LLC
FRANCHISE AGREEMENT**

(See attached.)



EXPRESS OIL CHANGE FRANCHISE, LLC

FRANCHISE AGREEMENT

EDITION DATE: JULY 1, 2023

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EXHIBITS:

A – FRANCHISEE’S ORGANIZATION

B – STANDARD LEASE RIDER

C – GENERAL RELEASE

D – ADDENDUM RELATING TO PARTIAL OWNERSHIP

E – STATE ADDENDA

**EXPRESS OIL CHANGE FRANCHISE, LLC
FRANCHISE AGREEMENT**

THIS AGREEMENT, made and entered into this the _____ day of _____ 20____, between **EXPRESS OIL CHANGE FRANCHISE, LLC**, a Delaware limited liability company, with principal offices in Birmingham, Alabama (hereinafter referred to as “Franchisor”), and _____ (hereinafter referred to as “Franchisee”).

WITNESSETH:

WHEREAS, Franchisor, as the result of the expenditure of time, skill, effort and money, has developed a unique system (hereinafter “System”) relating to the establishment and operation of retail automotive service centers (“Center” or “Centers”) specializing in quick oil change and lubrication, transmission service, brake repair, air conditioning service and tire sales and service, belts, hoses, filters, wiper blades, light bulbs, batteries, shocks, and struts. Additionally, this could include repair and maintenance of any major automotive sub-systems such as HVAC, steering and suspension, brakes, starting and charging, electrical, drive train, and emissions, the distinguishing characteristics of which System include, without limitation, interior and exterior layout and signage; standards and specifications for equipment, equipment layout, inventory and supplies; training; operating procedures for expeditious, dependable and convenient services to the motoring public; methods and techniques for inventory and cost controls, record keeping and reporting, purchasing, sales promotion, and advertising; all of which may be changed, improved and further developed by Franchisor from time to time; and

WHEREAS, Franchisor is the owner of and has the sole and exclusive use and license in the trade name, service mark and trademarks “Express Oil Change/Tire Engineers”, and such other trade names, service marks, and trademarks as are now designated (and may hereinafter be designated by Franchisor in the confidential operating manual (“Manual”) or otherwise in writing) as part of the System (hereinafter referred to as the “Marks”), and Franchisor continues to develop, use and control such Marks for the benefit and exclusive use of itself and its franchisees in order to identify for the public the System and the source of goods and services marketed thereunder, and to represent the System's high standards of quality, appearance and service; and

WHEREAS, Franchisee recognizes the actual and potential value of Franchisor's System and desires to use the Marks; to enjoy the benefits of Franchisor's unique methods of operation; to establish and operate a retail automotive service center utilizing the trademarks and System of Franchisor at the location hereinafter described; and, to obtain a license from Franchisor for that purpose, as well as to receive the training and other assistance provided by Franchisor in connection therewith; and

WHEREAS, Franchisee acknowledges that he or she has employment experience and skills other than the experience and skills that would be obtained by him or her pursuant to this Agreement; and

WHEREAS, Franchisee understands and acknowledges the importance of Franchisor's high and uniform standards of quality, appearance and service and the necessity of opening and operating the Center in conformity with Franchisor's standards and specifications.

NOW, THEREFORE, the parties, in consideration of the premises, the mutual undertakings and commitments of the parties, including the payment of all fees, hereby mutually agree as follows:

I. APPOINTMENT

A. Franchisor hereby grants to Franchisee, upon the terms and conditions herein contained, the right and license, and Franchisee undertakes the obligation, to operate a Center, and to use solely in connection therewith Franchisor's System, as it may be changed, improved and further developed from time to time, only at the following location:

(i) _____

(ii) In the event the Franchisee has not designated a location as provided in Paragraph I.A.(i) herein on execution of this Agreement, Franchisee will designate a prospective location, subject to Franchisor's approval within one hundred twenty (120) days from the date of execution of this Agreement within the following area:

Provided, however, that when a location has been designated and approved by the parties, said location shall become a part of Paragraph I.A.(i) as if originally incorporated therein. This is not an area license but is a single location license.

B. During the term of this Agreement, as long as Franchisee is not in default hereof, Franchisor shall not establish, nor license another to establish, a Center under the System within a radius of one (1) mile of the location described in Paragraph I.A.(i) of this Agreement (“Protected Area”), without Franchisee's prior written consent.

C. Except as provided in Paragraph I.B., Franchisee expressly acknowledges and agrees that this Agreement and license relates solely to the location described herein, and that the granting hereof is expressly subject to the conditions and limitations contained in Paragraph VI.F. of this Agreement.

II. TERM

A. Except as otherwise provided in this Agreement, the term of this license shall run for ten (10) years from the date of execution of this Agreement.

B. Franchisee may, at its option, renew this franchise for an additional period of ten (10) years, provided that:

- (1) Franchisee has given Franchisor written notice of such election to renew not less than six (6) months nor more than twelve (12) months prior to the end of the initial term;
- (2) Franchisee shall complete to Franchisor's satisfaction all maintenance, renovating and remodeling of the Center as Franchisor may reasonably require no later than thirty (30) days prior to expiration;
- (3) Franchisee is not in default of any provision of this Agreement, any amendment hereof or successor hereto, or any other Agreement between Franchisee and Franchisor, or its subsidiaries and affiliates, and has substantially complied with all the terms and conditions of such agreements during the terms thereof;

- (4) Franchisee has satisfied all monetary obligations owed by Franchisee to Franchisor and its subsidiaries and affiliates and has timely met these obligations throughout the term of this Agreement;
- (5) Franchisee shall present satisfactory evidence that Franchisee has the right to remain in possession of the premises for the renewal term;
- (6) Franchisee shall execute upon renewal Franchisor's then-current form of Franchise Agreement, which agreement shall supersede in all respects this Agreement, and the terms of which may differ from the terms of this Agreement, including, without limitation, a higher percentage royalty fee and advertising contribution; provided, however, that such royalty fee and advertising contribution may not increase more than twenty percent (20%) for the renewal term;
- (7) Franchisee shall execute a general release, in the form attached hereto as Exhibit C, of any and all claims against Franchisor and its subsidiaries and affiliates, and their respective officers, directors, agents and employees;
- (8) Franchisee shall comply with Franchisor's then-current qualification and training requirements;
- (9) Franchisee's equipment and inventory used in connection with the operation of the Center meets the then-existing specifications and standards of Franchisor; and
- (10) Franchisee has complied with the provisions of Paragraph V.K(1) of this Agreement during the initial term.

III. OBLIGATIONS OF FRANCHISOR

- A. Franchisor shall make available its standard building plans or general plans for the interior design and layout, fixtures, furnishings, signs and equipment, which Franchisee shall adapt, at Franchisee's expense, to the location in accordance with Paragraph V.B. hereof.
- B. Franchisor shall provide an initial training program to Franchisee and/or Franchisee's manager and shall make available such other training programs as it deems appropriate. All training provided by Franchisor shall be subject to the terms set forth in Paragraph V.D. of this Agreement and shall be at such times and places as may be designated by Franchisor.
- C. Franchisor shall provide such initial and continuing advisory assistance in the operation of the Center as it deems necessary or appropriate.
- D. Franchisor shall loan Franchisee one (1) copy of the Manual, as more fully described in Section VII hereof.
- E. Franchisor shall provide an initial set of recommended accounting, inventory and inspection forms. Franchisee shall, at its own expense, maintain a supply of necessary forms.
- F. Franchisor shall continue its efforts to maintain high standards of quality, appearance and service of the System, and to that end shall:

- (1) Conduct, as it deems advisable, inspections of the Center and evaluations of the products sold and used and services rendered therein;
- (2) Upon request and subject to the terms set forth herein, disseminate Franchisor's standards and specifications for non-secret items to Franchisee or suppliers;
- (3) Establish standards of quality for products used in and sold by Franchisee's business and criteria and procedures for approval of suppliers; and
- (4) Establish performance standards and specifications for the services rendered by Franchisee.

G. Franchisor shall counsel and advise Franchisee in evaluating prospective Center sites submitted by Franchisee for Franchisor's approval.

H. Franchisor shall not, by virtue of any approvals, advice, or services provided to Franchisee, assume responsibility or liability to Franchisee or any third parties to which it would not otherwise be subject.

I. Franchisor agrees to keep Franchisee informed of any innovation and changes in services and products adopted from time to time by Franchisor.

J. Franchisor agrees to provide Franchisee with samples of advertising and promotional plans and materials developed by Franchisor, although Franchisor may assess a reasonable charge for production costs for such items.

K. Franchisor agrees to provide Franchisee with such bookkeeping and accounting procedures and techniques as developed by Franchisor.

L. Franchisor agrees to assist Franchisee in obtaining the benefits of Franchisor's mass or bulk purchasing power for products and supplies for the operation of the Center.

M. Franchisor shall provide one (1) of its experienced Center managers, for up to five (5) days, to assist Franchisee in opening the Center. Franchisee agrees to reimburse Franchisor for such employee's transportation and lodging costs.

N. Franchisor shall make available to Franchisee, upon written request, other services on a contract basis including: purchase of equipment and initial inventory; construction or remodeling of the premises; provide marketing materials; and, train Franchisee's personnel not included in Paragraph III.B. herein. The costs of such services shall be negotiated and are not included in the initial franchise fee.

IV. FEES

A. In consideration of the license granted herein, Franchisee shall pay to Franchisor the following fees:

- (1) Upon the execution of this Agreement, Franchisee shall pay to Franchisor an initial franchise fee of FIFTY THOUSAND DOLLARS (\$50,000.00) which fee shall be deemed fully earned and non-refundable upon execution of this Agreement as consideration for expenses incurred by Franchisor in furnishing assistance and services to Franchisee and for Franchisor's lost or deferred opportunity to license others; and

- (2) Until Franchisee qualifies for Franchisor's Volume Royalty Program as set forth below, a continuing monthly royalty fee during the term of this Agreement in an amount equal to five percent (5%) of Franchisee's Gross Sales at the Center; provided, however, that the monthly royalty fee shall be three percent (3%) of the Gross Sales at the Center premises until the earlier of (a) twelve (12) months from the date the Center is opened, or (b) for two (2) consecutive months the Gross Sales of the Center \$15,000.00 per month if the services at the Center are limited to oil change and transmission services; or \$50,000.00 per month if the Center offers any other authorized services at which time it increases to five percent (5%). Should the Gross Sales drop below \$50,000 in subsequent months, however, the royalty remains at five percent (5%).

The intent of the Volume Royalty Program is to provide an incentive and reward to franchisees that construct new Centers or acquire existing non-EOC centers and convert such centers to Centers. Under the Volume Royalty Program, Franchisee may aggregate Gross Sales of the Center with Gross Sales of: (i) any Centers franchised, as of the date of this Agreement, under all previously executed franchise agreements between Franchisor and Franchisee and (ii) any Center operated by any affiliate of Franchisee existing on the date of this Agreement. As used herein, the term "affiliate" shall mean any person or entity that: (i) directly or indirectly owns the Franchisee, (ii) is directly or indirectly owned by the Franchisee or (iii) is under common ownership with the Franchisee. The term "owns," "owned" or "common ownership" is defined as a fifty-one percent (51%) or greater ownership interest in the Centers for which aggregation of Gross Sales is sought.

The Gross Sales of Centers that are constructed and developed by the Franchisee (or any affiliate of Franchisee) and/or Gross Sales of non-centers purchased and converted a Center by Franchisee (or any affiliate of Franchisee) will be included in the aggregate Gross Sales in determining the applicable Volume Royalty pursuant to the Volume Royalty Program.

The Gross Sales of any Center that is purchased from another franchisee will not be included in the aggregate Gross Sales towards the Volume Royalty Program. However, if Franchisee acquires a Center from another franchisee (the "Acquired Center") the Acquired Center's royalty rate will equal the higher of: (i) the selling Franchisee's Volume Royalty immediately prior to the transfer of the Acquired Center or (ii) the acquiring Franchisee's Volume Royalty immediately prior to the acquisition of the Acquired Center. In the event of a single purchase transaction from a single franchisee resulting in the acquisition of multiple acquired Centers ("Combined Acquired Centers") and if the Combined Acquired Centers' Volume Royalty based solely on their combined Gross Sales is, or becomes, more favorable than the rate determined by the foregoing, the Combined Acquired Centers will be entitled to utilize the Volume Royalty based on their combined Gross Sales. Notwithstanding the foregoing, no Acquired Center's or Combined Acquired Centers' Gross Sales can be aggregated with Franchisee's other Centers that qualify for the Volume Royalty Program for future determinations of the applicable Volume Royalty.

In the event Franchisee qualifies for the Volume Royalty Program, the Volume Royalty shall be as follows:

- (i) if aggregate Gross Sales for the month exceed \$375,000.00, four and one-half percent (4-1/2%) of total Gross Sales;
- (ii) if aggregate Gross Sales for the month exceed \$475,000.00, four percent (4%) of total Gross Sales;

- (iii) if aggregate Gross Sales for the month exceed \$650,000.00, three and one-half percent (3-1/2%) of total Gross Sales; and
- (iv) if aggregate Gross Sales for the month exceed \$850,000.00, three percent (3%) of total Gross Sales.

B. In the event, any regional or national advertising fund for the System is established by Franchisor, as provided in Paragraph X.B. hereof, Franchisee shall also pay to Franchisor a continuing monthly advertising contribution for use by such fund in an amount equal to two percent (2%) of Franchisee's Gross Sales at the Center.

C. All monthly payments required by this Section IV shall be paid to Franchisor by the tenth (10th) day of each month for the preceding calendar month, together with the sales and expense report required under Paragraph IX.B. of this Agreement. Any payment or report required under this Section IV and Section IX hereof not actually received by Franchisor on or before the 20th day of the month shall be deemed overdue if not postmarked at least five (5) days prior thereto. If any payment is overdue, Franchisee shall pay Franchisor, in addition to the overdue amount, interest on such amount from the date it was due until paid, at the maximum rate permitted by law, not to exceed one and one-half percent (1.5%) per month. Entitlement to such interest shall be in addition to any other remedies available to Franchisor. Further, if any overdue payment is turned over for collection, Franchisee agrees to pay all costs of collection, including a reasonable attorney's fee.

D. During the term of this Agreement, Franchisee shall expend a minimum of three percent (3%) of the Gross Sales from the Center for advertising the business in the local market. Franchisee shall verify such advertising expenditures in the manner and form specified by Franchisor in the Manual or otherwise in writing.

E. "Gross Sales" as used herein shall mean the total amount of all sales of merchandise or services sold or rendered by Franchisee in connection with the Center and income of every kind and nature, including Franchisee's share of any revenues from vending or coin operated machines located on the Center premises, less federal, state, county or city sales taxes, less any discounts at point of sale. No discounts given after point of sales are permitted.

V. OBLIGATIONS OF FRANCHISEE

A. Franchisee understands and acknowledges that every detail of the System is important to Franchisee, Franchisor and other franchisees in order to develop and maintain high and uniform operating standards, to increase the demand for the products and services sold by all franchisees, and to protect Franchisor's reputation and goodwill.

B. Franchisee agrees to lease or otherwise acquire, at Franchisee's expense, the location designated herein. If the location is to be leased, the lease shall be submitted, prior to execution, for Franchisor's approval which shall not be unreasonably withheld.

Franchisor will not approve any lease unless a rider to the lease in the form attached as Exhibit B is a part of the lease.

Franchisee agrees to furnish Franchisor with plans and specifications adapting Franchisor's general floor plans and interior design and layout to Franchisee's Center, for Franchisor's prior written approval, before commencing construction, renovation, remodeling or equipping of the Center, which plans and specifications shall not thereafter be changed without Franchisor's prior written consent.

C. Franchisee shall commence construction, renovation, remodeling and equipping of the premises in accordance with the approved layout and plan at Franchisee's expense within ten (10) months after the date of this Agreement, exclusive of time lost by reason of events beyond Franchisee's control. Franchisee shall complete construction, renovation, remodeling and equipping of the premises, and open the Center for business, within fifteen (15) months after the date of this Agreement, exclusive of time lost by reason of events beyond Franchisee's control. Franchisee shall secure for Franchisor the right for Franchisor and its agents to inspect the construction of the premises at any reasonable time. Franchisee shall provide Franchisor written notice when construction, renovation or remodeling is estimated to be thirty (30) days from completion, and shall open the Center within fifteen (15) days from the date of Franchisor's written approval of the Center premises as constructed, renovated, equipped or remodeled. Franchisee shall not commence operation without Franchisor's approval. Franchisee and Franchisor agree that time is of the essence in the construction, renovation, equipping or remodeling and opening of the Center.

D. Franchisee and/or Franchisee's manager and Franchisee's initial crew shall attend and complete to Franchisor's satisfaction, Franchisor's initial training program prior to the opening of the Center, and Franchisee, its manager, or other employees shall attend and complete to Franchisor's satisfaction such other training programs as Franchisor may require. All expenses incurred in training, including, without limitation, the cost of travel, room, board and wages, shall be borne by Franchisee, and Franchisor shall provide and pay only for the training instructors, facilities and training materials. Franchisor's training programs are intended to protect and maintain the Marks and the System and not to control the day-to-day operations of the Center.

E. Franchisee shall use the Center premises solely for the operation of the Center; to keep the Center open and in normal operation for such minimum hours and days as Franchisor may from time to time prescribe in the Manual or otherwise in writing, which hours of operation may vary from geographic region to geographic region; and, to refrain from using or suffering the use of the premises for any other purpose or activity, without the prior written consent of the Franchisor. Unless otherwise approved in writing by Franchisor, Franchisee shall not open the Center on Sunday. Franchisee shall not locate or permit to be located on or about the Center premises any cigarette machines, pinball machines, juke boxes or any other types of amusement or vending machines or signs or posters (other than those authorized in the Manual) without the prior written approval of Franchisor.

F. Franchisee shall maintain the Center in the highest degree of repair and condition, and in connection therewith shall make such additions, alterations, repairs and replacements thereto (but no others without Franchisor's prior written consent) as may be required for that purpose, including, without limitation, such periodic repainting, repairs to impaired equipment and replacement of obsolete signs as Franchisor may reasonably direct.

G. Franchisee shall devote his or her best efforts to the development and success of the Center. The Center must at all times be under the direct on-premises supervision by Franchisee or Franchisee's manager who has completed Franchisor's training program and devotes his or her entire time during business hours to the operation of the Center.

H. In addition to any other advertising expenditure requirement herein, Franchisee agrees to spend a minimum of \$10,000.00 on advertising and promotion for the Center during the first twelve (12) months.

Franchisor shall direct such advertising and promotion with the sole discretion over concepts, materials and media placement, including, without limitation, the amount of pre-opening and grand opening advertising.

I. At Franchisor's request, which shall not be more often than once every five (5) years, Franchisee shall refurbish the Center premises at its expense, to conform to the building design, trade dress, color schemes and presentation of trademarks and service marks consistent with Franchisor's then-current public image, including, without limitation, such structural changes, remodeling, and redecoration and such modifications to existing improvements as may be necessary to do so.

J. Franchisee shall operate the Center in conformity with such uniform methods, standards and specifications as Franchisor may from time to time prescribe in the Manual or otherwise in writing to ensure that the highest degree of quality and service is uniformly maintained. Franchisee acknowledges that as of the date of this Agreement, Franchisee will be restricted to the following services: oil change and lubrication, transmission service, brake services, air conditioning service, tune-ups and tire sales and alignment, rotation and balance service. In the event, there is an innovation or improvement in the services rendered by Franchisor, which Franchisor adopts as part of the System licensed hereunder, Franchisee agrees to implement any such innovation or change within a reasonable time, not to exceed twelve (12) months after being informed of the innovation or change, provided that the change or innovation does not impose an unreasonable financial burden on the Franchisee. In order to protect and maintain the Marks and the System, Franchisee agrees:

- i. To maintain in sufficient supply, and use at all times, only such products, materials and supplies as conform with Franchisor's standards and specifications, and to refrain from deviating therefrom by using nonconforming items without Franchisor's prior written consent;
- ii. To sell or offer for sale only such products and services as meet Franchisor's uniform standards of quality and quantity, as have been expressly approved for sale in writing by Franchisor, and as are performed in accordance with Franchisor's methods and techniques; to sell or offer for sale all approved products and services; to refrain from any deviation from Franchisor's standards and specifications for products or services without Franchisor's prior written consent; and, to discontinue selling and offering for sale any such items or services as Franchisor may, in its discretion, disapprove in writing at any time;
- iii. To permit Franchisor or its agents, at any reasonable time, to remove from the Center, at Franchisor's option, certain samples of any inventory items without payment therefor, in amounts reasonably necessary for testing by Franchisor or an independent, certified laboratory to determine whether said samples meet Franchisor's then-current standards and specifications. In addition to any other remedies, it may have under this Agreement, Franchisor may require Franchisee to bear the cost of such testing if the supplier of the item has not previously been approved by Franchisor or if the sample fails to conform to Franchisor's specifications;
- iv. To purchase and install, at Franchisee's expense, all fixtures, furnishings, signs, point of sale computer system and equipment as Franchisor may reasonably direct from time to time in the Manual or otherwise in writing; and, to refrain from installing or permitting to be installed on or about the Center premises, without Franchisor's prior written consent, any equipment, signs, posters or other improvements not previously approved as meeting Franchisor's standards and specifications;

- v. To cause all employees of Franchisee to wear, during working hours, uniforms of such color, design and specification as Franchisor may from time to time designate in the Manual or in writing; and
- vi. To post a notice at the Center notifying all of its employees that they are employees of the Franchisee and not the Franchisor in the manner prescribed by Franchisor.

K. (1) Franchisor reserves the right to establish a “national” account with a major bulk oil supplier for the benefit of Franchisor and its franchisees. If such an account is established, Franchisee agrees to purchase for all franchises owned by or affiliated with Franchisee a minimum of eighty-five percent (85%) of the inventory requirements of bulk oil, oil filters, air filters and chemicals from such supplier or independent distributors expressly designated by such supplier in writing from time to time. Franchisee’s failure to purchase at least eighty-five percent (85%) of bulk oil, oil filters, air filters and chemicals from any such sources shall be cause for termination and/or non-renewal of this Agreement by Franchisor.

If Franchisor is a designated distributor of such supplier, Franchisor shall disclose fully to Franchisee the terms and conditions of its agreement with the supplier. If Franchisor intends to establish a national account with a supplier that is not recognized as one of the top five leaders in the motor oil market share for passenger cars and trucks in the United States, it must obtain the approval of a majority of system franchisees who are not affiliated with Franchisor.

(2) Franchisee shall purchase all equipment, point of sale computer system, fluids, oil, grease, filters, supplies, brake discs and pads, plugs and distributor parts, tires, and other products and materials required for the operation of the Center (except for those inventory items governed by and for which sources are set forth in Paragraph V.K.(1) above) solely from suppliers approved by Franchisor who demonstrate, to the continuing reasonable satisfaction of Franchisor, the ability to meet Franchisor's reasonable standards and specifications for such items as set forth in the Manual; who possess the capacity to supply Franchisee's needs promptly and reliably; and, who have been approved in writing by Franchisor and not thereafter disapproved. The purpose of this provision is to ensure that Franchisee, at all times, uses the highest quality products in the operation of the Center. If Franchisee desires to purchase any items from an unapproved supplier, Franchisee shall submit to Franchisor a written request for such approval in the manner and form specified by Franchisor in the Manual or otherwise in writing or shall request the supplier itself to do so. Franchisor shall have the right to require that its representatives be permitted to inspect the supplier's facilities, and that samples from the supplier be delivered, at Franchisor's option, either to Franchisor or to an independent, certified laboratory designated by Franchisor for testing. A charge not to exceed the reasonable cost of the inspection and the actual cost of the test shall be paid by Franchisee or the supplier. Franchisor reserves the right, at its option, to re-inspect the facilities and products of any such approved supplier and to revoke its approval upon the supplier's failure to continue to meet any of Franchisor's criteria.

L. Franchisee shall grant Franchisor and its agents the right to enter upon the premises of the Center at any time for the purpose of conducting inspections; cooperate with Franchisor's representatives in such inspections by rendering such assistance as they may reasonably request; and, upon notice from Franchisor or its agents, and without limiting Franchisor's other rights under this Agreement, take such steps as may be necessary immediately to correct the deficiencies detected during any such inspection, including, without limitation, immediately desisting from the further use of any equipment, advertising materials, products or supplies that do not conform with Franchisor's then-current specifications, standards or requirements. Franchisee shall grant Franchisor the right to access Franchisee’s sales and/or other data related to the operation of the Center via Franchisor’s computer network.

M. Franchisee shall at all times during the term of this Agreement, have arrangements with Visa, MasterCard, and such other credit card issuers, devices or sponsors as Franchisor may designate from time to time in the Manual or otherwise in writing. All franchisees are required to sign up, offer to their customers, and accept the EOC&TE deferred interest financing card.

N. All franchisees are required to demonstrate Payment Card Industry (PCI) compliance to protect customer confidential information, and PCI breach insurance protection with a minimum of \$100,000 PCI breach insurance per Center location.

O. For general security purposes, Franchisee shall also purchase and install a video surveillance system that retains at least thirty (30) days of record.

P. Franchisee acknowledges that Franchisor has developed a warranty program in connection with one or more of the services to be provided by Franchisee. Franchisee agrees to abide by the terms and conditions thereof and to accept warranty compensation and limits established by Franchisor. The warranty program is subject to change at Franchisor's sole discretion.

Q. Franchisee agrees to promptly pay any monies owing to Franchisor or its subsidiaries or affiliates for royalties, advertising fees or purchases from Franchisor. If Franchisee fails, refuses or neglects to promptly pay same, Franchisee agrees to pay to Franchisor interest at a rate equal to the maximum rate permitted by applicable law, not to exceed one and one-half percent (1.5%) per month, together with a reasonable attorney's fee incurred by Franchisor in the collection of such amounts.

R. Franchisee will have sole authority and control over the day-to-day operations of the Center and its employees. These people shall be the employees of Franchisee and not the employees or agent of Franchisor. Franchisee shall have sole responsibility to determine who and how many to employ, terms of employment, scheduling employee workhours, how to assign work, and when and how to discipline and terminate its employees. Franchisee shall at all times comply with all applicable employment laws. Franchisor will not have any duty or obligation to operate the Center, to direct or supervise Franchisee's employees, or to oversee Franchisee's employment policies or practices. Franchisor also will have not involvement in any employment administrative functions of the Center, such as handling payroll, providing workers' compensation insurance, providing necessary facilities and safety equipment, or providing tools or materials required for the work, all of which shall be the responsibility of Franchisee.

S. Franchisee shall comply with all other requirements set forth in this Agreement and the Manual as amended from time to time.

VI. MARKS

A. It is understood and agreed that this license to use Franchisor's Marks applies only to their use in connection with the operation of the Center at the location approved by Franchisor and includes only such Marks as are now or may hereafter be designated by Franchisor in writing for use by Franchisee, and no other Marks of Franchisor now existing or yet to be developed or acquired by Franchisor. Franchisee agrees to operate and advertise the Center only under the Marks designated by Franchisor in writing for that purpose (or under such other name or mark as Franchisor may designate in writing, if Franchisee is prevented by applicable law from using any of the Marks owing to their prior registration or use by a third party).

B. Franchisee acknowledges Franchisor's ownership of all right, title and interest in and to the Marks, the identification schemes, standards, specifications, operating procedures and other concepts embodied in the System. Franchisee accordingly agrees that any unauthorized use of the System and the Marks is and

shall be deemed an infringement of Franchisor's rights; that, except as expressly provided by this Agreement, Franchisee acquires no right, title or interest therein; that any and all goodwill associated with the System and the Marks shall inure exclusively to Franchisor's benefit; and that, upon the expiration or termination of this Agreement, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the System and the Marks.

C. Franchisee acknowledges that the use of the Marks outside of the scope of this license, without Franchisor's prior written consent, is an infringement of Franchisor's exclusive right, title and interest in and to the Marks, and expressly covenants that during the term of this license, and after the expiration or termination hereof, Franchisee shall not, directly or indirectly, commit an act of infringement or contest or aid in contesting the validity or ownership of Franchisor's Marks, or take any other action in derogation thereof.

D. Franchisee shall promptly notify Franchisor of any use by any person or legal entity other than Franchisor or another of its franchisees of any Marks licensed hereunder, any colorable variation thereof, or any other mark in which Franchisor has or claims a proprietary interest. Franchisee further agrees to notify Franchisor promptly of any litigation instituted by any person or legal entity against Franchisor or Franchisee involving the Marks. Franchisee acknowledges that Franchisor has the right to control any administrative proceeding or litigation involving the Marks. In the event Franchisor, in its sole discretion, undertakes the defense or prosecution of any litigation relating to the Marks, Franchisee agrees to execute any and all documents, and to render such assistance (but excluding financial assistance) as may, in the opinion of Franchisor's counsel, be reasonably necessary to carry out such defense or prosecution. Franchisor makes no warranty, express or implied, as to the use, validity or enforceability of the Marks.

E. Franchisee shall not, without Franchisor's prior written consent, use the Marks, or the words "Express", "Express Oil", or "Tire Engineers" as part of Franchisee's corporate or other legal name, nor hold out or otherwise employ the Marks to perform any activity, or to incur any obligation or indebtedness, in such a manner as could reasonably result in making Franchisor liable therefor. Franchisor must approve in writing Franchisee's corporate or other legal name.

F. Franchisee expressly acknowledges and agrees that this license of the Marks is nonexclusive, and that Franchisor and its Affiliates have and retains the rights, among others:

- i. to operate and franchise others to operate Centers outside the Protected Area on such terms and conditions as Franchisor deems appropriate; and
- ii. to develop and establish other systems for the same or similar products or services utilizing the same or similar Marks, or any other marks, and to grant licenses thereto without providing Franchisee any right therein.

G. Franchisee understands and acknowledges that each and every detail of Franchisor's System is important to Franchisee and Franchisor in order to develop and maintain high and uniform standards of quality and service and hence to protect and enhance the reputation and goodwill of Franchisor. Franchisee accordingly agrees:

- i. to refrain from using any of the Marks in conjunction with any other word or symbol without Franchisor's prior written consent;
- ii. to adopt and use the Marks licensed hereunder solely in the manner prescribed by Franchisor;

- iii. to observe all such requirements with respect to service marks, trademarks and copyright notices, fictitious name registrations, and the display of the legal name or other identification of Franchisee as Franchisor may direct in writing from time to time; and
- iv. to execute all documents requested by Franchisor, or its counsel, that are necessary to obtain protection for the Marks or to maintain their continued validity or enforceability, and to take no action that would jeopardize the validity or enforceability thereof.

VII. MANUAL

A. In order to protect the reputation and goodwill of Franchisor and to maintain uniform standards of operation under Franchisor's System and Marks, Franchisee shall conduct the Center in accordance with Franchisor's Manual, one (1) copy of which Franchisee acknowledges having received on loan from Franchisor for the term of this Agreement. Upon Franchisee's request, Franchisor may loan Franchisee additional copies of the Manual at One Hundred Dollars (\$100.00) per copy.

B. Franchisee shall at all times treat the Manual, any other manuals created for or approved for use in the operation of the Center, and the information contained therein as confidential, and shall use all reasonable efforts to maintain such information as secret and confidential. Franchisee shall not at any time, without Franchisor's prior written consent, copy, duplicate, record or otherwise reproduce the foregoing materials, in whole or in part, nor otherwise make the same available to any unauthorized person.

C. The Manual and any additional copies thereof shall at all times remain the sole property of Franchisor.

D. Franchisor may from time to time revise the contents of the Manual and Franchisee expressly agrees to comply with each new or changed standard, including, without limitation, additions, deletions and improvements in the products and services offered by Franchisee.

E. Franchisee shall at all times ensure that its copy of the Manual is kept current and up-to-date, and in the event of any dispute as to the contents of the Manual, the terms of the master copy of the Manual maintained by Franchisor at Franchisor's home office shall be controlling.

VIII. CONFIDENTIAL INFORMATION

Franchisee shall not, during the term of this Agreement or thereafter, communicate, divulge, or use for the benefit of any other person, persons, partnership, association, limited liability company or corporation any confidential information, knowledge, or know-how concerning the construction and methods of operation of the Center which may be communicated to Franchisee, or of which Franchisee may be apprised, by virtue of Franchisee's operation under the terms of this Agreement. Franchisee shall divulge such confidential information only to such of its employees as must have access to it in order to operate the Center. Any and all information, knowledge and know-how, including, without limitation, drawings, materials, equipment, equipment specifications, procedures for providing services and other data, which Franchisor designates as confidential, shall be deemed confidential for purposes of this Agreement, except information which Franchisee can demonstrate came to its attention prior to disclosure thereof by Franchisor; or which, at the time of disclosure by Franchisor to Franchisee, had become a part of the public domain, through publication or communication by others; or which, after disclosure to Franchisee by Franchisor, becomes a part of the public domain, through publication or communication by others. Franchisee shall require all of its employees, as a condition to their employment, to execute an Employment Agreement as provided in the

Manual or otherwise in writing, prohibiting them, during the term of their employment or thereafter, from communicating, divulging or using for the benefit of any person, persons, partnership, association, limited liability company or corporation any confidential information, knowledge or know-how concerning the methods of operation of the Center which may be acquired during the term of their employment with Franchisee.

IX. ACCOUNTING AND RECORDS

A. During the term of this Agreement, Franchisee shall maintain and preserve, for at least five (5) years from the dates of their preparation, full, complete and accurate books, records and accounts in accordance with generally accepted accounting principles and in the form and manner prescribed by Franchisor from time to time in the Manual or otherwise in writing.

B. Franchisee shall, at its expense, submit to Franchisor, on the twentieth (20th) day of each month, a monthly statement on forms prescribed by Franchisor, accurately reflecting all Gross Sales and expenses during the preceding month and such other data or information as Franchisor may require.

C. Franchisee shall, at its expense, submit to Franchisor an unaudited quarterly financial statement within twenty (20) days of the end of each calendar quarter during the term hereof. Such statement shall be signed by Franchisee attesting that it is true and correct.

D. Franchisee shall, at its expense, submit to Franchisor within ninety (90) days of the end of each calendar year during the term of this Agreement, a complete, compiled financial statement for the preceding calendar year, including both a profit and loss statement and a balance sheet prepared by a certified public accountant, together with such other information and in such form as Franchisor may require.

E. Franchisee shall also submit to Franchisor, for review or auditing, such other forms, reports, records, information and data as Franchisor may reasonably designate, in the form and at the times and places reasonably required by Franchisor, upon request and as specified from time to time in the Manual or otherwise in writing.

F. Franchisor or its designated agents shall have the right at all reasonable times to examine, at its expense, the books, records, and tax returns of Franchisee. Franchisor shall also have the right, at any time, to have an independent audit made of the books of Franchisee. If an inspection should reveal that Gross Sales have been understated in any report to Franchisor, then Franchisee shall immediately pay to Franchisor the amount of royalty and advertising fees on the amounts understated upon demand, in addition to interest from the date such amount was due until paid, at the maximum rate permitted by law. If an inspection discloses an understatement of Gross Sales in any report of five percent (5%) or more, Franchisee shall, in addition, reimburse Franchisor for any and all costs and expenses connected with the inspection (including, without limitation, reasonable accounting and attorneys' fees and the travel expenses, room, board and compensation of Franchisor's employees). The foregoing remedies shall be in addition to any other remedies Franchisor may have. Franchisor or its designated agents shall also have the right to access Franchisee's sales and/or other data related to the operation of the Center via Franchisor's computer network.

G. Franchisee hereby authorizes Franchisor to disclose data from Franchisee's reports or computer in any media that Franchisor deems appropriate, if the Franchisor determines, in its sole discretion, that such disclosure is necessary or advisable.

X. ADVERTISING

Recognizing the value of advertising, and the importance of the standardization of advertising programs to the furtherance of the goodwill and public image of the System, the parties agree as follows:

A. All advertising by Franchisee in any medium shall be conducted in a dignified manner and shall conform to the standards and requirements of the Manual including proper use of all trademarks and brand logos. Franchisee shall follow all System guidelines on advertisements and communications through social media, including but not limited to Facebook, Instagram, Twitter, LinkedIn, YouTube, etc. Franchisee shall submit to Franchisor via email, for its prior approval (except with respect to prices to be charged), samples of all advertising and promotional plans and materials, and internet and intranet web pages that Franchisee desires to use and that have not been prepared or previously approved by Franchisor. If written disapproval thereof is not received by Franchisee within fifteen (15) days from the date of receipt by Franchisor of such materials, Franchisor shall be deemed to have given the required approval.

B. Franchisee agrees that Franchisor shall have the right, in its sole discretion, to establish regional and national advertising funds for the System. In the event a regional fund is established applicable to Franchisee's Center, or a national fund is established, Franchisee further agrees that Franchisee shall make contributions to any such fund as required under Paragraph IV.B. hereof, and that such fund shall be maintained and administered by Franchisor or its designee, as follows:

1. Franchisor shall direct all advertising programs with sole discretion over the creative concepts, materials and media used in such programs and the placement and allocation thereof. Franchisee agrees and acknowledges that the fund is intended to maximize general public recognition and acceptance of the Marks for the benefit of the System and that Franchisor and its designees undertake no obligation in administering the fund to make expenditures for Franchisee which are equivalent or proportionate to its contribution, or to ensure that any particular franchisee benefits directly or pro rata from the placement of advertising.

2. Franchisor shall, for each of its company-owned Centers, make contributions to any national advertising fund it establishes equivalent to the assessments required of comparable franchised Centers within the System; and, Franchisor shall make such contributions to any regional advertising fund it establishes for each of its company-owned Centers located within the applicable region.

3. Franchisee agrees that the funds may be used to meet any and all costs of maintaining, administering, directing and preparing advertising (including, without limitation, the cost of preparing and conducting television, radio, magazine, email, internet and intranet, and newspaper advertising campaigns and other public relations activities; employing advertising agencies to assist therein; and, providing promotional brochures and other marketing materials to franchisees in the System). All sums paid by Franchisee to the advertising fund shall be maintained in a separate account from the other funds of Franchisor and shall not be used to defray any of Franchisor's general operating expenses, except for such reasonable administrative costs and overhead, if any, as Franchisor may incur in activities reasonably related to the administration or direction of the advertising fund and advertising programs including, without limitation, conducting market research, preparing marketing and advertising materials, and collecting and accounting for assessments for the fund.

4. An audit of the operation of the fund shall be prepared annually by an independent certified public accountant selected by Franchisor and shall be made available to Franchisee upon written request.

C. Franchisee agrees to permit Franchisor to photograph Franchisee's premises, equipment and vehicles, if any, and to use such photographs in Franchisor's publicity, promotions and advertising.

D. Franchisee agrees to install and maintain in good condition all signs, insignia and displays on the Center premises, according to the standards and specifications in the Manual.

E. Franchisor has the right to establish local and/or regional advertising cooperatives for Centers in the Franchisee's local or regional area, covering such geographical areas as Franchisor may designate from time to time. Franchisee must participate in such advertising cooperative and its programs (other than price advertising, as to which Franchisee may choose not to participate) and abide by its By-laws. Franchisee must contribute such amounts to the advertising cooperative(s) as such cooperative determines from time to time in accordance with its By-laws for each Center in the cooperative area. In the event of one or more of Franchisor's company-owned Centers are located in such local or regional coverage area, Franchisor shall make contributions to the cooperative fund equivalent to contributions required of the franchised Centers within such area. The cost of the cooperative advertising program shall be allocated among the Centers located in such area and each Center's share shall be in proration to its sales. Actual contributions to a cooperative local or regional advertising program may be taken by Franchisee as a credit toward the local advertising requirement set forth in Paragraph IV.D. herein. In no event shall the local and/or regional advertising cooperative have the right to require contributions in excess of the local advertising requirement set forth in Paragraph IV.D. herein.

The local or regional advertising cooperative programs shall be administered by an area advertising council comprised of all participating franchisees in the advertising area. Franchisor may, at its option, elect to serve as a member of such advertising council and, if Franchisor elects to serve, Franchisor shall have one vote ex officio (plus one vote for each Center, if any, owned by Franchisor in the advertising area) with respect to the matters decided by the council. Each participating Franchisee shall be entitled to one vote for each Center, if any, owned by such Franchisee located in the advertising area. All decisions of the council shall be made by a majority vote and are conclusive on all members. The decisions which the council shall be entitled to make, and which shall be binding upon the franchisees shall include:

- (i) the percentage of Gross Sales to be contributed by each Center in the advertising area;
- (ii) the designation of the person or persons authorized to place, to approve, and to pay for advertising and to select the advertising agency subject to the right of Franchisor's approval; and
- (iii) the geographic boundary of the advertising area; provided, however, that any dispute as to the boundary shall be resolved solely by the Franchisor.

Franchisee shall participate in such cooperative local or regional advertising program within one (1) month of having received written notice that such program has been established in Franchisee's area. Franchisee will subscribe to and abide by the By-laws and advertising agreements adopted in connection with the cooperative advertising program and shall not withdraw or otherwise default under the terms and conditions of its membership in said program. The failure of Franchisee to participate and contribute to such cooperative advertising program and to abide by its By-laws and its advertising agreements shall constitute a default under this Agreement. In order for the council to verify Gross Sales for purposes of Franchisee's contribution to the cooperative advertising program, Franchisee grants permission to Franchisor to provide the advertising program, group or association, from time to time, copies of sales reports submitted by Franchisee to Franchisor under the provisions of this Agreement; and, Franchisee hereby releases Franchisor from any and all liability of any nature whatsoever which may actually or allegedly result from providing such information and from the use by such program, group or association of such information.

F. Franchisor agrees that it will take all actions reasonably necessary to enforce the provisions of this Section X including administrative, correspondence and notices of default. In the event, it becomes necessary for Franchisor to engage an attorney or to institute any legal action at law or in equity against Franchisee to enforce the provisions of this Section X, Franchisor shall be entitled to have and recover from the Franchisee such reasonable attorney's fees as may be allowed by the court, together with such court costs and damages as are permitted by law.

XI. INSURANCE

A. Franchisee shall procure, prior to the opening of the Center, and maintain in full force and effect during the term of this Agreement at Franchisee's expense, an insurance policy or policies protecting Franchisee and Franchisor, and their officers, directors, partners and employees, against any loss, liability, personal injury, death, or property damage or expense whatsoever from fire, lightning, theft, vandalism, malicious mischief, and the perils included in the extended coverage endorsement arising or occurring upon or in connection with the Center, or by reason of the construction, operation or occupancy of the Center premises, as well as such other insurance applicable to such other special risks created by Franchisee's affiliated businesses, if any, as Franchisor may reasonably require for its own and Franchisee's protection.

B. Such policy or policies shall be written by an insurance company satisfactory to Franchisor in accordance with standards and specifications set forth in the Manual or otherwise in writing, and shall include, at a minimum (except as additional coverages and higher policy limits may reasonably be specified for all franchisees from time to time by Franchisor in the Manual or otherwise in writing) the following:

i. Comprehensive general liability insurance, including product liability coverage and automobile liability coverage for both owned and non-owned vehicles, with minimum limits of \$250,000 per person/ \$500,000 per occurrence for bodily injury and \$100,000 property damage. In excess of these limits, Franchisee agrees to purchase and carry over all policies a \$1,000,000 Commercial Umbrella Liability Policy.

ii. Worker's compensation and employer's liability insurance as well as such other insurance as may be required by statute or rule of the state in which the Center is located.

iii. Fire, vandalism, and extended coverage insurance with primary and excess limits of not less than the full replacement value of the Center and its furniture, fixtures and equipment.

C. Franchisee's obligation to obtain and maintain the foregoing policy or policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee's performance of that obligation relieve it of any liability under the indemnity provisions set forth in Paragraph XVII.C. of this Agreement.

D. No later than fifteen (15) days before the date on which the Center opens and on each policy renewal date thereafter evidence of satisfactory insurance and proof of payment therefore shall be furnished by Franchisee to Franchisor. The evidence of insurance shall include a statement by the insurer that the policy or policies will not be canceled or materially altered without at least thirty (30) days prior written notice to Franchisor.

E. Should Franchisee, for any reason, fail to procure or maintain the insurance required by this Agreement, as revised from time to time for all franchisees by the Manual or otherwise in writing, Franchisor shall have the right, at its option, to procure such insurance and to charge same to Franchisee, which charges, together with a reasonable fee for Franchisor's expenses in so acting, shall be payable to Franchisor immediately upon notice. Such failure by Franchisee to procure the insurance required by this

Agreement shall constitute a material breach of this Agreement which will justify Franchisor's resorting to any and all of the remedies provided by Paragraph XIII.C. herein, including termination of this Agreement.

XII. TRANSFERABILITY OF INTEREST

A. Transfer by Franchisor:

Franchisor shall have the right to transfer or assign all or any part of its rights or obligations herein to any person or legal entity.

B. Transfer by Franchisee:

Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee, and that Franchisor has granted this license in reliance on Franchisee's business skill and financial capacity. Accordingly, neither Franchisee nor any immediate or remote successor to any part of Franchisee's interest in this license shall sell, assign, transfer, convey, give away, pledge, mortgage or otherwise encumber any interest in this license or the Center without the prior written consent of the Franchisor. Any purported assignment or transfer, by operation of law or otherwise, not having the written consent of Franchisor shall be null and void and shall constitute a material breach of this Agreement, for which Franchisor may then terminate without opportunity to cure pursuant to Paragraph XIII.B. of this Agreement. Franchisor consents to allow a mortgage lien or UCC lien on Franchisee's business assets in connection with any loan made by an institutional lender to Franchisee (including, without limitation, any loan guaranteed by the Small Business Administration).

Franchisor shall not unreasonably withhold its consent to a transfer of any interest in the Franchisee or in this license for the remainder of the term hereof, subject to the right of first refusal provided in Paragraph XII.E hereof; provided, however, that prior to the time of transfer, Franchisor may, in its sole discretion, require that:

- (a) All of Franchisee's accrued monetary obligations to Franchisor and all other outstanding obligations related to the Center shall have been satisfied;
- (b) Franchisee shall have: (i) executed a general release under seal, in the form attached hereto as Exhibit C, of any and all claims against Franchisor and its officers, directors, members and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances; and (ii) agreed to remain obligated under the covenants contained in Section XV, as if this Agreement had been terminated on the date of transfer;
- (c) The transferee shall enter into a written assignment, under seal, and in a form satisfactory to Franchisor, assuming and agreeing to discharge all of Franchisee's obligations under this Agreement;
- (d) The transferee shall demonstrate to Franchisor's satisfaction that it meets Franchisor's managerial and business standards; possesses a good moral character, business reputation, and credit rating; has the aptitude and ability to conduct the business licensed herein (as may be evidenced by prior related business experience or otherwise); and, has adequate financial resources and capital to operate the Center;

- (e) The transferee shall execute (and/or, upon Franchisor's request, cause all interested parties to execute) such then-current standard form franchise agreement and other ancillary agreements as Franchisor may require for the Center for a term ending on the date of expiration of this Agreement;
- (f) At transferee's expense and upon such other terms and conditions as Franchisor may reasonably require, transferee or transferee's manager shall satisfactorily complete the training course then in effect for new franchisees; and
- (g) Except in the case of a transfer to a corporation formed solely for the convenience of ownership pursuant to Paragraph XII.C. hereof, or in the event of a transfer upon Franchisee's death or permanent incapacity pursuant to Paragraph XII.F. of this Agreement, a transfer fee in an amount of Three Thousand Dollars (\$3,000.00) shall have been paid to Franchisor, which the parties agree is reasonable, to cover Franchisor's administrative and other expenses in connection with the transfer.

C. Transfer to Franchisee's Corporation or Limited Liability Company:

In the event the proposed transfer is to a corporation or limited liability company formed solely for the convenience of ownership, Franchisor's consent to such transfer may, in its sole discretion, be conditioned on the following requirements:

1. The corporate or limited liability company franchisee shall be newly organized, and its charter shall provide that its activities are confined exclusively to operating the Center;
2. Franchisee shall not diminish his or her proportionate ownership interest in the transferee franchisee, except as may be required by law, and shall act as its principal executive officer;
3. Each stock or membership certificate of the corporate or limited liability company franchisee shall have conspicuously endorsed upon its face a statement in a form satisfactory to Franchisor that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement;
4. Copies of transferee's Certificate of Formation or Articles of Incorporation or Organization, By-Laws or Operating Agreement, and other governing documents, including the resolutions of the Board of Directors or Members authorizing entry into this Agreement, shall be promptly furnished to Franchisor; and
5. Franchisee agrees to remain personally liable under the terms of this Agreement.

D. Transfer and Issuance of Securities:

If Franchisee is a corporation or limited liability company, it shall maintain stop transfer instructions against the transfer on its records of any securities with voting rights subject to the restrictions of this Section XII, and shall issue no such securities upon the face of which the following printed legend does not legibly and conspicuously appear:

“The transfer of stock or member units is subject to the terms and conditions of a Franchise Agreement with Express Oil Change Franchise, LLC Reference is made to the provisions of said Franchise Agreement and to the Certificate of Formation, Incorporation or Organizations and By-Laws or Operating Agreement of this company.”

E. Franchisor Right of First Refusal:

Any party holding any interest in the Franchisee, the Center, or this license, and who desires to accept any bona fide offer to purchase his, her or its interest in the Center or substantially all of the assets of the Center from a third party, shall notify Franchisor in writing of each such offer, and Franchisor shall have the right and option, exercisable within thirty (30) days after receipt of such written notification, to send written notice to the seller that Franchisor or its nominee intends to purchase seller's interest on the same terms and conditions offered by the third party. Any material change in the terms of any offer prior to closing shall constitute a new offer subject to the same rights of first refusal by Franchisor or its nominee as in the case of an initial offer. Failure of Franchisor to exercise the option afforded by this Paragraph XII.E., shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section XII, with respect to a proposed transfer.

F. Transfer Upon Death or Permanent Incapacity:

Upon the death or permanent incapacity of any person with an interest in this license or in Franchisee, and upon the dissolution of a Franchisee that is a partnership, corporation, limited liability company or other legal entity, the executor, administrator, personal representative or trustee of such person or entity shall transfer his, her or its interest to a third party approved by Franchisor within eighteen (18) months from the date of death or permanent incapacity. Such transfers, including, without limitation, transfers by devise or inheritance, shall be subject to the same conditions as any inter vivos transfer. If the heirs or beneficiaries of any such person are unable to meet the conditions in this Paragraph XII.F., the personal representative of the deceased franchisee shall have a reasonable time [not to exceed eighteen (18) months] to dispose of the deceased's interest in the license, which disposition shall be subject to all the terms and conditions for transfers contained in this Agreement. Notwithstanding the foregoing, in the event there are legitimate legal or tax reasons for the estate of a deceased owner of an Interest in the Franchisee to withhold the distribution of the Interest to the heirs or beneficiaries of the estate of such deceased individual, the Franchisor will not unreasonably withhold the right of the personal representative of such deceased person to hold such Interest pending the final distribution; provided the other conditions in this Section XII are met, including the Franchisee continuing to meet Franchisor's managerial and business standards as described herein.

G. Non-Waiver of Claims:

Franchisor's consent to a transfer of any interest in the license granted herein shall not constitute a waiver of any claims it may have against the transferring party, nor shall it be deemed a waiver of Franchisor's right to demand exact compliance with any of the terms of this Agreement by the transferee.

XIII. DEFAULT AND TERMINATION

A. Franchisee shall be deemed to be in default under this Agreement, and all rights granted herein shall automatically terminate without notice to Franchisee, if Franchisee shall become insolvent, makes a general assignment for the benefit of creditors, suffers the filing of a voluntary or involuntary bankruptcy petition which is not dismissed within thirty (30) days after filing, is adjudicated a bankrupt, suffers temporary or permanent court-appointed receivership of substantially all of its property, if execution is levied against the Center or property, if suit to foreclose any lien or mortgage against the premises or equipment is instituted against Franchisee and not dismissed within thirty (30) days, or if the real or personal property of Franchisee's business shall be sold after levy thereupon by any sheriff, marshal, or constable.

B. Franchisee shall be deemed to be in default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, without affording Franchisee any opportunity to cure the

default, effective immediately upon receipt of notice by Franchisee, upon the occurrence of any of the following events:

- 1) If Franchisee fails to open the Center within the time specified in Paragraph V.C. or ceases to do business at the Center premises, or loses the right to possession of the premises or otherwise forfeits the right to do or transact business in the jurisdiction where the Center is located; provided, however, that if any such loss of possession results from the governmental exercise of the power of eminent domain, or if, through no fault of Franchisee, the Center is damaged or destroyed by a disaster such that it cannot, in Franchisor's judgment, reasonably be restored, then in either such event this Agreement shall not be terminated for that reason for sixty (60) days thereafter, provided Franchisee applies within that time for approval to relocate, for the remainder of the term hereof, to other premises, which approval shall not unreasonably be withheld;
- 2) If Franchisee is convicted of a felony or a crime involving moral turpitude;
- 3) If Franchisee purports to transfer any rights or obligations under this Agreement to any third party without Franchisor's prior written consent, contrary to the terms of Section XII of this Agreement;
- 4) If Franchisee fails to comply with the in-term covenants in Section XV hereof;
- 5) If Franchisee discloses or divulges the contents of the Manual or other trade secret or confidential information provided Franchisee by Franchisor contrary to Sections VII and VIII hereof;
- 6) If an approved transfer is not effected within a reasonable time following Franchisee's death or permanent incapacity as required by Paragraph XII.F. hereof; or
- 7) If Franchisee is in default as provided in Paragraph XIII.C. of this Agreement and has received one (1) or more prior Notices of Termination pursuant to Paragraph XIII.C. hereof for the same or similar default during any preceding twelve (12) month period.

C. Except as provided in Paragraphs XIII.A. and XIII.B. of this Agreement, Franchisee shall have thirty (30) days after its receipt from Franchisor of a written Notice of Termination within which to remedy any default in payment to Franchisor or any third party as provided hereunder. Franchisee shall have thirty (30) days after receipt of termination to commence with the remedy and one hundred twenty (120) days for completion of remedy on any default that cannot be cured by payment of monies. Franchisee shall provide evidence to Franchisor when the default has been cured. If any such default is not cured within that time, or such longer period as applicable law may require, this Agreement shall terminate without further notice to Franchisee effective immediately upon the expiration of the 30-day period or such longer period as applicable law may require. Franchisee shall be in default hereunder for any failure to substantially comply with any of the requirements imposed by this Agreement, as it may from time to time reasonably be supplemented by the Manual, or to carry out the terms of this Agreement in good faith. Such defaults shall include, without limitation, the occurrence of any of the following events:

- 1) If Franchisee fails, refuses, or neglects promptly to pay any monies owing to Franchisor or its subsidiaries or affiliates when due, or to submit the financial

information required by Franchisor under this Agreement or makes any false statements in connection therewith. In the event of default in the payment of any monies due from Franchisee to Franchisor, whether under this Agreement or otherwise, Franchisee agrees to pay a reasonable attorney's fee incurred by Franchisor in the collection of such amounts;

- 2) If Franchisee fails to maintain the standards that Franchisor requires under this Agreement and in the Manual;
- 3) If a threat or danger to public health or safety results from the construction, maintenance or operation of the Center;
- 4) If Franchisee, by act or omission, suffers a continued violation in connection with the operation of the Center of any law, ordinance, rule or regulation of a governmental agency, in the absence of a good faith dispute over its application or legality and without promptly reporting to an appropriate administrative or judicial forum for relief therefrom;
- 5) If Franchisee fails, refuses or neglects to obtain the Franchisor's prior written approval or consent as required by this Agreement;
- 6) If Franchisee misuses or makes any unauthorized use of the Marks or otherwise materially impairs the goodwill associated therewith or Franchisor's rights therein;
- 7) If Franchisee fails, refuses or neglects to procure and maintain insurance in accordance with Section XI hereof;
- 8) If Franchisee fails to make a timely payment of any amount due to a supplier unaffiliated with Franchisor (other than payments that are subject to a bona fide dispute); or
- 9) If Franchisee does not comply with the provisions of Paragraph V.K.(1) hereof.

XIV. OBLIGATIONS UPON TERMINATION

Upon termination or expiration of this Agreement, all rights granted to Franchisee hereunder shall immediately terminate and Franchisee agrees to do the following:

1. immediately cease to operate the Center, and will not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Franchisor;
2. deidentify the premises and immediately and permanently cease to use, by advertising or in any manner whatsoever, any equipment, format, improvements, methods, procedures and techniques associated with the System; the name "Express Oil Change/Tire Engineers"; and, any Marks and distinctive trade dress and devices associated with the System. In particular, Franchisee shall cease to use, without limitation, all signs, furniture, fixtures, equipment, advertising materials, stationery, forms and any other articles which display the Marks or trade dress associated with the System, provided, however, that this Paragraph XIV.(2) shall not apply to the operation by Franchisee of any other franchise under the System which may be granted by Franchisor to Franchisee;

3. promptly pay all sums owing to Franchisor and its subsidiaries and affiliates. In the event of termination for any default of Franchisee, such sums shall include all damages, costs and expenses, including reasonable attorneys' fees, incurred by Franchisor as a result of the default, which obligation shall give rise to and remain, a lien in favor of Franchisor against any and all of the personal property, machinery, fixtures and equipment owned by Franchisee and on the premises at the time of default until paid in full;

4. pay to Franchisor all damages, costs and expenses, including reasonable attorneys' fees, incurred by Franchisor subsequent to the termination or expiration of the license herein granted in obtaining injunctive or other relief for the enforcement of any provisions of this Section XIV; and

5. immediately turn over to Franchisor all Manuals, records, files, instructions, correspondence, and any and all other materials relating to the operation of the Center in Franchisee's possession, and all copies thereof (all of which are acknowledged to be Franchisor's property), and shall retain no copy or record of any of the foregoing, excepting only Franchisee's copy of this Agreement and of any correspondence between the parties, and any other documents which Franchisee reasonably needs for compliance with any provision of law.

Franchisee agrees, in the event it continues to operate or subsequently begins to operate another business, not to use any reproduction, counterfeit, copy or colorable imitation of the Marks either in connection with such other business or the promotion thereof, which is likely to cause confusion, mistake or deception, or which is likely to dilute Franchisor's exclusive rights in and to the Marks. Franchisee further agrees not to utilize any trade dress or designation of origin or description or representation which falsely suggests or represents an association or connection with Franchisor so as to constitute unfair competition. Franchisee shall make such modifications or alterations to the Center premises (including, without limitation, the changing of the telephone number) immediately upon termination or expiration of this Agreement as may be necessary to prevent the operation of any business thereon by himself, herself or others in derogation of this Section XIV and shall make such specific additional changes thereto as Franchisor may reasonably request for that purpose. In the event Franchisee fails or refuses to comply with the requirements of this Section XIV, Franchisor shall have the right to enter upon the premises where Franchisee's Center was conducted, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required at the expense of Franchisee, which expense Franchisee agrees to pay upon demand.

Franchisor shall have the right, but not the obligation, to assume Franchisee's lease for the Center. In addition, Franchisor shall have the right, but not the obligation, to acquire Franchisee's interest in all of the assets of the Center, including all signs, fixtures, equipment, leasehold improvements, real property and improvements, covenants and other contract rights, inventory, and any items bearing Franchisor's Marks at fair market value. Such rights shall be exercised by notice of intent to purchase within thirty (30) days after termination or expiration of the Franchise Agreement. If the parties cannot agree on fair market value within a reasonable time, then Franchisor and the Franchisee shall each select an independent appraiser. If the two appraisers cannot agree on the appraisal, then an average of the two will be used. If Franchisor elects to exercise any option to purchase as herein provided, it shall have the right to set off all amounts due from Franchisee under this Agreement and the cost of the appraisal, if any, against any payments therefor.

Franchisee shall comply with all covenants contained in Section XV of this Agreement.

XV. COVENANTS

A. Franchisee covenants that during the term of this Agreement, except as otherwise approved in writing by Franchisor, that Franchisee shall (and shall require its designated managers to) devote requisite time, energy, and best efforts to the management and operation of the Center. Unless otherwise specified,

the term “Franchisee” as used in this Section XV shall include, collectively and individually, all officers, directors and holders of a beneficial interest of five percent (5%) or more of the securities of Franchisee, and of any corporation directly or indirectly controlling Franchisee, if Franchisee is a corporation; the limited liability company (including any corporation, limited liability company, or other legal entity and the officers, directors and holders of a beneficial interest of five percent (5%) or more of securities of a corporation which controls, directly or indirectly, any limited liability company) if Franchisee is a limited liability company; the general partners and any limited partner (including any corporation and the officers, directors and holders of a beneficial interest of five percent (5%) or more of securities of a corporation, limited liability company which controls, directly or indirectly, any general or limited partner) if Franchisee is a partnership.

B. Franchisee covenants that during the term of this license, except as otherwise approved in writing by Franchisor, Franchisee shall not, either directly or indirectly, for himself, herself, or through, on behalf of, or in conjunction with any person, persons, partnerships, limited liability company or corporation:

1. Divert or attempt to divert any business or customer of the Center to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with Franchisor's Marks and the System; or

2. Own, maintain, engage in, or have any interest in any retail automotive service center business similar to the Center licensed under this Agreement or that provides any of the services provided by a Center.

C. Franchisee covenants that for a period of eighteen (18) months after the expiration or termination of this Agreement, regardless of the cause of termination, except as otherwise approved in writing by Franchisor, Franchisee shall not, either directly or indirectly, for himself, herself or through, on behalf of, or in conjunction with any other person, persons, partnership, limited liability company or corporation, do or engage in any act proscribed by Paragraphs XV.B.(1) and (2) of this Agreement, which are hereby incorporated by reference as if more fully set forth herein, and shall not own, maintain, engage in or have any interest in any retail automotive service center that provides any of the services provided by a Center within a radius of three and one-half (3-1/2) miles of the location licensed hereunder or within three and one-half (3-1/2) miles of any Center in operation or under construction.

D. Franchisee understands and acknowledges that Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in Paragraph XV.B. and C. in this Agreement, or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section XX hereof.

E. Franchisee shall require all of its personnel performing managerial or supervisory functions and all personnel receiving special training from Franchisor to execute similar covenants in a form satisfactory to Franchisor.

XVI. TAXES, PERMITS AND INDEBTEDNESS

A. Franchisee shall promptly pay when due all taxes levied or assessed by any federal, state or local tax authority, and any and all indebtedness incurred by Franchisee in the operation of the Center.

B. In the event of any bona fide dispute as to liability for taxes assessed or other indebtedness, Franchisee may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law; however, in no event shall Franchisee permit a tax sale or seizure

by levy of execution or similar writ or warrant, or attachment by a creditor, to occur against the premises or the Center, or any improvements thereon.

C. Franchisee shall comply with all federal, state and local laws, rules and regulations, and shall timely obtain any and all permits, certificates or licenses necessary for the full and proper conduct of the Center, including, without limitation, building and other required construction permits, licenses to do business and fictitious name registration, sales tax permits, and fire clearances. Copies of all subsequent inspection reports, warnings, certificates and ratings issued by any governmental entity during the term of this Agreement in connection with the conduct of the Center which indicate Franchisee's failure to meet or maintain the highest governmental standards or less than full compliance by Franchisee with any applicable law, rule or regulation shall be forwarded to Franchisor by Franchisee within five (5) days of Franchisee's receipt thereof.

D. Franchisee shall notify Franchisor in writing within seven (7) days of the commencement of any action, suit or proceeding, and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which may adversely affect the operation or financial condition of the Center.

XVII. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

A. Franchisor and Franchisee understand and agree that this Agreement does not create a fiduciary relationship, that Franchisee shall be an independent contractor, and that nothing in this Agreement is intended to constitute either Franchisor or Franchisee as an agent, legal representative, subsidiary, joint venture, partner, employee or servant of the other for any purpose whatsoever.

B. During the term of this Agreement and any extensions hereof, Franchisee shall hold itself out to the public as an independent contractor operating the business pursuant to a license from Franchisor. Franchisee agrees to take such affirmative action as may be necessary to do so, including, without limitation, exhibiting a notice of that fact in a conspicuous place in the Center, the content of which Franchisor reserves the right to specify.

C. It is understood and agreed that nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty or representation on Franchisor's behalf, or to incur any debt or other obligation in Franchisor's name, and that Franchisor shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action, or by reason of any act or omission of Franchisee in its conduct of the Center or any claim or judgment arising therefrom against Franchisor. Franchisee shall indemnify and hold Franchisor harmless against any and all such claims arising directly or indirectly from, as a result of, or in connection with Franchisee's operation of the Center, as well as the costs, including attorneys' fees, of defending against same including, without limitation, any liability arising from labor or employment law violations.

XVIII. FRANCHISEE'S ORGANIZATION AND MANAGEMENT

Franchisee and each of its Owners represents, warrants and agrees that Exhibit A to this Agreement, correctly identifies each and every owner, officer and director, that Exhibit A completely and accurately describes the nature and extent of each Owner's interest in Franchisee, and that updated Exhibits A shall be furnished promptly to Franchisor so that Exhibit A (as so revised and signed by Franchisee) is at all times current, complete and accurate. Each person who is or becomes an owner shall execute an agreement in the form prescribed by Franchisor, undertaking to be bound jointly and severally by the terms of this Agreement.

XIX. APPROVALS AND WAIVERS

A. Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor therefor, and such approval or consent shall be obtained in writing.

B. Franchisor makes no warranties or guaranties upon which Franchisee may rely, and assumes no liability or obligation to Franchisee, by providing any waiver, approval, consent or suggestion to Franchisee in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefor.

C. No failure of Franchisor to exercise any power reserved by Franchisor pursuant to this Agreement, or to insist upon strict compliance by Franchisee with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of Franchisor's right to demand exact compliance with any of the terms herein. Waiver by Franchisor of any particular default by Franchisee shall not affect or impair Franchisor's rights with respect to any subsequent default of the same, similar or different nature, nor shall any delay, forbearance or omission of Franchisor to exercise any power or right arising out of any breach or default by Franchisee of any of the terms, provisions, or covenants hereof, affect or impair Franchisor's right to exercise the same, nor shall such constitute a waiver by Franchisor of any right hereunder, or the right to declare any subsequent breach or default and to terminate this license prior to the expiration of its term. Subsequent acceptance by Franchisor of any payments due hereunder shall not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

XX. NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be mailed, postage prepaid, to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notices to Franchisor:

EXPRESS OIL CHANGE FRANCHISE, LLC
1880 Southpark Drive
Birmingham, AL 35244

Notices to Franchisee:

Any notice by mail, postage prepaid shall be deemed to have been given at the date and time of mailing.

XXI. ENTIRE AGREEMENT

This Agreement and all exhibits to this Agreement constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations Franchisor made in the franchise disclosure document that Franchisor furnished to Franchisee. No amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any

statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

XXII. SEVERABILITY AND CONSTRUCTION

A. Except as expressly provided to the contrary herein, each section, part, term and/or provision of this Agreement shall be considered severable; and, if for any reason any section, part, term and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such invalid part, term and/or provision shall not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms and/or provisions of this Agreement as may remain otherwise intelligible, and the latter shall continue to be given full force and effect and bind the parties hereto; and, said invalid sections, parts, terms and/or provisions shall be deemed not to be a part of this Agreement.

B. Anything to the contrary herein notwithstanding, nothing in this Agreement is intended, nor shall it be deemed, to confer upon any person or legal entity other than Franchisor or Franchisee and such of their respective successors and assigns as may be contemplated by Section XII hereof, any rights or remedies under or by reason of this Agreement.

C. Franchisee expressly agrees to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part of this Agreement, that may result from striking any of the provisions hereof any portion or portions which a court may hold to be unreasonable and unenforceable in a final decision to which Franchisor is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

D. All captions contained in this Agreement are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

E. All references herein to the masculine, neuter or singular shall be construed to include the masculine, feminine, neuter or plural, where applicable, and all acknowledgments, promises, covenants, agreements and obligations herein made or undertaken by Franchisee shall be deemed jointly and severally undertaken by all the parties hereto on behalf of Franchisee.

F. This Agreement may be executed in triplicate, and each copy so executed shall be deemed an original.

XXIII. APPLICABLE LAW

A. This Agreement takes effect upon its acceptance and execution by Franchisor in Alabama and shall be interpreted and construed under the laws thereof, which laws shall prevail in the event of any conflict of law.

B. No right or remedy conferred upon or reserved to Franchisor or Franchisee by this Agreement is intended to be, nor shall it be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

C. Nothing herein contained shall bar Franchisor's right to obtain injunctive relief against threatened conduct that will cause it loss or damage, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions.

XXIV. ARBITRATION

Except as specifically otherwise provided in this Agreement, and any action brought by Franchisor under the Lanham Act or to enforce the covenants in Section XV, the parties agree that any and all disputes between them, and any claim by either party that cannot be amicably settled, shall be determined solely and exclusively by arbitration in Jefferson County, Alabama, in accordance with the rules of the American Arbitration Association.

Each party shall select one arbitrator and the two so designated shall select a third arbitrator. If either party shall fail to designate an arbitrator within seven (7) days after arbitration is requested or if the two arbitrators shall fail to select a third arbitrator within fourteen (14) days after the arbitration is requested, then an arbitrator shall be selected by the American Arbitration Association upon application of either party. Arbitration proceedings shall be conducted in accordance with the rules then prevailing of the American Arbitration Association. Judgment upon an award of the majority of the arbitrators shall be binding and shall be entered in a court of competent jurisdiction.

XXV. ACKNOWLEDGMENTS

Franchisee acknowledges that it received in a timely manner a copy of Franchisor's disclosure document required by the Trade Regulation Rule of the Federal Trade Commission entitled Disclosure Requirements and Prohibitions Concerning Franchising and Business Opportunity Ventures; and, that it received this Agreement, the Exhibits hereto, if any, and agreements relating hereto, if any, at least seven (7) calendar days prior to the date on which this Agreement is executed.

XXVI. OFFERING OF SECURITIES BY FRANCHISEE

In the event Franchisee shall attempt to raise or secure funds through the sale of securities, including, without limitation, limited partnership or joint venture offerings (which sale shall be subject to the provisions of Section XII of this Agreement), Franchisee, recognizing that the documents with respect thereto may reflect upon Franchisor, agrees to obtain the prior written consent of Franchisor with respect to any mention of Franchisor or description of Franchisor's System or Franchisee's relationship with Franchisor made in any documents to be utilized in connection with such offering. Franchisee agrees and recognizes that any offer of sale of its securities in violation of any applicable federal or state security law or regulation, or Franchisee's failure to obtain Franchisor's written consent (which will not be unreasonably withheld) provided above shall constitute a material default under this Agreement subject to the provisions of Paragraph XIII.B. hereof.

XXVII. GENERAL RELEASE AND COVENANT NOT TO SUE.

Franchisee hereby releases Franchisor, its members, subsidiaries, and the officers, directors, employees and agents of Franchisor and its subsidiaries from any and all claims and causes of action, known or unknown, which may exist in favor of the Franchisee as of the date of this Agreement. In addition, Franchisee covenants that the Franchisee shall not file or pursue any legal action or complaint against any of the foregoing entities or persons with regard to any of the foregoing claims or causes of action released pursuant to this Section XXVII. Franchisor hereby releases Franchisee, its officers, directors, employees and agents from any and all claims and causes of action, known or unknown, which may exist in favor of the Franchisor as of the date of this Agreement, except for any claims for (a) unpaid moneys due Franchisor or its affiliates, (b) a material breach of the provisions of this Agreement regarding the Marks, or (c) the violation of Franchisor's legal rights regarding the Marks. In addition, Franchisor covenants that the Franchisor shall not file or pursue any legal action or complaint against any of the foregoing entities or persons with regard

to any of the claims or causes of action released by Franchisor pursuant to this Section XXVII. In no event shall the provisions of this Section XXVII apply to any claim based upon fraud or misrepresentation by either party in procuring this Agreement.

XXVIII. FORCE MAJEURE

If any party's performance of any obligation under this Agreement is prevented, hindered or delayed because of force majeure and not through any act or omission of such party, which cannot be overcome by use of normal commercial measures, the parties shall be relieved of their respective obligations to the extent the parties are respectively necessarily prevented, hindered or delayed in the performance during the period of force majeure. As used in this Agreement, the term "force majeure" shall mean any act of God, strike, lockout or other industrial disturbance, war (declared or undeclared), riot, epidemic, fire or other catastrophe, act of any government (including rejection of any license application) and any other similar cause not within the control of the affected party. The party whose performance is affected by an event of force majeure shall give prompt notice of the force majeure event to the other party by telephone or facsimile (in each case to be confirmed in writing) setting forth the nature of the event, an estimate as to its duration and a plan for resuming compliance with this Agreement, which the party shall promptly undertake and maintain with due diligence.

Signatures on following page.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Agreement in duplicate on the day and year first above written.

ATTEST:

FRANCHISOR:
EXPRESS OIL CHANGE FRANCHISE, LLC

Robert Patterson **Date**
As Its: Vice President, Franchise Support

R. Kent Feazell **Date**
As Its: Executive Vice President, Real Estate

FRANCHISEE:

By: _____
Date

As Its: _____

WITNESSED:

By: _____ / _____
Date

As Its: _____

Each of the undersigned owns a five percent (5%) or greater beneficial interest in Franchisee and, each agrees to be individually bound by its terms.

ATTEST:

_____ Witness	_____/_____ Investor Date

GUARANTY

In consideration of, and as an inducement to, the execution of the foregoing Franchise Agreement (the "Agreement") dated the _____ day of _____, 20__ by **Express Oil Change Franchise, LLC** ("EOCF"), each of the undersigned principal owners of Franchisee hereby guarantees, jointly and severally, unto EOCF that _____ ("Franchisee") will perform during the term of this Agreement each and every covenant, payment, agreement, and undertaking on the part of Franchisee contained and set forth in the Agreement. The undersigned agree that all provisions of the Franchise Agreement relating to the obligations of Franchisee, including, without limitation, the covenants of confidentiality and non-competition and other covenants set forth in the Agreement, shall be binding on the undersigned.

EOCF, its members, successors, and assigns, may from time to time, without notice to the undersigned: (a) resort to the undersigned for payment of any of the liabilities, whether or not it or its successors have resorted to any property securing any of the liabilities or proceeded against any other of the undersigned or any party primarily or secondarily liable on any of the liabilities, (b) release or compromise any liability of any of the undersigned hereunder or any liability of any party or parties primarily or secondarily liable on any of the liabilities, and (c) extend, renew or credit any of the liabilities for any period (whether or not longer than the original period); alter, amend, or exchange any of the liabilities; or, give any other form of indulgence whether under the Agreement or not.

The undersigned further waive presentment, demand, notice of dishonor, protest, nonpayment, and all other notices whatsoever, including, without limitation: notice of the acceptance hereof; notice of all contracts and commitments; notice of the existence or creation of any liabilities under the foregoing Agreement and of the amount and terms thereof, and notice of all defaults, disputes or controversies between Franchisee and EOCF resulting from the Agreement or otherwise, and the settlement, compromise or adjustment thereof.

The undersigned agree to pay all expenses paid or incurred by EOCF in attempting to enforce the foregoing Agreement and this Guaranty against Franchisee and against the undersigned and in attempting to collect any amounts due thereunder and hereunder, including reasonable attorneys' fees if such enforcement or collection is by or through an attorney at law. Any waiver, extension of time, or other indulgence granted from time to time by EOCF, its members, agents, successors or assigns, with respect to the foregoing Agreement, shall in no way modify or amend this Guaranty, which shall be continuing, absolute, unconditional and irrevocable.

If more than one person has executed this Guaranty, the term "the undersigned," as used herein shall refer to each such person, and the liability of each of the undersigned hereunder shall be joint and several and primary as sureties.

IN WITNESS WHEREOF, each of the undersigned has executed this Guaranty effective as of the date of the foregoing Agreement.

Witness

Guarantor

Witness

Guarantor

Witness

Guarantor

EXHIBIT A

FRANCHISEE'S ORGANIZATION

**TO THE FRANCHISE AGREEMENT BETWEEN
EXPRESS OIL CHANGE FRANCHISE, LLC AND**

DATED: _____, 20____

1. **Operating Partner.** The name, home address and social security number of the Operating Partners are as follows: _____

_____.

2. **Form of Entity of Franchisee.**

(a) **Corporation or Limited Liability Company.** Franchisee was incorporated or formed on _____, 20____, under the laws of the State of _____. It has not conducted business under any name other than its company name. The following is a list of all of Franchisee's directors and officers or members as of _____, 20____.

Name of Each Director/Officer/Member

Position(s) Held

(b) **Partnership.** Franchisee is a [general] [limited] partnership formed on _____, 20____ under the laws of the State of _____. It has not conducted business under any name other than its partnership name. The following is a list of all of Franchisee's general partners as of _____, 20____.

Name of General Partner

3. **Owners.** Franchisee and each of its Owners represents and warrants that the following is a complete and accurate list of all Owners of Franchisee, including the full name, mailing address and social security number of each Owner, and fully describes the nature and extent of each Owner's interest in Franchisee. Franchisee, and each Owner as to his or her ownership interest, represents and warrants that each Owner is the sole and exclusive legal beneficial owner of his or her ownership interest in Franchisee, free and clear of all liens, restrictions, agreements and encumbrances of any kind or nature, other than those required or permitted by this agreement.

<u>Owner's Name, Address and Social Security Number</u>	<u>Description of Interest</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Submitted by Franchisee
on _____, 20____.

Accepted by Franchisor and made a
part of the Franchise Agreement as of
_____, 20____.

(Name of corporation, limited liability
company or partnership)

EXPRESS OIL CHANGE FRANCHISE, LLC
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

Owners:

(Signature)

(Print Name)

(Signature)

(Print Name)

EXHIBIT B
EXPRESS OIL CHANGE FRANCHISE, LLC
STANDARD LEASE RIDER

(See attached.)

EXPRESS OIL CHANGE/TIRE ENGINEERS STANDARD LEASE RIDER

THIS RIDER is attached to and made a part of a Lease dated _____, 20____, between _____ (the “Landlord”) and _____ (the “Tenant”) concerning premises located at _____ (the “Premises”).

To the extent such information is known to landlord and tenant, the Landlord and the Tenant shall use their best efforts to furnish EXPRESS OIL CHANGE FRANCHISE, LLC, a Delaware limited liability company (“EOC”) within fifteen (15) days prior written notice of:

- The cancellation or termination of the Lease by either the Landlord or the Tenant prior to the expiration date set forth in the Lease;
- An assignment or attempted assignment of the Lease by Tenant;
- The sublease or attempted sublease of the Premises by Tenant; or
- Any material modification of the Lease.

The Landlord and the Tenant must provide written notice to EOC within fifteen (15) days after:

- The Tenant exercises any option to extend the Lease;
- The Landlord and the Tenant renew the Lease or enter into a new lease covering the subject premises; or
- The Landlord institutes any action against the Tenant or the Tenant institutes any action against the Landlord, including but not limited to an action for eviction, or an assignment or attempted assignment of the Lease by Landlord.

The Landlord agrees to the assignment of the Lease to EOC at any time during the Lease term or any renewal thereof without further action by the Landlord; provided that prior to the assignment EOC assumes the obligations of the Tenant and cures all economic defaults and any non-economic defaults that are capable of being cured by EOC and further provided that such assignment does not release tenant, or any of the guarantors, from their obligations under the lease.

EOC shall be deemed a third-party beneficiary of the Lease.

Landlord and Tenant agree that during the term of the Lease, or within thirty (30) days after receipt of notice of termination or expiration of the lease, EOC or its designee may (but is not required to) enter the Premises to make any modification or alteration necessary to protect its System and Marks, without being guilty of trespass or any other crime or tort; provided, however, EOC shall repair any damage resulting from such entry and modification and/or return the property to its condition prior to any such entry and modification.

All notices sent to EOC pursuant to the Lease shall be sent by certified or registered mail, return receipt requested, to the following address, or to such other address as to which EOC has notified the Landlord and the Tenant:

Express Oil Change Franchise, LLC
1880 Southpark Drive
Birmingham, Alabama 35244

WITNESS:

Signature: _____

Printed Name: _____

LANDLORD:

Signature: _____

Date

Printed Name: _____

WITNESS:

Signature: _____

Printed Name: _____

TENANT:

Signature: _____

Date

Printed Name: _____

ATTEST:

EXPRESS OIL CHANGE FRANCHISE, LLC

By: _____

Robert Patterson Date
As Its: Vice President, Franchise Support

By: _____

R. Kent Fezell Date
As Its: Executive Vice President, Real Estate

EXHIBIT C

GENERAL RELEASE

STATE OF _____
_____ COUNTY

In consideration of the sum of One Dollar (\$1.00), the consent of Franchisor to the assignment of the Franchise Agreement, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned, _____, Franchisee, and _____, Guarantor(s) do hereby release, remise and forever discharge Express Oil Change Franchise, LLC, a Delaware limited liability company, and its officers, directors, members, employees, representatives, predecessors, affiliated companies, heirs, beneficiaries, successors and assigns (collectively "Released Parties") of and from any and all claims, demands, causes of action and suits of every kind and nature, at law or in equity, which the undersigned may have had at any time heretofore, or may at any time have hereafter arising from or resulting from or in any manner incidental to (either directly, indirectly or consequentially) any and every matter, thing, or event, no matter what, occurring or failing to occur at any time in the past up to and including the date hereof and more particularly, but without in any way limiting the generality of the foregoing, the undersigned does hereby release, remise and forever discharge Released Parties from any and all, claims, demands, causes of actions, suits, claims of every kind or nature which the undersigned may now have or may have had at any time heretofore or may have at any time hereafter pertaining to or relating to the undersigned's Franchise Agreement, dated _____, 20____, with Express Oil Change Franchise, LLC, its predecessors and affiliates.

This release expressly excludes claims arising from representations in Franchisor's FDD or its exhibits or its amendments thereto.

IN WITNESS WHEREOF, the undersigned hereto set their hands and seals on this the ____ day of _____, 20____.

FRANCHISEE:

By: _____
Its: _____

GUARANTORS:

EXHIBIT D

**ADDENDUM RELATING TO PARTIAL OWNERSHIP
EXPRESS OIL CHANGE FRANCHISE, LLC
FRANCHISE AGREEMENT**

THIS ADDENDUM (“Addendum”) is made and entered into on _____, 20__, by and between Express Oil Change Franchise, LLC, located at 1880 Southpark Drive, Birmingham, Alabama 35244 (“Franchisor”), and _____, located at _____ (“Franchisee”).

Recitals. Franchisor and Franchisee entered into a Franchise Agreement on _____, 20____, (“Franchise Agreement”). The Franchisee Location agreed, among other things, to operate and maintain a franchise located at _____ designated by Franchisor as Unit # _____ (“Unit”). Franchisee has obtained from a lender a loan (“Loan”) in which funding is provided with the assistance of the United States Small Business Administration (“SBA”). SBA requires the execution of this Addendum as a condition for obtaining the SBA assisted financing.

NOW, THEREFORE, in consideration of the mutual promises below, and for good and valuable consideration in hand paid by each of the parties to the other, the receipt and sufficiency of which the parties hereby acknowledge, the parties hereto agree as follows:

The Franchise Agreement is in full force and effect, and Franchisor has sent no official notice of default to Franchisee under the Franchise Agreement that remains uncured on the date hereof.

Notwithstanding anything else to the contrary in Section XII.E. of the Franchise Agreement, neither the Franchisor nor its assignee will exercise its right of first refusal for any partial transfer of the Franchised Business.

Section XIV is amended so that the franchisee is given the right to decide, or the option, in its sole discretion, to sell its real estate to the franchisor or any of its affiliates, as the case may be, upon termination or expiration of the franchise agreement. The Franchisor may have the option to lease for the remainder of the Franchisee’s term (excluding additional renewals) for fair market value.

This Addendum automatically terminates at the earliest to occur of the following: (i) a Termination occurs under the Franchise Agreement; (ii) the Loan is paid; or (iii) SBA no longer has any interest in the Loan.

IN WITNESS WHEREOF, the parties hereto have duly signed and executed this Addendum as of the day and year first above written.

**FRANCHISOR:
EXPRESS OIL CHANGE FRANCHISE, LLC**

FRANCHISEE:

By: _____
Print Name: Robert Patterson
Title: Vice President, Franchise Support

By: _____
Print Name: _____
Title: _____

EXHIBIT E
STATE ADDENDA

1. Illinois
2. Indiana
3. Virginia

ADDENDUM TO FRANCHISE AGREEMENT
(ILLINOIS)

THIS ADDENDUM TO FRANCHISE AGREEMENT is entered into as of the ____ day of _____, 20____, by and between Express Oil Change Franchise, LLC, a Delaware limited liability company (“Franchisor”), and _____ (“Franchisee”).

Franchisor and Franchisee agree as follows:

If any of the provisions of this contract governing applicable law termination or non-renewal or jurisdiction and venue are inconsistent with Illinois law, then Illinois law shall apply.

Illinois law provides that any condition or stipulation purporting to bind any person acquiring any franchise to waive compliance with any provisions of Illinois law is void.

Paragraph IV.A.(1) is amended to provide that Franchisor has agreed to defer the Initial Franchise Fee 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.

Paragraph XXIII.A. is amended to provide that any arbitration or litigation between Franchisor and Franchisee may be instituted in any court of competent jurisdiction in Illinois.

The second sentence of Paragraph XXIV.A. is hereby amended to read as follows:

“Franchisor expressly disclaims the making of any warranty, guaranty, express or implied, as to the potential volume, profit, income or success of the business venture contemplated by this Agreement.”

Section XX. is hereby amended to add:

“...This integration clause shall not be read to waive any rights you may have under the Illinois Franchise Disclosure Act.”

Except as modified by this Addendum, the Franchise Agreement remains in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the day and year first above written.

ATTEST: **EXPRESS OIL CHANGE FRANCHISE, LLC**

By: _____
Robert Patterson Date
As Its: Vice President, Franchise Support

By: _____
R. Kent Fezell Date
As Its: Executive Vice President, Real Estate

ATTEST: **FRANCHISEE**

By: _____
As Its _____

By: _____
As Its _____

**INDIANA ADDENDUM TO FRANCHISE AGREEMENT
BETWEEN
EXPRESS OIL CHANGE FRANCHISE, LLC
and**

This Addendum forms a part of the aforesaid FRANCHISE AGREEMENT, dated _____, as if the contents hereof were set forth therein.

Whenever the provisions of this Addendum conflict with provisions contained elsewhere in this Franchise Agreement, the provisions of this Addendum shall prevail to the extent of such conflict.

1. Notwithstanding any provision of the Franchise Agreement to the contrary, Indiana Code, Title 23, Article 2, Chapter 2.7, § 1(9) provides that it shall be unlawful for any franchise agreement to contain a provision requiring a franchisee to covenant not to compete with the Franchisor for a period longer than three years or in an area greater than the exclusive area granted by the franchise agreement or, in the absence of such a provision in the agreement, an area of reasonable size, up termination of or failure to renew the franchise. To the extent the provisions of the Franchise Agreement are inconsistent with the terms of the Indiana Code, in Indiana the terms of the Indiana Code will control.

2. Paragraph XII.B.1.(b) of this Franchise Agreement is hereby deleted in its entirety and the following is inserted in its place:

“Franchisee shall have (i) executed a general release under seal, in a form satisfactory to Franchisor, of any and all claims against Franchisor and its officers, directors, shareholders and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances; provided, however, that any such general release executed by Franchisee upon transfer of the Franchise Agreement shall not include any waiver of rights to which the Franchisee may be entitled under the Indiana Deceptive Practices Act; (ii) agreed to remain obligated under the covenants contained in Section XIV, as if this Agreement had been terminated on the date of transfer;”

3. Notwithstanding any provision of the Franchise Agreement to the contrary, Indiana Code, Title 23, Article 2, Chapter 2.7, §1(8), provides that it shall be unlawful to permit a franchisor to fail to renew the franchise without good cause or in bad faith. In addition, Indiana Code, Title 23, Article 2, Chapter 2.7, § 1(8), provides that the Indiana Code shall not prohibit a franchise agreement from providing that the agreement is not renewable upon expiration or that the agreement is renewable if the franchisee meets certain conditions specified in the agreement. To the extent the provisions of the Franchise Agreement are inconsistent with the terms of the Indiana Code, in Indiana the terms of the Indiana Code will control.

4. Notwithstanding the provisions of Paragraph XXII.A. of the Franchise Agreement which designate that Alabama law is the governing law, and Paragraph XXII.B. that venue lie in Jefferson County, Alabama, Indiana Code, Title 23, Article 2, Chapter 2.7, § 1(10), provides that it shall be unlawful for any franchise agreement to limit litigation brought for breach of the agreement in any manner whatsoever. To the extent the provisions of the Franchise Agreement are inconsistent with the terms of the Indiana Code, in Indiana the terms of the Indiana Code will control.

ATTEST:

EXPRESS OIL CHANGE FRANCHISE, LLC

By: _____
Robert Patterson Date
As Its: Vice President, Franchise Support

By: _____
R. Kent Fezell Date
As Its: Executive Vice President, Real Estate

ATTEST:

FRANCHISEE

By: _____
As Its _____

By: _____
As Its _____

VIRGINIA ADDENDUM TO FRANCHISE AGREEMENT

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the parties to the attached Express Oil Change Franchise, LLC, Franchise Agreement agree as follows:

1. Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

2. 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.

This Addendum shall be effective only to the extent that the jurisdictional requirements of the Act are met independently with respect to such provision, without reference to this amendment.

ATTEST:

EXPRESS OIL CHANGE FRANCHISE, LLC

By: _____
Robert Patterson Date
As Its: Vice President, Franchise Support

By: _____
R. Kent Fezell Date
As Its: Executive Vice President, Real Estate

ATTEST:

FRANCHISEE

By: _____
As Its _____

By: _____
As Its _____

EXHIBIT B

**EXPRESS OIL CHANGE FRANCHISE, LLC
AREA DEVELOPMENT AGREEMENT**

(See attached.)



EXPRESS OIL CHANGE FRANCHISE, LLC

AREA DEVELOPMENT AGREEMENT

EDITION DATE: JULY 1, 2023

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**EXPRESS OIL CHANGE FRANCHISE, LLC
AREA DEVELOPMENT AGREEMENT**

This Area Development Agreement is entered into this ____ day of _____, 20____, by and between **EXPRESS OIL CHANGE FRANCHISE, LLC**, a Delaware limited liability company, with its principal place of business in Birmingham, Alabama (hereinafter referred to as “Franchisor”), and _____ (hereinafter referred to as “Developer”).

W I T N E S S E T H:

WHEREAS, Franchisor, as the result of the expenditure of time, skill, effort and money, has developed a unique system (hereinafter “System”) relating to the establishment and operation of retail automotive service centers specializing in quick oil change and lubrication, tune-up, transmission service, brake repair and tire sales and service (“Center” or “Centers”) the distinguishing characteristics of which System include, without limitation, interior and exterior layout and signage; standards and specifications for equipment, equipment layout, inventory and supplies; training; operating procedures for expeditious, dependable and convenient services to the motoring public; methods and techniques for inventory and cost controls, record keeping and reporting, purchasing, sales promotion, and advertising; all of which may be changed, improved and further developed by Franchisor from time to time; and

WHEREAS, Franchisor is the owner of and has the sole and exclusive use and license in the trade name, service mark and trademark, “Express Oil Change/Tire Engineers”, and such other trade names, service marks, and trademarks as are now designated (and may hereafter be designated by Franchisor in the Manual or otherwise in writing) as part of the System (hereinafter referred to as “Marks”), and Franchisor continues to develop, use and control such Marks for the benefit and exclusive use of itself and its franchisees in order to identify for the public the source of goods and services marketed thereunder and the System, and to represent the System's high standards of quality, appearance and service; and

WHEREAS, Developer is familiar with Centers now operating under the Marks and System and wishes to obtain franchises to use the System and be identified with the Marks in the territory described in this Area Development Agreement and to be assisted and trained by Franchisor to establish and operate Centers; and

WHEREAS, Developer acknowledges that Developer has employment experience and skills other than the experience and skills that would be obtained pursuant to this Agreement, and Developer has had adequate opportunity to be thoroughly advised of the terms and conditions of this Area Development Agreement by advisors of Developer's own choosing.

NOW, THEREFORE, the parties, in consideration of the premises and the covenants, undertakings and commitments of each party to the other party set forth herein, hereby mutually agree as follows:

I. GRANT

A. Franchisor hereby grants to Developer, pursuant to the terms and conditions of this Area Development Agreement, the exclusive right to develop _____ (____) Centers within the territory set forth in Exhibit A (the “Development Area”):

B. Except as otherwise provided in this Agreement, Franchisor shall not establish, or license anyone other than Developer to establish, a Center in the Development Area prior to the expiration or earlier termination of this Area Development Agreement.

C. This Agreement is not a Franchise Agreement, and Developer shall have no right to use in any manner Franchisor's Marks by virtue hereof.

D. Developer shall have no right under this Agreement to license others.

E. This Agreement is not subject to renewal.

II. DEVELOPMENT FEE

Developer shall pay to Franchisor upon execution of this Agreement the development fee set forth in Exhibit A which fee shall be non-refundable and fully earned by Franchisor upon execution of this Agreement, for administrative and other expenses incurred by Franchisor and for the development opportunities lost or deferred as a result of the exclusivity granted herein. The development fee represents \$50,000.00 for the first Center (\$25,000 for subsequent Centers) and \$10,000.00 for each additional center to be developed of the initial franchise fee due pursuant to the Franchise Agreement for each franchise to be granted hereunder. The balance of the franchise fee shall be due and payable upon execution of the Franchise Agreement. Developer shall have no right to recover from Franchisor, directly or indirectly, any of the fees which are paid pursuant to this Paragraph II.

III. DEVELOPMENT SCHEDULE

A. Developer must have open and operating in the Development Area, in accordance with and pursuant to Franchise Agreements, that cumulative number of Centers set forth in Exhibit A by the corresponding date set forth therein ("Development Schedule"). Developer shall sign Franchisor's then-current franchise agreement for each Center under the Development Schedule provided that the initial franchise fee will not change. Time is of the essence in this agreement and Franchisor has no obligation under any circumstances to extend the Development Schedule. Developer hereby acknowledges that its timely development of the Centers in the Development Area in accordance with the Development Schedule is of material importance to Franchisor and Developer agrees, as a condition to the continuance of the rights granted hereunder, to develop and construct the Centers within the Development Area in accordance with the Development Schedule, to operate such Centers pursuant to the terms of Franchise Agreements and to maintain all such Centers in operation during the term of this Agreement. Developer's failure to develop and operate Centers in accordance with the Development Schedule is a material breach of this Agreement; however, Franchisor's rights pursuant to Paragraph VI.C. of this Agreement shall be Franchisor's exclusive remedies for Developer's failure to meet the Development Schedule.

B. Prior to the acquisition by lease or purchase of any site for a Center in the Development Area, Developer shall submit to Franchisor, in the form specified by Franchisor, a description of the site and such other information or materials as Franchisor may reasonably require, together with a letter of intent or other evidence satisfactory to Franchisor which confirms Developer's favorable prospects for obtaining the site. Franchisor will counsel and assist Developer in evaluating the prospective site within thirty (30) days after receipt of Developer's information. Within thirty (30) days after the site has been accepted by Franchisor, Developer shall execute a Franchise Agreement relating to the site, and a binding agreement to purchase or a lease for the site. The Franchise Agreement shall be the standard form of franchise agreement then being utilized by Franchisor. In the event Franchisor does not receive the properly executed Franchise Agreement within the thirty (30) day period, Franchisor's approval of the site shall be void. If the premises are to be leased, Developer shall, prior to its execution, submit the lease to Franchisor for its prior written approval, which shall not be unreasonably withheld. The lease, if any, shall provide, inter alia:

1. That the premises shall be used only for the operation of the Center unless Franchisor gives its written consent (which will not be unreasonably withheld);

2. That Developer may not sublease or assign the lease without the prior written consent of Franchisor;

3. That Franchisor shall have the right to enter the premises to make any modification necessary to protect Franchisor's Marks; and

4. That Franchisor or Franchisor's designee shall have the option to assume the lease for all or any part of the lease term upon Developer's default or termination thereunder, or upon termination or expiration of this Agreement.

C. Developer acknowledges that no officer, employee or agent of Franchisor has any authority to approve or accept any proposed site except by written acceptance on Franchisor's Site Acceptance Form and any other representations, approvals or acceptance, whether oral or written, shall be of no effect. Developer further acknowledges that Franchisor's acceptance of said site does not constitute any representation, warranty or guarantee by Franchisor that said site will be a successful location for a Center.

D. Franchisor reserves the right to revoke any site approval if Developer fails to begin construction in accordance with Franchisor's approved plans and specifications within six (6) months after the date of the Franchise Agreement.

E. Franchisor shall have no duty to assist Developer in locating sites, but its obligation is limited solely to counseling and assistance in evaluating prospective sites for the franchise Center submitted by Developer. Franchisor shall make inspection trips as reasonably required to review proposed sites for a Center listed on the Development Schedule at no cost to Developer other than the initial franchise fee.

IV. TERM

A. Unless sooner terminated in accordance with the terms of this Agreement, the term of this Agreement and all rights granted to Developer hereunder shall expire on the 180th day after the date the last Center to be constructed pursuant to the Development Schedule is opened for business, except that the provisions of Paragraph IV.B. shall, unless sooner terminated in accordance with the terms of this Agreement, continue in effect so long as Developer exercises its rights thereunder.

B. Right of First Refusal. If at any time after expiration of this Agreement, Franchisor determines that it is desirable to operate or license another to operate one or more additional Centers in the Development Area, and provided Developer has timely complied with the Development Schedule and is then in compliance with all terms and conditions of all Franchise Agreements with Franchisor, Developer shall have a 3-year right of first refusal to obtain the development rights to such additional Centers. Developer must notify Franchisor in writing within ten (10) days of the receipt of such notice whether it wishes to acquire the development rights to all or any of such additional Centers. If Developer exercises its right of first refusal, Developer agrees to comply with the reasonable development schedule for such additional Centers. If Developer does not exercise this right of first refusal, in whole or in part, Franchisor may, within ten (10) days from the expiration of such 10-day period, grant the development rights to any other person or persons on the same terms and conditions or Franchisor may itself elect to develop and construct any such Centers in the Development Area. Further, in the event Developer fails or refuses to exercise its right of first refusal, this Area Development Agreement shall terminate.

V. DUTIES OF THE PARTIES

A. Franchisor shall comply with all terms and conditions set forth in this Agreement and the Franchise Agreement. Franchisor shall furnish to Developer the following:

1. Site selection counseling and assistance, and such on-site evaluation as Franchisor may deem advisable as part of its evaluation of Developer's requests for site approvals. If on-site evaluation is deemed necessary and appropriate by Franchisor (on its own initiative or at Developer's request), such on-site evaluation shall be provided to Developer upon such terms as specified in Paragraph III.B. above.

2. Standard plans and specifications to be utilized in the construction of a Center, including its standard building plans and general plans for interior design and layout, fixtures, furnishings, signs and equipment. Such further architectural and engineering services as may be required to adapt the standard plans and specifications to applicable local or state laws, regulations or ordinances or to prepare modifications from the standard plans shall be obtained by Developer at its expense.

B. Developer shall comply with all terms and conditions set forth in this Agreement and the Franchise Agreement. Developer accepts the following obligations:

1. Developer shall at all times preserve in confidence any and all materials and information furnished or disclosed to Developer by Franchisor and shall disclose such information or materials only to such of its employees or agents who must have access to it in connection with their employment. Developer shall not at any time, without Franchisor's prior written consent, copy, duplicate, record or otherwise reproduce such materials or information, in whole or in part, nor otherwise make the same available to any unauthorized person.

2. Developer shall comply with all requirements of federal, state and local laws, rules and regulations.

VI. DEFAULT

A. The territorial exclusivity granted to Developer in this Agreement has been granted in reliance on Developer's representations and assurances, among others, that the conditions set forth in Paragraphs I and III of this Area Development Agreement will be met by Developer in a timely manner.

B. Developer shall be deemed in default under this Agreement, and all rights granted herein shall automatically terminate without notice if Developer is convicted of a felony or any crime involving moral turpitude, or if Developer is adjudicated a bankrupt, becomes insolvent, suffers permanent or temporary court appointed receivership of substantially all of its property, makes a general assignment for the benefit of creditors or suffers the filing of a voluntary or involuntary bankruptcy petition which is not dismissed within thirty (30) days after filing.

C. If Developer fails to meet the Development Schedule, fails to comply with any other terms and conditions of this Agreement or any Franchise Agreement and does not correct such failure within thirty (30) days after written notice of such failure to comply is delivered to Developer or commence such cure within the thirty (30) day period and diligently pursues such cure to completion, makes or attempts to make a transfer or assignment in violation of Paragraph VII.B. hereof, makes or has made any misrepresentation to Franchisor in connection with obtaining this Agreement (including, without limitation, any information or documentation provided to Franchisor prior to the execution of this Agreement), any site approval hereunder or any Franchise Agreement, or if Developer shall use the System or Franchisor's Marks except pursuant to and in accordance with a valid and in effect Franchise Agreement, such action shall constitute a default under this Area Development Agreement. Upon any such default, Franchisor, in its discretion, may do any one or more of the following:

1. Terminate this Agreement and all rights granted hereunder without affording Developer any further opportunity to cure the default, effective immediately upon receipt of written notice by Developer;

2. Terminate the territorial exclusivity granted Developer hereunder or reduce the Development Area granted Developer hereunder; and/or

3. Develop the Development Area itself or license others to establish Centers in the Development Area, except as may otherwise be provided under any Franchise Agreement which has been executed between Franchisor and Developer.

D. Upon termination of the Agreement, Developer shall have no right to establish or operate any Centers for which a Franchise Agreement has not been executed by Franchisor. Franchisor shall be entitled to establish and to license others to establish Centers in the Development Area except as may be otherwise provided under any Franchise Agreement which has been executed between Franchisor and Developer. No default under this Area Development Agreement shall constitute a default under any Franchise Agreement between the parties hereto.

E. No right or remedy herein conferred upon or reserved to Franchisor is exclusive of any other right or remedy provided or permitted by law or equity.

VII. TRANSFERABILITY

A. Franchisor shall have the right to transfer all or any part of its rights or obligations herein to any person or legal entity.

B. Developer understands and acknowledges that the rights and duties set forth in this Area Development Agreement are personal to Developer and are granted in reliance upon the personal qualifications, including financial condition, of Developer. Developer has represented to Franchisor that Developer is entering into this Area Development Agreement with the intention of complying with its terms and conditions and not for the purpose of resale of the developmental rights hereunder. Developer shall not sell, pledge, assign or transfer any interest in this Area Development Agreement or in Developer without the prior written approval of Franchisor, which approval shall be granted on the same terms and conditions as set forth in Paragraph XII of the Franchise Agreement. Developer agrees that any attempt to assign or transfer any interest in Developer or in this Agreement without Franchisor's prior written approval shall be deemed an event of default. All the terms and conditions of Paragraph XII of the Franchise Agreement with respect to transferability of interest, including, without limitation, transfers upon death or incapacity, shall apply to this Area Development Agreement.

VIII. COVENANTS

Developer covenants that, except as otherwise approved in writing by Franchisor, during the term of this Agreement and for a period of eighteen (18) months after the expiration or termination of this Agreement, regardless of the cause for termination, Developer shall not:

(1) Do or engage in any act prohibited by Paragraphs XV.B. and XV.C. of the Franchise Agreement; or

(2) Own, maintain, engage in, or have any interest in any retail automotive service center business similar to that for which franchises are granted hereunder within the Development Area or within three and one-half (3½) miles of any Center in operation or under construction on the date of expiration or termination; provided, however, that this

provision shall not apply to the operation by Developer of any other franchise which may be granted by Franchisor to Developer; and provided, further, that this provision shall not apply to any ownership by Developer of less than five percent (5%) of the outstanding equity securities in any publicly held corporation.

IX. NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be mailed, postage prepaid, to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notices to Franchisor:

Notices to Franchisee:

EXPRESS OIL CHANGE FRANCHISE, LLC

1880 Southpark Drive
Birmingham, AL 35244

X. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

A. It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them, that nothing in this Area Development Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee or servant of the other for any purpose whatsoever. Each party to this Agreement is an independent contractor, and neither shall be responsible for the debts or liabilities incurred by the other.

B. Developer shall hold itself out to the public to be an independent contractor operating pursuant to this Agreement. Developer agrees to take such actions as shall be necessary to that end.

C. The parties understand and agree that nothing in this Area Development Agreement authorizes any party to make any contract, agreement, warranty or representation on the other party's behalf or to incur any debt or other obligation in the other party's name.

XI. APPROVALS

A. Whenever this Area Development Agreement requires the prior approval or consent of Franchisor, Developer shall make a timely written request to Franchisor therefor, and, except as otherwise provided herein, any approval or consent granted shall be in writing.

B. Franchisor makes no warranties or guaranties upon which Developer may rely and assumes no liability or obligation to Developer or any third party to which it would not otherwise be subject, by providing any waiver, approval, advice, consent or services to Developer in connection with this Area Development Agreement.

XII. NON-WAIVER

No failure of Franchisor to exercise any power reserved to it in this Agreement or to insist upon compliance by Developer with any obligation or condition in this Area Development Agreement, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of Franchisor's rights to demand exact compliance with the terms of this Agreement. Waiver by Franchisor of any particular default shall not affect or impair Franchisor's right in respect to any subsequent default of the same or of a different nature, nor shall any delay, forbearance, or omission of Franchisor to exercise any power or right arising out of any breach or default by Developer of any of the terms, provisions, or covenants of this

Agreement, affect or impair Franchisor's rights, nor shall such constitute a waiver by Franchisor of any rights hereunder or rights to declare any subsequent breach or default.

XIII. SEVERABILITY AND CONSTRUCTION

A. This Agreement shall be deemed severable.

B. Nothing in this Agreement shall confer upon any person or legal entity other than Franchisor or Developer and such of their respective successors and assigns as may be contemplated by Paragraph VII. hereof, any rights or remedies under or by reason of this Agreement.

C. All captions in this Agreement are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

D. All references herein to gender and number shall be construed to include such other gender and number as the context may require, and all acknowledgements, promises, covenants, agreements and obligations herein made or undertaken by Developer shall be deemed jointly and severally undertaken by all the parties hereto on behalf of Developer.

XIV. ENTIRE AGREEMENT-APPLICABLE LAW

This Agreement and all exhibits to this Agreement constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations Franchisor made in the franchise disclosure document that Franchisor furnished to Developer. No amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing. This agreement shall be construed pursuant to the laws of the State of Alabama.

Developer acknowledges that Developer is entering into this Agreement as a result of Developer's own independent investigation of Franchisor's franchised business and not as a result of any representations about Franchisor made by Franchisor's members, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus, or other similar document required or permitted to be given to Developer pursuant to applicable law.

XV. DISCLAIMER

A. Developer acknowledges that the success of the business venture contemplated by this Agreement involves substantial business risks and will be largely dependent upon the ability of the Developer as an independent businessman.

B. Developer acknowledges that it has received, and that Franchisor has accorded Developer ample time and opportunity to consult with advisors of Developer's own choosing about the potential benefits and risks of entering into this Agreement.

C. Developer acknowledges that it timely received the disclosure document required by the Trade Regulation Rule of the Federal Trade Commission entitled Disclosure Requirements and Prohibitions Concerning Franchising and Business Opportunity Ventures; and, that it received this Agreement, the attachments hereto, if any, and agreements relating hereto, if any, at least seven (7) calendar days prior to the date on which this Agreement is executed.

XVI. ARBITRATION

A. Except as specifically otherwise provided in this Agreement, and any action brought by Franchisor under the Lanham Act, the parties agree that any and all disputes between them, and any claim by either party that cannot be amicably settled, shall be determined solely and exclusively by arbitration in Jefferson County, Alabama, in accordance with the rules of the American Arbitration Association.

Each party shall select one arbitrator and the two so designated shall select a third arbitrator. If either party shall fail to designate an arbitrator within seven (7) days after arbitration is requested or if the two arbitrators shall fail to select a third arbitrator within fourteen (14) days after the arbitration is requested, then an arbitrator shall be selected by the American Arbitration Association upon application of either party. Arbitration proceedings shall be conducted in accordance with the rules then prevailing of the American Arbitration Association. Judgment upon an award of the majority of the arbitrators shall be binding, and shall be entered in a court of competent jurisdiction.

B. Nothing herein shall bar the right of either party to obtain injunctive relief against threatened conduct that will cause loss or damages under the usual equity rules including the applicable rules for obtaining preliminary injunction.

XVII. OFFERING OF SECURITIES BY DEVELOPER

In the event the Developer shall attempt to raise or secure funds through the sale of securities, including, without limitation, limited partnership or joint venture offerings (which sale shall be subject to the provisions of Paragraph VII of this Agreement), Developer, recognizing that the documents with respect thereto may reflect upon Franchisor, agrees to obtain the prior written consent of Franchisor with respect to any mention of Franchisor or description of Franchisor's System or Developer's relationship with Franchisor made in any documents to be utilized in connection with such offering. Developer agrees and recognizes that any offer of sale of its securities in violation of any applicable federal or state securities law or regulation, or Developer's failure to obtain Franchisor's written consent (which will not be unreasonably withheld) provided above shall constitute a material default under this Agreement subject to the provisions of Paragraph VI hereof.

XVIII. GENERAL RELEASE AND COVENANT NOT TO SUE

Developer hereby releases Franchisor, its subsidiaries, and the officers, directors, employees and agents of Franchisor and its subsidiaries from any and all claims and causes of action, known or unknown, which may exist in favor of the Developer as of the date of this Agreement. In addition, Developer covenants that the Developer shall not file or pursue any legal action or complaint against any of the foregoing entities or persons with regard to any of the foregoing claims or causes of action released by Developer pursuant to this Section XVIII. Franchisor hereby releases the Developer and its officers, directors, employees and agents from any and all claims and causes of action, known or unknown, which may exist in favor of the Franchisor as of the date of this Agreement, except for any claims for (a) unpaid moneys dues Franchisor or its affiliates, (b) a material breach of the provisions of this Agreement regarding the Marks, or (c) the violation of Franchisor's legal rights regarding the Marks. In addition, Franchisor covenants that the Franchisor shall not file or pursue any legal action or complaint against any of the foregoing entities or persons with regard to any of the claims or causes of action released by Franchisor pursuant to this Section XVIII. In no event shall the provisions of this Paragraph XVIII apply to any claim based upon fraud or misrepresentation by either party in procuring this Agreement.

XIX. FORCE MAJEURE

If any party's performance of any obligation under this Agreement is prevented, hindered or delayed because of force majeure and not through any act or omission of such party, which cannot be overcome by use of normal commercial measures, the parties shall be relieved of their respective obligations to the extent the parties are respectively necessarily prevented, hindered or delayed in the performance during the period of force majeure. As used in this Agreement, the term "force Majeure" shall mean any act of God, strike, lockout or other industrial disturbance, war (declared or undeclared), riot, epidemic, fire or other catastrophe, act of any government (including rejection of any license application) and any other similar cause not within the control of the affected party. The party whose performance is affected by an event of force majeure shall give prompt notice of the force majeure event to the other party by telephone or facsimile (in each case to be confirmed in writing) setting forth the nature of the event, an estimate as to its duration and a plan for resuming compliance with this Agreement, which the party shall promptly undertake and maintain with due diligence.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Agreement in duplicate on the day and year first above written.

ATTEST:

EXPRESS OIL CHANGE FRANCHISE, LLC

By: _____
Robert Patterson Date
As Its: Vice President, Franchise Support

By: _____
R. Kent Fezell Date
As Its: Executive Vice President, Real Estate

DEVELOPER:

By: _____
Date
As Its: _____

WITNESSED:

By: _____
Date
As Its: _____

Each of the undersigned owns a five percent (5%) or greater beneficial interest in Developer and each agrees to be individually bound by its terms.

ATTEST:

_____ Witness	_____ Investor	_____ Date

**ATTACHMENT A
TO THE AREA DEVELOPMENT AGREEMENT
BETWEEN EXPRESS OIL CHANGE FRANCHISE, LLC AND**

DATED: _____

1. The Development Area is the geographical area described as follows:

Any political boundaries described above shall be considered fixed as of the date of this agreement and shall not change for the purpose hereof, notwithstanding a political reorganization or change to such boundaries or regions. All street boundaries shall be deemed to end at the street center line unless otherwise specified above.

2. Developer must have open and in operation in the Development Area, pursuant to Franchise Agreements, that cumulative number of Centers set forth below as of each of the following dates:

<u>Cumulative Number of Centers</u>	<u>Date</u>
<u>Center Open and Operating by</u>	<u> / /</u>
<u>Center Open and Operating by</u>	<u> / /</u>
<u>Center Open and Operating by</u>	<u> / /</u>
<u>Center Open and Operating by</u>	<u> / /</u>
<hr/> <u>Centers Open and Operating by</u>	<hr/> <u> / /</u>

3. For purposes hereof, a Center that is permanently closed after having been opened, other than as a result of noncompliance by Developer with the terms of the applicable Franchise Agreement, shall be deemed open for a period of 6 months after the last day it was open for business, provided that: (i) during such period of time, Developer continuously and diligently takes such actions as may be required to develop and open a substitute Center within the Development Area pursuant to a new Franchise Agreement therefor; and (ii) by the end of such period Developer has the substitute Center open and operating in compliance with the Franchise Agreement therefor.

4. The development fee shall be _____ **Thousand Dollars** (\$ _____ .00), representing _____ **Thousand Dollars** (\$ _____ .00) for each Center to be developed hereunder.

(Signatures on following page.)

ATTACHMENT B
STATE ADDENDA

1. Illinois
2. Indiana
3. Virginia

EXHIBIT C

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EXHIBIT D

LIST OF STATE AGENCIES

STATE OF CALIFORNIA, Department of Financial Protection & Innovation, 320 West Fourth Street, Suite 750, Los Angeles, California 90013-2344; Telephone: (213) 576-7500; (866) 275-2677 (toll free)

STATE OF CONNECTICUT, Banking Commissioner, 44 Capitol Avenue, Hartford, Connecticut 06106; Telephone: (203) 566-4560.

STATE OF ILLINOIS, Illinois Attorney General, 500 South Second Street, Springfield, Illinois 62706; Telephone: (217) 782-4465

STATE OF INDIANA, Secretary of State, Franchise Section, 302 West Washington, Room E-111, Indianapolis, Indiana 46204; Telephone: (317) 232-6681

STATE OF MARYLAND, Office of the Attorney General, Securities Division, 200 St. Paul Place, Baltimore, Maryland 21202-2020; Telephone: (410) 576-6360

STATE OF MICHIGAN, Attorney General's Office, Consumer Protection Div., Franchise Section, 525 W Ottawa Street, G. Mennen Williams Bldg, 1st Floor, Lansing, Michigan 48913; Telephone: (517) 373-7117

STATE OF MINNESOTA, Commissioner of Commerce, Minnesota Commerce Department, 85 7th Place East, Suite 280, St. Paul, Minnesota 55101; Telephone: (651) 539-1600

STATE OF NEBRASKA, Nebraska Department of Banking and Finance, P. O. Box 95006, Lincoln, Nebraska 68508-2732; Telephone: (402) 471-2171

STATE OF NEW YORK, New York State Department of Law, Investor Protection Bureau, 28 Liberty Street, 21st Floor, New York, New York 10005; Telephone: (212) 416-8236

STATE OF RHODE ISLAND, Department of Business Regulation, Securities Division, Bldg. 69, First Floor, 1511 Pontiac Avenue, Cranston, Rhode Island 02920; Telephone: (401) 462-9585

STATE OF TEXAS, Secretary of State, 1019 Brazos, Austin, Texas 78701; Telephone: (512) 475-1769.

STATE OF UTAH, Department of Commerce, 160 East 300 South, Salt Lake City, Utah 84111; Telephone (801) 530-6701

STATE OF VIRGINIA, Director, Securities and Retail Franchising Division, State Corporation Commission, 1300 East Main Street, 9th Floor, Richmond, Virginia 23219; Telephone: (804) 371-9051

STATE OF WASHINGTON, Department of Financial Institutions, Securities Division – 3rd Floor, 150 Israel Road, S.W., Tumwater, Washington 98501; Telephone: (360) 902-8760

STATE OF WISCONSIN, Office of the Commissioner of Securities, 201 W. Washington Ave., Suite 300, Madison, Wisconsin 53703; Telephone: (608) 261-9555

AGENTS FOR SERVICE OF PROCESS

STATE OF ALABAMA: Business Filings Inc., 2000 Interstate Park Dr, Ste 204, Montgomery, AL 36109

STATE OF CALIFORNIA, Department of Financial Protection & Innovation, 320 W 4th St, Suite 750, Los Angeles, CA 90013

STATE OF CONNECTICUT, Banking Commissioner, 44 Capitol Avenue, Hartford, Connecticut 06106

STATE OF DELAWARE: Business Filings Inc., 108 West 13th Street, Wilmington, Delaware 19801.

STATE OF FLORIDA: Business Filings Incorporated, 515 E Park Avenue, Tallahassee, Florida 32301.

STATE OF GEORGIA: Business Filings Incorporated, 1201 Peachtree Street, NE, Atlanta, Georgia 30361.

STATE OF ILLINOIS, Illinois Attorney General, 500 South Second Street, Springfield, Illinois 62706

STATE OF INDIANA, Secretary of State, 302 West Washington, Room E-111, Indianapolis, Indiana 46204

STATE OF MARYLAND, Maryland Securities Commissioner, 200 St. Paul Pl, Baltimore, Maryland 21202

STATE OF MICHIGAN, Dept. of the Attorney General's Office, Consumer Protection Div., Franchise Section, 525 West Ottawa Street, G. Mennen Williams Building, Lansing, Michigan 48913

STATE OF MINNESOTA, Minnesota Commerce Dept., 85 7th Place East, Suite 280, St. Paul, Minnesota 55101

STATE OF MISSISSIPPI: Business Filings Inc., 645 Lakeland East Dr, Ste 101, Flowood, MS 39232

STATE OF NEBRASKA, Nebraska Dept. of Banking and Finance, P. O. Box 95006, Lincoln, Nebraska 68508

STATE OF NEW YORK, New York Dept. State, ATTN: New York Secretary of State, One Commerce Plaza, 99 Washington Avenue, 6th Floor, Albany, NY 12231

STATE OF RHODE ISLAND, Department of Business Regulation, Securities Division, Bldg. 69, First Floor, 1511 Pontiac Avenue, Cranston, Rhode Island 02920

STATE OF TENNESSEE: Business Filings Inc., 800 South Gay St, Suite 2021, Knoxville, TN 37929

STATE OF TEXAS, Secretary of State, 1019 Brazos, Austin, Texas 78701

STATE OF UTAH, Department of Commerce, 160 East 300 South, Salt Lake City, Utah 84111

STATE OF VIRGINIA, Clerk, State Corp. Commission, 1300 East Main Street, Richmond, Virginia 23219

STATE OF WASHINGTON, Dept. of Financial Institutions, Securities Div – 3rd Floor, 150 Israel Rd, S.W., Tumwater, Washington 98501

STATE OF WISCONSIN, Wisconsin Comm. of Securities, Dept. of Financial Institutions, Div of Securities, 201 W. Washington Ave., Suite 300, Madison, Wisconsin 53703

EXHIBIT E

**EXPRESS OIL CHANGE FRANCHISE, LLC
LIST OF CURRENT FRANCHISES
AS OF 12/31/2022**

Company	Address	City	State	Zip	Phone
<u>Alabama</u>					
JCSC Services, Inc.	850 Martin St S	Pell City	AL	35128	205-814-5588
JCSC Services, Inc.	2209 Martin St S	Pell City	AL	35128	205-338-8892
Larry Puckett Chevrolet	2101 Cobbs Ford Rd	Prattville	AL	36066	334-285-9150
N&N Enterprises, Inc.	1007-A Highway 231 S, #A	Troy	AL	36079	334-566-1616
Jaytee Investment	604 15th St E	Tuscaloosa	AL	35401	205-342-3587
<u>Florida</u>					
Tic Tac Tire & Total Car Care	3015 53 rd Ave E	Bradenton	FL	34203	941-254-6588
RJO Management	20145 Cortez Blvd	Brooksville	FL	34601	352-593-4123
Orbit Motors	3931 Tampa Rd	Oldsmar	FL	34677	813-518-8111
SFL Associates	710 S. Alafaya Trail	Orlando	FL	32828	407-275-6100
EOCF Inc.	1120 Alafaya Trail	Oviedo	FL	32765	407-542-8645
Express Oil of Pensacola, Inc.	4640 Hwy 90	Pace	FL	32571	850-736-8044
Express Oil of Pensacola, Inc.	1650 E Nine Mile Rd	Pensacola	FL	32514	850-478-0120
Express Oil of Pensacola, Inc.	6200 N 9th Ave	Pensacola	FL	32504	850-477-0337
Pitt-Stop & Total Car Care	11690 Boyette Rd	Riverview	FL	33569	813-499-9606
Orbit Motors	3861 W Waters Ave	Tampa	FL	33614	813-683-4242
<u>Georgia</u>					
Forsyth Express, LLC	2385 Peachtree Parkway	Cumming	GA	30041	678-807-8893
Forsyth Express, LLC	525 Peachtree Parkway	Cumming	GA	30041	770-886-4883
Forsyth Express, LLC	318 Industrial Park Road	Dawsonville	GA	30534	706-216-2032
<u>Illinois</u>					
RQW Automotive Svcs., LLC	25 W. 63rd Street	Westmont	IL	60559	630-541-5540
<u>Mississippi</u>					
Meridian Express	513 Azalea Dr	Meridian	MS	39301	601-483-3771
<u>North Carolina</u>					
Shields Express, Inc.	901 E Williams St	Apex	NC	27502	919-387-8570
APH Auto Services, Inc.	2750 Lewisville Clemmons Rd	Clemmons	NC	27012	336-283-9552
Trinity Express Partners, LLC	5940 Carolina Beach Road	Wilmington	NC	28412	910-399-4972
Market Street Express	8128 Market Street	Wilmington	NC	28411	910-319-7664
APH Auto Services, Inc.	3499 Robinhood Rd	Winston-Salem	NC	27016	336-727-3681
<u>Ohio</u>					
Tri-State Express Oil	2402 Gallia Street	Portsmouth	OH	45662	720-529-7295

Oklahoma

Aubrey Enterprises	803 Northwest Sheridan Rd.	Lawton	OK	73505	580-355-3283
Aubrey Enterprises	641 SW 19th St	Oklahoma City	OK	73160	405-759-3131

South Carolina

Low Country Express Ventures, LLC	1017 N Main St	Summerville	SC	29483	843-771-3740
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Tennessee

County Exp. Auto Svcs. LLC	110 S Willow Ave	Cookeville	TN	38501	931-854-1690
Guidry Oil Company	3104 Boones Creek Rd	Johnson City	TN	37615	423-406-8080
Guidry Oil Company	3855 Fort Henry Dr	Kingsport	TN	37663	423-245-0020
Guidry Oil Company	4213 W Stone Dr	Kingsport	TN	37660	423-245-1882

Texas

Ehrlich Ventures, LLC	200 W Whitestone Blvd	Cedar Park	TX	78613	512-257-2121
Ehrlich Ventures, LLC	1325 FM 685	Pflugerville	TX	78641	512-432-5798

Utah

Pleasant Grove Express Oil LLC	1405 West State Street	Pleasant Grove	UT	84062	385-330-0552
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Virginia

VA Express LLC	11231 Iron Bridge Road	Chester	VA	23831	804-495-3112
VA Express LLC	7247 Bell Creek Road	Mechanicsville	VA	23111	704-576-4738
VA Express LLC	1401 Packer Crossing	North Chesterfield	VA	23235	804-379-8700

West Virginia

Leave the Ninety Nine	6436 US-60 E	Barboursville	WV	25504	304-733-5299
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EXHIBIT F**EXPRESS OIL CHANGE FRANCHISE, LLC
COMPANY OWNED OUTLETS
AS OF 12/31/2022**

Store Address	City	State	Zip	Store Phone #
136 1st St N	Alabaster	AL	35007	205-663-2073
851 1st Street North	Alabaster	AL	35007	205-663-1690
3690 U.S. 280	Alexander City	AL	35010	256-234-6559
5700 McClellan Blvd	Anniston	AL	36206	256-820-1135
805 US Hwy 72 West	Athens	AL	35611	256-230-0600
1049 US Hwy 72 East	Athens	AL	35611	256-232-3006
1855 Opelika Rd	Auburn	AL	36830	334-821-3100
1930 S College St	Auburn	AL	36832	334-821-2000
922 9th Ave N	Bessemer	AL	35020	205-428-0318
2916 Morgan Road	Bessemer	AL	35022	205-428-0098
5036 Bond Blvd	Bessemer	AL	35022	205-424-4725
3045 Allison-Bonnett Memorial Dr	Bessemer	AL	35023	205-491-8880
737 3rd Ave W	Birmingham	AL	35204	205-787-2526
8400 1st Ave N	Birmingham	AL	35206	205-838-2640
196 W Valley Ave	Birmingham	AL	35209	205-945-8845
407 Hollywood Blvd	Birmingham	AL	35209	205-879-3887
1282 Oak Grove Road	Birmingham	AL	35209	205-942-5001
1717 27th Court S	Birmingham	AL	35209	205-879-4499
5101 Oporto Madrid Blvd S	Birmingham	AL	35210	205-956-6648
4496 Montevallo Road	Birmingham	AL	35213	205-956-8180
901 Forestdale Blvd	Birmingham	AL	35214	205-798-5007
1123 Huffman Rd	Birmingham	AL	35215	205-853-0754
2013 Center Point Pkwy	Birmingham	AL	35215	205-856-3425
1479 Montgomery Hwy	Birmingham	AL	35216	205-823-0466
1554 Montgomery Hwy	Birmingham	AL	35216	205-823-3932
3635 Lorna Rd	Birmingham	AL	35216	205-985-0770
1412 Pinson Valley Pkwy	Birmingham	AL	35217	205-841-8555
5610 Grove Blvd	Birmingham	AL	35226	205-402-8886
2300 University Blvd	Birmingham	AL	35233	205-250-5735
3250 Morrow Rd	Birmingham	AL	35235	205-655-0162
5975 Chalkville Mountain Road	Birmingham	AL	35235	205-655-5581
502 Cahaba Park Cir	Birmingham	AL	35242	205-991-3464
5315 U.S. Hwy 280	Birmingham	AL	35242	205-408-9228
6975 Cahaba Valley Road	Birmingham	AL	35242	205-980-5180
2556 Rocky Ridge Rd	Birmingham	AL	35243	205-823-8175
3940 Crosshaven Dr	Birmingham	AL	35243	205-969-5596
2325 John Hawkins Pkwy	Birmingham	AL	35244	205-987-7750
2644 Valleydale Rd	Birmingham	AL	35244	205-991-3494
1958 U.S. 431	Boaz	AL	35957	256-593-2220
4640 US Hwy 31	Calera	AL	35040	205-651-7276
16971 U.S. Highway280	Chelsea	AL	35043	205-678-7750
34275 US Highway 280	Childersburg	AL	35044	256-378-0260
208 2nd Avenue NW	Cullman	AL	35055	256-739-8702
1711 2nd Avenue SW	Cullman	AL	35055	256-737-5465
1803 US Highway 98	Daphne	AL	36526	251-621-1859
1011 6th Ave SE	Decatur	AL	35601	256-351-9291
1222 Beltline Rd SW	Decatur	AL	35601	256-351-2228
600 Allison-Bonnett Memorial Dr	Dolomite	AL	35061	205-744-4141
3526 Montgomery Hwy	Dothan	AL	36303	334-712-6240
4071 W Main St	Dothan	AL	36305	334-671-5651

Store Address	City	State	Zip	Store Phone #
705 Boll Weevil Cir	Enterprise	AL	36330	334-393-2931
7157 Aaron Aronov Dr	Fairfield	AL	35064	205-786-9119
327 E Dr Hicks Blvd	Florence	AL	35630	256-764-9645
2731 Florence Blvd	Florence	AL	35630	256-764-2152
1339 South McKenzie Street	Foley	AL	36535	251-943-7524
209 Greenhill Blvd NW	Fort Payne	AL	35967	256-845-9600
206 George Wallace Dr	Gadsden	AL	35903	256-543-8900
316 Fieldstown Rd	Gardendale	AL	35071	205-631-2054
328 Fieldstown Road	Gardendale	AL	35071	205-631-6565
14519 Hwy 231-431 N	Hazel Green	AL	35750	256-813-9880
5046 Hwy 17	Helena	AL	35080	205-620-3175
503 Drake Ave SW	Huntsville	AL	35801	256-518-2056
8020 Memorial Pkwy SW	Huntsville	AL	35802	256-882-3570
11181 Memorial Pkwy SW	Huntsville	AL	35803	256-880-4960
11951 Memorial Pkwy SW	Huntsville	AL	35803	256-885-2289
2549 Bob Wallace Ave SW	Huntsville	AL	35805	256-535-0877
5700 Sanderson Rd NW	Huntsville	AL	35805	256-721-0077
132 Winchester Rd NW	Huntsville	AL	35810	256-858-6903
2604 Memorial Pkwy NW	Huntsville	AL	35810	256-851-9807
3203 North Memorial Parkway	Huntsville	AL	35810	256-852-9500
3819 University Dr NW	Huntsville	AL	35816	256-518-9670
815 Pelham Road S	Jacksonville	AL	36265	256-782-1100
500 Airport Road South	Jasper	AL	35501	205-221-5006
1750 Highway 78 E	Jasper	AL	35501	205-384-0256
1790 Ashville Road	Leeds	AL	35094	205-702-4790
4096 Sullivan St	Madison	AL	35758	256-772-0660
5860 Wall Triana Hwy	Madison	AL	35758	256-721-1088
8861 Madison Blvd	Madison	AL	35758	256-772-4455
108 S University Blvd	Mobile	AL	36608	251-461-2470
6310 Grelot Road	Mobile	AL	36609	251-634-1512
6361 Cottage Hill Road	Mobile	AL	36609	251-661-3213
630 Schillinger Road South	Mobile	AL	36695	251-634-9332
1001 Perry Hill Rd	Montgomery	AL	36109	334-396-1645
3502 Atlanta Hwy	Montgomery	AL	36109	334-396-5480
3064 McGehee Rd	Montgomery	AL	36111	334-284-0600
2570 Taylor Rd	Montgomery	AL	36117	334-396-8023
6055 Atlanta Hwy	Montgomery	AL	36117	334-271-2563
2101 Moody Pkwy	Moody	AL	35004	205-640-5909
11255 Alabama 157	Moulton	AL	35650	256-974-5426
3100 Woodward Ave	Muscle Shoals	AL	35661	256-386-7420
2105 Frederick Rd	Opelika	AL	36801	334-745-4121
6525 US Hwy 431	Owens Cross Roads	AL	35763	256-270-2885
525 Quintard Drive	Oxford	AL	36203	256-831-6655
1960 U.S. 78	Oxford	AL	36203	256-835-3712
461 Cahaba Valley Rd	Pelham	AL	35124	205-402-0409
2308 Pelham Pkwy	Pelham	AL	35124	205-620-9244
2874 Pelham Pkwy	Pelham	AL	35124	205-664-1711
4665 Pinson Blvd	Pinson	AL	35126	205-681-1341
3415 Rainbow Dr	Rainbow City	AL	35906	256-442-8086
21775 Alabama St Hwy 59 S	Robertsdale	AL	36567	251-947-2606
10 North Norton Avenue	Sylacauga	AL	35150	256-249-3645
404 W Fort Williams St	Sylacauga	AL	35150	256-249-8558
525 Battle Street E	Talladega	AL	35160	256-761-1199
425 Main St	Trussville	AL	35173	205-655-9690
6322 Highway 69 S	Tuscaloosa	AL	35405	205-343-0403
238 Rice Mine Road	Tuscaloosa	AL	35406	205-758-5002

Store Address	City	State	Zip	Store Phone #
813 Military Rd	Benton	AR	72015	501-315-5200
2180 E Race Ave	Searcy	AR	72143	501-268-4222
104 E Kiehl Ave	Sherwood	AR	72120	501-834-5823
5212 E Baseline Rd	Gilbert	AZ	85234	480-534-5224
13928 N 83rd Ave	Peoria	AZ	85381	623-242-9819
1325 W Warner Rd	Tempe	AZ	85284	480-765-2235
2053 S Ferdon Blvd	Crestview	FL	32536	850-398-8505
760 US Highway 331 S	DeFuniak Springs	FL	32435	850-520-4406
36100 Emerald Coast Pkwy	Destin	FL	32541	850-837-4000
771 Beal Pkwy NW	Fort Walton Beach	FL	32547	850-863-4447
3352 Gulf Breeze Pkwy	Gulf Breeze	FL	32563	850-565-3576
15202 Max Leggett Pkwy	Jacksonville	FL	32218	904-379-4274
11839 San Jose Blvd	Jacksonville	FL	32223	904-551-7677
13985 Beach Blvd	Jacksonville	FL	32224	904-379-0267
1050 W Osceola Pkwy	Kissimmee	FL	34741	407-935-9001
9028 Navarre Pkwy	Navarre	FL	32566	850-710-7088
11964 Florida 54	Odessa	FL	33556	813-580-5779
11620 Panama City Beach Pkwy	Panama City Beach	FL	32407	850-233-0808
1417 Clay Avenue	Panama City	FL	32401	850-898-1196
321 W Dr Martin Luther King Jr Blvd	Seffner	FL	33584	813-681-5152
4526 South Dale Mabry Hwy	Tampa	FL	33611	813-839-3100
6403 County Line Road	Tampa	FL	33647	813-591-2591
3231 Lithia Pinecrest Rd	Valrico	FL	33596	813-643-7200
463821 State Rd 200	Yulee	FL	32097	904-849-5515
12470 Crabapple Rd	Alpharetta	GA	30004	770-752-9111
830 N Main St	Alpharetta	GA	30009	678-691-6351
11720 Haynes Bridge Rd	Alpharetta	GA	30009	770-752-7522
2315 W Broad St	Athens	GA	30606	706-369-0055
230 Moreland Ave SE	Atlanta	GA	30316	404-659-6225
1760 Howell Mill Rd NW	Atlanta	GA	30318	404-351-4776
5811 Roswell Rd	Atlanta	GA	30328	404-851-0040
5722 Peachtree Industrial Blvd	Atlanta	GA	30341	770-451-2414
822 Cabela Dr	Augusta	GA	30909	706-945-0168
3280 Woodward Crossing Blvd	Buford	GA	30519	770-932-9141
2281 Cumming Hwy	Canton	GA	30115	470-663-6944
6770 Hickory Flat Highway	Canton	GA	30115	678-880-6236
105 Central High Rd	Carrollton	GA	30116	770-834-3339
12 Ford Way	Carrollton	GA	30116	678-664-1821
5580 Milgen Rd	Columbus	GA	31907	706-569-6190
2523 Whittlesey Rd	Columbus	GA	31909	706-256-5160
1725 Highway 138 SE	Conyers	GA	30013	770-922-8458
759 Dacula Rd	Dacula	GA	30019	470-485-0036
2555 Candler Rd	Decatur	GA	30032	404-241-1094
6851 Douglas Blvd	Douglasville	GA	30135	678-715-7007
3048 Buford Hwy	Duluth	GA	30096	770-813-0800
3425 Peachtree Industrial Blvd	Duluth	GA	30096	770-623-9448
4342 Washington Rd	Evans	GA	30809	706-863-7111
122 Ramah Rd	Fayetteville	GA	30215	678-817-6390
2572 Battlefield Pkwy	Ft Oglethorpe	GA	30742	706-866-1600
526 Jesse Jewell Pkwy SW	Gainesville	GA	30501	770-532-3686
1981 Jesse Jewell Pkwy	Gainesville	GA	30501	678-943-1699
945 Husk Box Way	Grovetown	GA	30813	762-250-9700
618 W Oglethorpe Hwy	Hinesville	GA	31313	912-386-7888
5579 Wendy Bagwell Pkwy	Hiram	GA	30141	770-439-3986
4184 Jiles Rd NW	Kennesaw	GA	30144	470-524-2470
3209 Cobb Pkwy NW	Kennesaw	GA	30152	770-974-4808

Store Address	City	State	Zip	Store Phone #
1422 Pleasant Hill Rd	Lawrenceville	GA	30044	770-931-0026
410 W Pike St	Lawrenceville	GA	30046	770-822-1770
650 Thornton Rd	Lithia Springs	GA	30122	770-944-7696
601 Market Pl Blvd	Locust Grove	GA	30248	770-898-3188
4600 Log Cabin Dr	Macon	GA	31204	478-477-6788
1515 Forest Hill Rd	Macon	GA	31210	478-405-7000
3535 Austell Rd SW	Marietta	GA	30008	770-801-1555
168 Ernest Barrett Pkwy	Marietta	GA	30066	770-424-6924
60 Willow Ln	McDonough	GA	30253	770-957-7181
1199 Highway 34 E	Newnan	GA	30265	678-423-9256
9697 Ford Avenue	Richmond Hill	GA	31324	912-330-1399
895 Mansell Rd	Roswell	GA	30076	770-518-6272
1577 Holcomb Bridge Rd	Roswell	GA	30076	770-642-0133
5696 Ogeechee Rd	Savannah	GA	31405	912-231-4068
45 Fischer Crossings Blvd	Sharpsburg	GA	30277	770-755-9161
3426 South Cobb Dr SE	Smyrna	GA	30080	770-434-1944
1858 Scenic Hwy N	Snellville	GA	30078	770-978-8502
1479 Hudson Bridge Rd	Stockbridge	GA	30281	770-506-8250
124 S Houston Lake Rd	Warner Robins	GA	31088	478-953-2884
200 Russell Pkwy	Warner Robins	GA	31088	478-975-0702
2481 Watson Blvd	Warner Robins	GA	31093	478-922-5434
170 Village Center W	Woodstock	GA	30188	770-517-4747
5390 Holly Springs Pkwy	Woodstock	GA	30188	470-531-0945
3001 Parkbrooke Cir	Woodstock	GA	30189	770-924-2000
1339 Joliet St	Dyer	IN	46311	219-440-7283
18241 West 119th Street	Olathe	KS	66061	913-361-0671
8950 W 135th St	Overland Park	KS	66221	913-340-9437
7680 Perkins Rd	Baton Rouge	LA	70810	225-448-3188
2265 Oneal Ln	Baton Rouge	LA	70816	225-286-1385
5831 Creek Centre Dr	Baton Rouge	LA	70820	225-398-0800
70516 Louisiana 21	Covington	LA	70433	985-273-0493
2613 West Thomas Street	Hammond	LA	70401	985-269-0218
2964 Johnston St	Lafayette	LA	70503	337-232-9668
3735 Ambassador Caffery Pkwy	Lafayette	LA	70506	337-406-1900
1700 Shortcut Hwy	Slidell	LA	70458	985-259-6228
18817 E Valley View Pkwy	Independence	MO	64055	816-683-8600
102 Alabama St	Columbus	MS	39702	662-243-2315
2336 U.S. 45	Columbus	MS	39705	662-243-1400
6118 U S Highway 98	Hattiesburg	MS	39402	601-579-6455
1045 Goodman Rd	Horn Lake	MS	38637	662-349-8519
6730 Goodman Rd	Olive Branch	MS	38654	662-932-3955
19 Tyner Rd	Petal	MS	39465	601-602-5585
305 Highway 12 E	Starkville	MS	39759	662-615-4200
2403 West Main Street	Tupelo	MS	38801	662-840-5131
3612 North Gloster Street	Tupelo	MS	38804	662-269-3336
5621 Hwy 45 Alt South	West Point	MS	39773	662-524-3304
9115 S. Tryon St.	Charlotte	NC	28273	704-910-2204
320 George W Liles Pkwy	Concord	NC	28027	980-255-5911
2890 Derita Rd	Concord	NC	28027	704-548-8115
7275 NC-73	Denver	NC	28037	704-489-3200
1601 Westover Ter	Greensboro	NC	27408	336-676-5527
3003 Battleground Ave	Greensboro	NC	27408	336-763-2268
6920 Aledith St	Harrisburg	NC	28075	980-825-7247
1306 Wesley Chapel Road	Indian Trail	NC	28079	704-635-8073
900 S Main St	Kernersville	NC	27284	336-993-4210
119 Williamson Rd	Mooreville	NC	28117	704-662-0744

Store Address	City	State	Zip	Store Phone #
1041 E Kenosha St	Broken Arrow	OK	74012	918-251-5823
1653 E Greenville St	Anderson	SC	29621	864-305-5405
238 Robert Smalls Pkwy	Beaufort	SC	29906	843-473-4977
34 Bluffton Rd	Bluffton	SC	29910	843-919-0616
6306 Garners Ferry Rd	Columbia	SC	29209	803-783-7644
267 Harbison Blvd	Columbia	SC	29212	803-781-6001
235 Forum Dr	Columbia	SC	29229	803-865-6888
2719 Clemson Rd	Columbia	SC	29229	803-708-9890
1774 Gold Hill Rd	Fort Mill	SC	29708	803-548-8699
1001 Woodruff Road	Greenville	SC	29607	864-501-2506
1526 Woodruff Road	Greenville	SC	29607	864-675-0906
3931 Pelham Rd	Greenville	SC	29615	864-631-2291
8454 Charlotte Hwy	Indian Land	SC	29707	803-281-0057
1141 Dutch Fork Rd	Irmo	SC	29063	803-834-7300
4825 Charlotte Hwy	Lake Wylie	SC	29710	803-831-0009
5308 Sunset Blvd	Lexington	SC	29072	803-359-0660
4824 Old York Rd	Rock Hill	SC	29732	803-281-6096
263 Harrison Bridge Rd	Simpsonville	SC	29680	864-399-7241
5330 Wade Hampton Blvd	Taylors	SC	29687	864-214-7322
5503 Brainerd Rd	Chattanooga	TN	37411	423-664-5503
106 Northgate Mall Dr	Chattanooga	TN	37415	423-877-7771
1916 Gunbarrel Rd	Chattanooga	TN	37421	423-296-0925
155 Mouse Creek Rd NW	Cleveland	TN	37312	423-476-8898
616 S James Campbell Blvd	Columbia	TN	38401	931-381-0086
956 N Germantown Pkwy	Cordova	TN	38018	901-309-0900
1426 Huntsville Hwy	Fayetteville	TN	37334	931-433-1966
100 Mission Court, Ste D	Franklin	TN	37067	615-778-1616
2063 Nashville Pike	Gallatin	TN	37066	615-502-2661
182 W Main Street	Hendersonville	TN	37075	615-991-4815
7500 Chapman Hwy	Knoxville	TN	37920	865-577-5250
9004 Kingston Pike	Knoxville	TN	37923	865-249-8101
9106 U.S. 64	Lakeland	TN	38002	901-384-7182
1415 W Main St	Lebanon	TN	37087	615-965-3097
7540 Winchester Rd	Memphis	TN	38125	901-756-3585
2910 Covington Pike	Memphis	TN	38128	901-380-0058
2846 Dromedary Dr	Memphis	TN	38133	901-266-9971
8553 Hwy 51 N	Millington	TN	38053	901-445-1444
2664 S Church Street	Murfreesboro	TN	37127	615-900-1097
2510 Old Fort Pkwy	Murfreesboro	TN	37128	615-895-0388
2303A Memorial Blvd	Murfreesboro	TN	37129	615-904-7433
5817 Nolensville Pike	Nashville	TN	37211	615-454-3861
5921 Reagan Ln	Ooltewah	TN	37363	423-910-9231
3018 Belshire Village Dr	Spring Hill	TN	37174	615-614-2220
180 S Watters Rd	Allen	TX	75013	469-795-6000
4008 Garth Rd	Baytown	TX	77521	281-420-0076
8767 Fry Rd	Cypress	TX	77433	281-247-5800
9340 Barker Cypress Road	Cypress	TX	77433	281-861-9928
12807 FM 1960 Rd W	Houston	TX	77065	281-469-3287
14508 Memorial Drive	Houston	TX	77079	346-200-8685
9707 N Sam Houston Pkwy E	Humble	TX	77396	346-345-4001
9990 Grapevine Hwy	Hurst	TX	76054	817-479-4040
22723 Morton Ranch Rd	Katy	TX	77449	346-301-5899
1803 South Mason Road	Katy	TX	77450	281-578-0011
9814 Gaston Rd	Katy	TX	77494	346-322-1344
1315 East League City Pkwy	League City	TX	77573	281-316-3348
17903 Farm to Market Rd 1488	Magnolia	TX	77354	281-259-6001

Store Address	City	State	Zip	Store Phone #
33035 Tamina Road	Magnolia	TX	77354	936-523-7082
1540 S Hardin Blvd	McKinney	TX	75072	469-780-2001
3801 FM 1092 Rd	Missouri City	TX	77459	281-499-8777
1794 West State Hwy 46	New Braunfels	TX	78132	830-609-9497
4051 Space Center Blvd	Pasadena	TX	77505	281-991-1100
26624 Farm to Market 1093 Rd	Richmond	TX	77406	346-762-1792
10705 West Grand Pkwy South	Richmond	TX	77407	346-843-0008
14204 Potranco Rd	San Antonio	TX	78245	726-208-0750
11105 Westwood Loop	San Antonio	TX	78253	210-688-0323
20611 Kuykendahl Road	Spring	TX	77379	832-953-2408
3155 Riley Fuzzel Road	Spring	TX	77386	281-907-0345
2144 Farm to Market 2920 Rd	Spring	TX	77388	281-528-8878
25460 Kuykendahl Road	Tomball	TX	77375	346-298-6656
1003 University Blvd	Suffolk	VA	23435	757-638-1000
2136 Princess Anne Rd	Virginia Beach	VA	23456	757-797-3790

EXHIBIT G

**EXPRESS OIL CHANGE FRANCHISE, LLC
LIST OF FRANCHISEES THAT LEFT THE SYSTEM**

Mark Hand
Southwest Atlanta EOC
1950 Stonegate Drive, Suite 315
Vestavia Hills, AL 35242
205-970-9762
Email: markhand1@icloud.com

Allen Buckler
Benton EOC-TE, LLC
Searcy Express Lube, Inc.
Sherwood Express Lube, LLC
135 Manitou Drive
Maumelle, AR 72113
501-940-4298
Email: albuckler@cs.com

Scott Price
Calico Price, LLC
15110 Highway 51B
Coweta, OK 74429
918-251-5823
Email: calicoprice@hotmail.com

Luis Rodriguez
L.V.L. Oil, Inc.
203 Kidds Cove Road
Dadeville, AL 36853
954-899-6588
Email: lfrodriguez4333@netzero.net

EXHIBIT H

**EXPRESS OIL CHANGE FRANCHISE, LLC
FINANCIAL STATEMENTS**

(See attached.)

UNAUDITED FINANCIAL STATEMENT

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

EXPRESS OIL CHANGE FRANCHISE, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021



The report accompanying this deliverable was issued
by Warren Averett, LLC.

**EXPRESS OIL CHANGE FRANCHISE, LLC
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DECEMBER 31, 2022 AND 2021**

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INDEPENDENT AUDITORS' REPORT

To the Managing Member
Express Oil Change Franchise, LLC

Opinion

We have audited the accompanying financial statements of Express Oil Change Franchise, LLC (a Delaware limited liability company), which comprise the balance sheets as of December 31, 2022 and 2021, and the related statements of income, net EOC group investment and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Express Oil Change Franchise, LLC as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Express Oil Change Franchise, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Express Oil Change Franchise, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Express Oil Change Franchise, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Express Oil Change Franchise, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control related matters that we identified during the audit.

Warren Averett, LLC

Birmingham, Alabama
June 30, 2023

EXPRESS OIL CHANGE FRANCHISE, LLC
BALANCE SHEETS
DECEMBER 31, 2022 AND 2021

	2022	2021
ASSETS		
CURRENT ASSETS		
Accounts receivable, less allowance for doubtful accounts of \$76,956 and \$33,495	\$ 315,844	\$ 374,279
Total current assets	315,844	374,279
TOTAL ASSETS	\$ 315,844	\$ 374,279
LIABILITIES AND NET EOC GROUP INVESTMENT		
CURRENT LIABILITIES		
Accounts payable	\$ 40,397	\$ 25,064
Accrued payroll and related taxes	154,370	119,660
Deferred franchise fees, current	124,462	132,520
Total current liabilities	319,229	277,244
DEFERRED FRANCHISE FEES	472,702	587,414
TOTAL LIABILITIES	791,931	864,658
NET EOC GROUP INVESTMENT	(476,087)	(490,379)
TOTAL LIABILITIES AND NET EOC GROUP INVESTMENT	\$ 315,844	\$ 374,279

See accompanying notes to the financial statements.

EXPRESS OIL CHANGE FRANCHISE, LLC
STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
REVENUES		
Royalties	\$ 3,837,734	\$ 5,394,064
Franchise fees	69,162	35,954
Area development fees	<u>21,070</u>	<u>34,839</u>
Total revenues	3,927,966	5,464,857
COST OF SALES		
Payroll expenses	<u>1,601,329</u>	<u>1,950,817</u>
GROSS PROFIT	2,326,637	3,514,040
OPERATING EXPENSES		
General and administrative expense	<u>261,940</u>	<u>163,766</u>
TOTAL OPERATING INCOME	2,064,697	3,350,274
OTHER INCOME	<u>110,969</u>	<u>133,406</u>
NET INCOME	<u>\$ 2,175,666</u>	<u>\$ 3,483,680</u>

See accompanying notes to the financial statements.

**EXPRESS OIL CHANGE FRANCHISE, LLC
STATEMENTS OF NET EOC GROUP INVESTMENT
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

BALANCE AT DECEMBER 31, 2020	\$ (208,945)
Net income	3,483,680
Transfers to EOC Group, net of allocated costs	<u>(3,765,114)</u>
BALANCE AT DECEMBER 31, 2021	(490,379)
Net income	2,175,666
Transfers to EOC Group, net of allocated costs	<u>(2,161,374)</u>
BALANCE AT DECEMBER 31, 2022	<u>\$ (476,087)</u>

See accompanying notes to the financial statements.

EXPRESS OIL CHANGE FRANCHISE, LLC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 2,175,666	\$ 3,483,680
Adjustments to reconcile net income to net cash provided by operating activities:		
Corporate overhead allocation	1,029,918	1,089,280
Changes in operating assets and liabilities:		
Accounts receivable	58,435	437,396
Accounts payable	15,333	(1,493)
Accrued payroll and related taxes	34,710	(12,176)
Deferred franchise fees	(122,770)	(142,293)
Net cash provided by operating activities	3,191,292	4,854,394
CASH FLOWS FROM FINANCING ACTIVITIES		
Transfers to EOC Group	(3,191,292)	(4,854,394)
Net cash used in financing activities	(3,191,292)	(4,854,394)
NET INCREASE IN CASH	-	-
CASH AT BEGINNING OF YEAR	-	-
CASH AT END OF YEAR	\$ -	\$ -

See accompanying notes to the financial statements.

**EXPRESS OIL CHANGE FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

EOC Group, Inc. and Subsidiaries (EOC Group), a wholly owned subsidiary of Mavis Tire Express Services TopCo Corporation, provides automotive oil change, repair, tire services and maintenance services through three wholly owned operating entities, Express Oil Change, LLC, Brakes Plus, LLC and T.E., LLC. EOC Group provides management services and products to automotive service businesses operating under the trade name Express Oil Change. EOC Group operates primarily in the Southeastern United States.

On April 13, 2018, EOC Group established Express Oil Change Franchise, LLC (EOC Franchise), to administer and house the operations of EOC Group's franchisor business. A franchise includes territorial rights, management training and a license to use specified trade names and trademarks.

As of December 31, 2022 and 2021, EOC Franchise had a total of 40 and 58 franchise locations, respectively. During 2022, EOC Franchise entered into agreements for two new franchise locations and purchased the operations of 19 franchises. During 2021, EOC Franchise entered into agreements for three new franchise locations and purchased the operations of 53 franchises. There were 290 and 251 corporate-owned locations as of December 31, 2022 and 2021, respectively.

Franchise Operations

EOC Franchise executes store-level franchise agreements for units operated by third parties, which set out the terms of the arrangement with the franchisee. The franchise agreements of EOC Franchise typically require the franchisee to pay an initial, non-refundable fee upon the execution of a franchise agreement and continuing fees based upon a percentage of sales. Subject to the approval of EOC Franchise and the franchisee payment of a renewal fee, a franchisee may generally renew the franchise agreement upon its expiration.

Basis of Presentation

The financial statements have been prepared in accordance with accounting principles generally accepted in the United State of America (U.S. GAAP) from EOC Group's historical accounting records and presented on a carve-out basis to include the historical financial position, results of operations and cash flows applicable to EOC Franchise.

The statements of income include all revenues and costs directly attributable to EOC Franchise, including an allocation of certain EOC Group costs for corporate functions and services estimated to be used by EOC Franchise. These amounts are reflected in the accompanying statements of income within cost of sales and selling, general and administrative expenses, primarily consisting of labor costs of management and other support functions, rent, information technology, advertising and other miscellaneous administrative costs incurred by EOC Group.

EOC Group's net investment balance is the cumulative net investment in EOC Franchise through that date, including any prior net income or loss and allocations or other transactions with EOC Group. EOC Franchise settles advances to and from EOC Group related to the above transactions through decreases from and increases to net EOC Group investment. Corporate overhead costs included in cost of sales and operating expenses are as follows:

**EXPRESS OIL CHANGE FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
Corporate overhead allocated to franchise		
Payroll	\$ 913,817	\$ 1,029,118
General and administrative expenses	116,101	60,162
	<u>\$ 1,029,918</u>	<u>\$ 1,089,280</u>

All allocations and estimates in these financial statements are based on assumptions that EOC Franchise believes are reasonable under the circumstances. However, these allocations and estimates, impacting assets, liabilities, expenses and cash flows are not necessarily indicative of the historical results that would have resulted if EOC Franchise had been operated as a separate entity or of the results that may be obtained in the future. All intercompany balances are included in these financial statements within net EOC Group investment. Intercompany transactions with EOC Group are reflected in the statements of cash flows as transfers to EOC Group within financing activities and in the balance sheets within net EOC Group investment.

Accounting Estimates

Preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported and disclosed in the financial statements and the accompanying notes. Significant estimates made by management in connection with the preparation of the accompanying financial statements include corporate overhead allocations and the allowance for doubtful accounts. Actual results could differ materially from those estimates.

Cash and Cash Equivalents

The operations of EOC Franchise participate in the centralized cash management system of EOC Group. EOC Franchise transfers all cash generated by operations to EOC Group.

Accounts Receivable

EOC Franchise extends credit to its franchisees in the ordinary course of business. Trade accounts receivable is stated at the amount management expects to collect. Management determines the allowance for doubtful accounts based on past credit history with the franchisee and their current financial condition. On a continuing basis, management analyzes delinquent receivables, and once these receivables are determined to be uncollectible, they are written off through a charge against an existing allowance account. EOC Franchise performs ongoing credit evaluations of its franchisees' financial conditions and generally requires no collateral from its customers.

Advertising

Except for costs associated with the advertising cooperative liabilities, advertising costs are expensed as incurred. Advertising costs totaled \$61,339 and \$12,808 for the years ended December 31, 2022 or 2021, respectively.

Income Taxes

EOC Group is a limited liability company and elected under Section 701 of the Internal Revenue Code to have its income or loss taxed directly to the member. Accordingly, no income tax provision is required.

EXPRESS OIL CHANGE FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

EOC Franchise assesses its uncertain tax positions for the likelihood that they would be overturned upon examination by the Internal Revenue Service (IRS) or state taxing authorities. EOC Franchise has assessed its uncertain tax positions and determined that it does not have any positions as of December 31, 2022 or 2021, that it would be unable to substantiate. EOC Franchise has filed tax returns through 2021.

Recent Accounting Pronouncements

EOC Group adopted ASU 2016-02, *Leases (Topic 842)* in the current year, effective January 1, 2022. This ASU requires that lessees recognize the rights and obligations resulting from leases as assets and liabilities on their balance sheets, initially measured at the present value of the lease payments over the term of the lease, including payments to be made in optional periods to extend the lease and payments to purchase the underlying assets if the lessee is reasonably certain of exercising those options. Topic 842 requires recognition of lease asset and lease liabilities by lessees for those leases classified as operating leases under previously accepted accounting principles. As there are no leases at EOC Group, the adoption of this standard did not impact these financial statements.

EOC Group adopted ASU 2016-13, *Financial Instruments – Credit Losses*, in the current year, effective January 1, 2022. This accounting standard requires companies to measure expected credit losses on financial instruments based on the total estimated amount to be collected over the lifetime of the instrument. Prior to the adoption of this accounting standard, EOC Group recorded incurred loss reserves against receivable balances based on current and historical information. Receivables are charged off when considered uncollectible, which may arise when customers file for bankruptcy or are otherwise considered unable to repay the amounts owed to EOC Group. Adopting this standard did not have a material impact on these financial statements.

Contingencies

Certain conditions may exist as of the date of the financial statements, which may result in a loss to EOC Franchise, which will only be resolved if one or more future events occur or fail to occur. Management of EOC Franchise and its legal counsel assess such contingencies, and such assessment inherently involves an exercise of judgment. EOC Franchise records any such contingent liabilities when the assessment indicates a material loss is both probable and reasonably estimable.

Subsequent Events

Management has evaluated subsequent events through June 30, 2023, the date the financial statements were available to be issued.

2. REVENUE RECOGNITION

Revenue Recognition

Revenue is generated through initial franchise fees, royalties and area development fees.

Under franchise agreements, EOC Franchise provides franchisees with (1) franchise license, which includes a license to use EOC Franchise's intellectual property and, in those markets where EOC Franchise manages a marketing fund, advertising and promotion management; (2) pre-opening services, such as site selection, training and inspections; and (3) ongoing services, such as

**EXPRESS OIL CHANGE FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

development of training material and quality control and inspection. Initial franchise services are not distinct from the continuing rights and services offered during the term of the franchise agreement and, therefore, are a single performance obligation, which is satisfied by providing a right to use EOC Franchise's intellectual property over the term of each franchise agreement. Franchise royalty revenue is based on a range of 3% to 5% of monthly franchisees' sales, as defined in the franchise agreement, over the term of the franchise agreement. The franchisees pay initial franchise fees upon the sale and execution of a franchise agreement.

The franchise royalties represent sales-based royalties related entirely to the performance obligation under the franchise agreement and are recognized as franchise sales occur. Initial franchise fees are recognized as revenue on a straight-line basis over the term of the respective agreement.

EOC Franchise's obligation under area development agreements generally consists of providing exclusive franchising rights within a specific geographic area. The franchise rights are not distinct from franchise agreements; therefore, upfront fees paid by franchisees for exclusive franchise rights are recognized ratably over the term of the contract upon execution of the agreement.

Deferred Franchise Fees

Deferred franchise fees consist of initial franchise fees collected, where EOC Franchise is still obligated to complete certain performance obligations outlined in the franchise agreement. The initial franchise fee for a new franchisee is \$50,000 for the first location and \$35,000 for subsequent locations, both of which are nonrefundable and due upon execution of the franchise agreement.

Deferred revenue results from initial franchise fees paid by franchisees, which are generally recognized ratably over the term of the agreement. The following table reflects the change in deferred revenue for the years ended December 31, 2022 or 2021:

	<u>2022</u>	<u>2021</u>
Deferred franchise fees at beginning of period	\$ 719,934	\$ 862,227
Revenue recognized during the period	(132,770)	(152,293)
New deferral due to cash received and other	<u>10,000</u>	<u>10,000</u>
Deferred franchise fees at end of period	<u>\$ 597,164</u>	<u>\$ 719,934</u>

The following table illustrates estimated revenues expected to be recognized in the future related to performance obligations that are unsatisfied or partially unsatisfied as of December 31, 2022:

2023	\$	124,462
2024		117,174
2025		102,116
2026		80,619
2027		62,662
Thereafter		<u>110,131</u>
Total	<u>\$</u>	<u>597,164</u>

**EXPRESS OIL CHANGE FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

3. EMPLOYEE BENEFIT PLAN

EOC Group sponsors a 401(k) plan, covering all eligible employees as defined by the plan's Adoption Agreement. Eligible employees are employees who have completed one year of service and are 18 years of age. The plan permits a deferral of up to 90% of gross eligible wages, with a match of 25% of the employee's contribution up to 4% of the employee's eligible earnings. EOC Franchise contributions to the plan totaled \$7,317 and \$11,005 during 2022 or 2021, respectively.

4. RELATED PARTY TRANSACTIONS

The costs of centralized EOC Group functions such as cash management, legal, accounting, tax and human resources are allocated primarily based on proportionate revenue or headcount of EOC Franchise to that of EOC Group. EOC Group allocates the costs of all services charged directly to EOC Franchise, using methods that management of EOC Group and EOC Franchise believes are reasonable. Such charges and allocations do not necessarily indicate the costs that EOC Franchise would have incurred if it had been a separate entity. The incremental amount of expenses allocated to EOC Franchise for the above-specified expenses have been settled as an adjustment in the net EOC Group investment.

For the year ended December 31, 2022, no related party transactions occurred. For the year ended December 31, 2021, certain franchise locations were related parties due to common ownership. In 2021, royalty revenue from these locations totaled \$95,068. During 2021, no franchise fees pertained to these related party locations.

EXPRESS OIL CHANGE FRANCHISE, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020



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INDEPENDENT AUDITORS' REPORT

To the Managing Member
Express Oil Change Franchise, LLC

Opinion

We have audited the accompanying financial statements of Express Oil Change Franchise, LLC (a Delaware limited liability company), which comprise the balance sheets as of December 31, 2021 and 2020, and the related statements of income, net group investment and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Express Oil Change Franchise, LLC as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Express Oil Change Franchise, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Express Oil Change Franchise, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Express Oil Change Franchise, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Express Oil Change Franchise, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control related matters that we identified during the audit.

Warren Overett, LLC

Birmingham, Alabama
March 23, 2022

EXPRESS OIL CHANGE FRANCHISE, LLC
BALANCE SHEETS
DECEMBER 31, 2021 AND 2020

ASSETS		
	2021	2020
CURRENT ASSETS		
Accounts receivable, less allowance for doubtful accounts of \$33,495 (\$105,278 in 2020)	\$ 374,279	\$ 811,675
Total current assets	374,279	811,675
TOTAL ASSETS	\$ 374,279	\$ 811,675
LIABILITIES AND NET EOC GROUP INVESTMENT		
CURRENT LIABILITIES		
Accounts payable	\$ 25,064	\$ 26,557
Accrued payroll and related taxes	119,660	131,836
Deferred franchise fees – current portion	132,520	165,853
Total current liabilities	277,244	324,246
DEFERRED FRANCHISE FEES	587,414	696,374
TOTAL LIABILITIES	864,658	1,020,620
NET EOC GROUP INVESTMENT	(490,379)	(208,945)
TOTAL LIABILITIES AND NET EOC GROUP INVESTMENT	\$ 374,279	\$ 811,675

See accompanying notes to the financial statements.

EXPRESS OIL CHANGE FRANCHISE, LLC
STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
REVENUES		
Royalties	\$ 5,394,064	\$ 6,004,616
Franchise fees	35,954	120,098
Area development fees	<u>34,839</u>	<u>30,179</u>
Total revenues	5,464,857	6,154,893
COST OF SALES		
Payroll expenses	<u>1,950,817</u>	<u>1,773,383</u>
GROSS PROFIT	3,514,040	4,381,510
OPERATING EXPENSES		
General and administrative expense	<u>163,766</u>	<u>216,437</u>
TOTAL OPERATING INCOME	3,350,274	4,165,073
OTHER INCOME	<u>133,406</u>	<u>119,292</u>
NET INCOME	<u>\$ 3,483,680</u>	<u>\$ 4,284,365</u>

See accompanying notes to the financial statements.

**EXPRESS OIL CHANGE FRANCHISE, LLC
STATEMENTS OF NET EOC GROUP INVESTMENT
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

BALANCE AT DECEMBER 31, 2019	\$ 343,884
Cumulative effect of adoption of ASC 606	(399,171)
Net income	4,284,365
Transfers to EOC Group, net of allocated costs	<u>(4,438,023)</u>
BALANCE AT DECEMBER 31, 2020	(208,945)
Net income	3,483,680
Transfers to EOC Group, net of allocated costs	<u>(3,765,114)</u>
BALANCE AT DECEMBER 31, 2021	<u>\$ (490,379)</u>

See accompanying notes to the financial statements.

EXPRESS OIL CHANGE FRANCHISE, LLC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 3,483,680	\$ 4,284,365
Adjustments to reconcile net income to net cash provided by operating activities:		
Corporate overhead allocation	1,089,280	1,025,009
Reduction in doubtful accounts	(71,783)	(45,087)
Changes in operating assets and liabilities:		
Accounts receivable	509,179	(107,730)
Accounts payable	(1,493)	(748)
Accrued payroll and related taxes	(12,176)	12,500
Deferred franchise fees	<u>(142,293)</u>	<u>294,723</u>
Net cash provided by operating activities	<u>4,854,394</u>	<u>5,463,032</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Transfers to EOC Group	<u>(4,854,394)</u>	<u>(5,463,032)</u>
Net cash used in financing activities	<u>(4,854,394)</u>	<u>(5,463,032)</u>
NET INCREASE IN CASH	-	-
CASH AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>
CASH AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the financial statements.

**EXPRESS OIL CHANGE FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

EOC Group, Inc. and Subsidiaries (EOC Group), a wholly owned subsidiary of Mavis Tire Express Services Corporation, provides automotive oil change, repair, tire services and maintenance services through three wholly owned operating entities, Express Oil Change, LLC, Brakes Plus, LLC and T.E, LLC. EOC Group also acts as a franchisor and provides management services and products to automotive service businesses operating under the trade name Express Oil Change. A franchise also includes territorial rights, management training and a license to use specified trade names and trademarks. EOC Group operates primarily in the Southeastern United States.

On April 13, 2018, EOC Group established Express Oil Change Franchise, LLC (EOC Franchise), to administer and house the operations of EOC Group's franchisor business.

As of December 31, 2021 and 2020, the EOC Group had a total of 58 and 109 franchise locations, respectively. During 2021, EOC Group entered into agreements for three new franchise locations and purchased the operations of six franchises. During 2020, EOC Group entered into agreements for eight new franchise locations and purchased the operations of six franchises. There were 251 and 182 corporate-owned locations as of December 31, 2021 and 2020, respectively.

In addition to the three new franchise agreements entered into during 2021, EOC Group signed no area development agreements (two in 2020).

Franchise Operations

EOC Franchise executes store-level franchise agreements for units operated by third parties, which set out the terms of the arrangement with the franchisee. The franchise agreements of EOC Franchise typically require the franchisee to pay an initial, non-refundable fee upon the execution of a franchise agreement and continuing fees based upon a percentage of sales. Subject to the approval of EOC Franchise and franchisee payment of a renewal fee, a franchisee may generally renew the franchise agreement upon its expiration.

Basis of Presentation

The financial statements have been prepared in accordance with accounting principles generally accepted in the United State of America (U.S. GAAP) from EOC Group's historical accounting records and presented on a carve-out basis to include the historical financial position, results of operations and cash flows applicable to EOC Franchise.

The statements of income include all revenues and costs directly attributable to EOC Franchise, including an allocation of certain EOC Group costs for corporate functions and services estimated to be used by EOC Franchise.

EXPRESS OIL CHANGE FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

These amounts are reflected in the accompanying statements of income within cost of sales and selling, general and administrative expenses and are primarily for labor costs of management and other support functions, rent, information technology, advertising and other miscellaneous administrative costs incurred by EOC Group.

EOC Group's net investment balance is the cumulative net investment in EOC Franchise through that date, including any prior net income or loss and allocations or other transactions with EOC Group. EOC Franchise settles advances to and from EOC Group related to the above transactions through decreases from and increases to net EOC Group investment. Corporate overhead costs included in cost of sales and operating expenses is as follows:

	<u>2021</u>	<u>2020</u>
Corporate overhead allocated to franchise		
Payroll	\$ 1,029,118	\$ 937,648
General and administrative expenses	<u>60,162</u>	<u>87,361</u>
	<u>\$ 1,089,280</u>	<u>\$ 1,025,009</u>

All allocations and estimates in these financial statements are based on assumptions that EOC Franchise believes are reasonable under the circumstances. However, these allocations and estimates, impacting assets, liabilities, expenses and cash flows, are not necessarily indicative of the historical results that would have resulted if EOC Franchise had been operated as a separate entity or of the results that may be obtained in the future. All intercompany are included in these financial statements within net EOC Group investment. Intercompany transactions with EOC Group are reflected in the statements of cash flows as transfers to EOC Group within financing activities and in the balance sheets within net EOC Group investment.

Accounting Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates made by management in connection with the preparation of the accompanying financial statements include corporate overhead allocations and the allowance for doubtful accounts. Actual results could differ from those estimates.

**EXPRESS OIL CHANGE FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Cash and Cash Equivalents

The operations of EOC Franchise participate in the centralized cash management system of EOC Group. EOC Franchise transfers all cash generated by operations to EOC Group.

Accounts Receivable

EOC Franchise extends credit to its franchisees in the ordinary course of business. Trade accounts receivable is stated at the amount management expects to collect. Management determines the allowance for doubtful accounts based on past credit history with the franchisee and their current financial condition. On a continuing basis, management analyzes delinquent receivables, and once these receivables are determined to be uncollectible, they are written off through a charge against an existing allowance account. EOC Franchise performs ongoing credit evaluations of its franchisees' financial conditions and generally requires no collateral from its customers.

Advertising

Except for costs associated with the advertising cooperative liabilities, advertising costs are expensed as incurred. Advertising costs totaled \$12,808 and \$30,054 for the years ended December 31, 2021 and 2020, respectively.

Income Taxes

EOC Group is a limited liability company and has elected under Section 701 of the Internal Revenue Code to have its income or loss taxed directly to the member. Accordingly, no income tax provision is required.

EOC Franchise assesses its uncertain tax positions for the likelihood that they would be overturned upon Internal Revenue Service ("IRS") examination or upon examination by state taxing authorities. EOC Franchise has assessed its uncertain tax positions and determined that it does not have any positions at December 31, 2021 and 2020, that it would be unable to substantiate. EOC Franchise has filed tax returns through 2020.

Recent Accounting Pronouncements

In February 2016, the FASB issued Accounting Standards update (ASU) 2016-02, *Leases* (Subtopic 842). The purpose of this ASU is to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The amendments in this ASU require that lessees recognize the rights and obligations resulting from leases as assets and liabilities on their balance sheets, initially measured at the present value of the lease payments over the term of the lease, including payments to be made in optional periods to extend the lease and payments to purchase the underlying assets if the lessee is reasonably certain of exercising those options. Subtopic 842 requires recognition of lease asset and lease liabilities by lessees for those leases classified as operating leases under previously accepted accounting principles. This guidance is not expected to have a material impact to EOC Franchise's financial statements.

EXPRESS OIL CHANGE FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Contingencies

Certain conditions may exist as of the date of the financial statements, which may result in a loss to EOC Franchise, which will only be resolved if one or more future events occur or fail to occur. Management of EOC Franchise and its legal counsel assess such contingencies, and such assessment inherently involves an exercise of judgment. EOC Franchise records any such contingent liabilities when the assessment indicates a material loss is both probable and reasonably estimable.

Subsequent Events

Management has evaluated subsequent events through March 23, 2022, which is the date the financial statements were available to be issued.

2. REVENUE RECOGNITION

Revenue Recognition

Revenue is generated through initial franchise fees, royalties and area development fees.

Under franchise agreements, EOC Franchise provides franchisees with (1) franchise licenses, which includes a license to use EOC Franchise's intellectual property and, in those markets where EOC Franchise manages a marketing fund, advertising and promotion management; (2) pre-opening services, such as site selection, training and inspections; and (3) ongoing services, such as development of training material and quality control and inspection. Initial franchise services are not distinct from the continuing rights and services offered during the term of the franchise agreement, and therefore are a single performance obligation, which are satisfied by providing a right to use EOC Franchise's intellectual property over the term of each franchise agreement. Franchise royalty revenue is based on a range of 3% to 5% of monthly franchisees' sales, as defined in the franchise agreement, over the term of the franchise agreement. Initial franchise fees are payable by the franchisee upon the sale and execution of a franchise agreement.

The franchise royalties represent sales-based royalties that are related entirely to the performance obligation under the franchise agreement and are recognized as franchise sales occur. Initial franchise fees are recognized as revenue on a straight-line basis over the term of the respective agreement.

EOC Franchise's obligation under area development agreements generally consists of an obligation to provide exclusive franchising rights within a certain geographic area. The franchise rights are not distinct from franchise agreements, therefore, upfront fees paid by franchisees for exclusive franchise rights are recognized ratably over the term of the contract upon execution of the agreement.

**EXPRESS OIL CHANGE FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

2. REVENUE RECOGNITION – CONTINUED

Deferred Franchise Fees

Deferred franchise fees consist of initial franchise fees collected, where EOC Franchise is still obligated to complete certain performance obligations outlined in the franchise agreement. The initial franchise fee is typically \$35,000 per location, which is nonrefundable and due upon execution of the franchise agreement.

Deferred revenue results from initial franchise fees paid by franchisees, which are generally recognized ratably over the term of the agreement. The following table reflects the change in deferred revenue for the years ended December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Deferred franchise fees at beginning of period	\$ 862,227	\$ 168,333
Cumulative effect of adoption of ASU 2014-09	-	399,171
Revenue recognized during the period	(152,293)	(160,277)
New deferral due to cash received and other	<u>10,000</u>	<u>455,000</u>
Deferred franchise fees at end of period	<u>\$ 719,934</u>	<u>\$ 862,227</u>

The following table illustrates estimated revenues expected to be recognized in the future related to performance obligations that are unsatisfied (or partially unsatisfied) as of December 31, 2021:

2022	\$ 132,520
2023	123,462
2024	116,174
2025	101,116
2026	79,619
Thereafter	<u>167,043</u>
Total	<u>\$ 719,934</u>

**EXPRESS OIL CHANGE FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

3. EMPLOYEE BENEFIT PLAN

EOC Group sponsors a 401(k) plan that covers all eligible employees as defined by the plan's Adoption Agreement. Eligible employees are employees who have completed one year of service and are 18 year of age. The plan permits a deferral of up to 90% of gross eligible wages, with a match of 25% of the employee's contribution up to 4% of the employee's eligible earnings. EOC Franchise contributions to the plan totaled \$11,005 and \$11,570 during 2021 and 2020, respectively.

4. RELATED PARTY TRANSACTIONS

The costs of centralized EOC Group functions such as cash management, legal, accounting, tax and human resources are allocated primarily based on proportionate revenue or headcount of EOC Franchise to that of EOC Group. EOC Group allocates the costs of all services charged directly to EOC Franchise, using methods that management of EOC Group and EOC Franchise believes are reasonable. Such charges and allocations are not necessarily indicative of the costs that EOC Franchise would have incurred if it had been a separate entity. The incremental amount of expenses allocated to EOC Franchise for the above-specified expenses have been settled as an adjustment in the net EOC Group investment.

Additionally, there are certain franchise locations that are related parties due to common ownership. Royalty revenue from these locations totaled \$95,068 and \$231,214 during 2021 and 2020, respectively. There were no franchise fees during 2021 or 2020 that pertained to these related party locations.

EXHIBIT I
STATE ADDENDA

1. Illinois
2. Indiana
3. Michigan
4. Virginia
5. Wisconsin

ADDENDUM TO EXPRESS OIL CHANGE FRANCHISE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF ILLINOIS

FOR RESIDENTS OF THE STATE OF ILLINOIS:

Illinois law governs the Franchise Agreement(s).

Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

Illinois law provides that any stipulation or condition purporting to bind any person acquiring any franchise to waive compliance with any provision of Illinois law is void.

Item XVII is amended to provide that litigation between you and the Company may be instituted in any court of competent jurisdiction located in the State of Illinois.

Cover Page: Risk Factors

The Franchisor has agreed to the deferral of the Initial Franchise Fee 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.

Any provision in the franchise agreement that designates jurisdiction or venue in a forum outside of Illinois is void.

**ADDENDUM TO THE
EXPRESS OIL CHANGE FRANCHISE, LLC,
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF INDIANA**

FOR RESIDENTS OF THE STATE OF INDIANA:

Indiana Code 23-2-2.7-1(7) makes unlawful unilateral termination of a franchise, unless there is a material violation of the Franchise Agreement and Area Development Agreement, and termination is not in bad faith. Indiana Code 23-2-2.7-1(5) prohibits a prospective general release of claims subject to the Indiana Deceptive Trade Practices Law, I.C. 23-2-2.5. Indiana Code Section 23-2-2.7(10) requires that any litigation between an Indiana franchisee be conducted in Indiana or at a site mutually agreed upon between the parties.

The post-term covenants against competition in the Franchise Agreement and Area Development Agreement may not be enforceable under Indiana law and will be limited to within your Protected A.

Item 12 is amended to provide that the Company will not establish a company-owned Express Oil Change/Tire Engineers Center that unfairly competes with you within a reasonable area.

To the extent responses to Items 17(u), (v) and (w) conflict with I.C. 23-2-2.7(10), such Indiana statute governs.

To the extent any Item of this Disclosure Document conflicts with I.C. 23-2-2.5 and 2.7, such Indiana statutes govern.

If your Express Oil Change/Tire Engineers franchise is located in Indiana, the scope of any joint and mutual release executed by you as a condition of transfer of the franchised business will be limited by state law.

If your franchise is located in Indiana, then under Indiana law, you do not waive any right afforded by Indiana statutes with regard to prior representations by the Company.

Indiana Law [Stat. Section 23-3-3.27] may supersede the Franchise Agreement and Area Development Agreement in your relationship with us in the areas of termination and renewal.

Neither the Company, its affiliates, nor any person identified in Item 2:

- (A) has during the five year period immediately preceding the date of the disclosure document been convicted of a felony, pleaded nolo contendere to a felony charge, or been held liable in a civil action by final judgment involving fraud, embezzlement, misappropriation of property, or the violation of any state or Federal state involving the offer or sale of securities or franchises;
- (B) is subject to any currently effective order affecting the franchise resulting from a proceeding or pending action brought by any individual or public agency or department;
- (C) is a defendant in any pending criminal or material civil proceeding; or
- (D) has during the 5-year period immediately preceding the date of the disclosure document had entered against any person a final judgment in any material civil action.

**ADDENDUM TO THE
EXPRESS OIL CHANGE FRANCHISE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MICHIGAN**

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU:

(A) A PROHIBITION ON THE RIGHT OF A FRANCHISEE TO JOIN AN ASSOCIATION OF FRANCHISEES.

(B) A REQUIREMENT THAT A FRANCHISEE ASSENT TO A RELEASE, ASSIGNMENT, NOVATION, WAIVER, OR ESTOPPEL WHICH DEPRIVES A FRANCHISEE OF RIGHTS AND PROTECTIONS PROVIDED IN THIS ACT. THIS SHALL NOT PRECLUDE A FRANCHISEE, AFTER ENTERING INTO A FRANCHISE AGREEMENT OR AREA DEVELOPMENT AGREEMENT, FROM SETTLING ANY AND ALL CLAIMS.

(C) A PROVISION THAT PERMITS A FRANCHISOR TO TERMINATE A FRANCHISE PRIOR TO THE EXPIRATION OF ITS TERM EXCEPT FOR GOOD CAUSE. GOOD CAUSE SHALL INCLUDE THE FAILURE OF THE FRANCHISEE TO COMPLY WITH ANY LAWFUL PROVISIONS OF THE FRANCHISE AGREEMENT OR AREA DEVELOPMENT AGREEMENT AND TO CURE SUCH FAILURE AFTER BEING GIVEN WRITTEN NOTICE THEREOF AND A REASONABLE OPPORTUNITY, WHICH IN NO EVENT NEED BE MORE THAN 30 DAYS, TO CURE SUCH FAILURE.

(D) A PROVISION THAT PERMITS A FRANCHISOR TO REFUSE TO RENEW A FRANCHISE WITHOUT FAIRLY COMPENSATING THE FRANCHISEE BY REPURCHASE OR OTHER MEANS FOR THE FAIR MARKET VALUE, AT THE TIME OF EXPIRATION, OF THE FRANCHISEE'S INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS. PERSONALIZED MATERIALS WHICH HAVE NO VALUE TO THE FRANCHISOR AND INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS NOT REASONABLY REQUIRED IN THE CONDUCT OF THE FRANCHISED BUSINESS ARE NOT SUBJECT TO COMPENSATION. THIS SUBSECTION APPLIES ONLY IF: (i) THE TERM OF THE FRANCHISE IS LESS THAN 5 YEARS; AND (ii) THE FRANCHISEE IS PROHIBITED BY THE FRANCHISE OR OTHER AGREEMENT FROM CONTINUING TO CONDUCT SUBSTANTIALLY THE SAME BUSINESS UNDER ANOTHER TRADEMARK, SERVICE MARK, TRADE NAME, LOGOTYPE, ADVERTISING, OR OTHER COMMERCIAL SYMBOL IN THE SAME AREA SUBSEQUENT TO THE EXPIRATION OF THE FRANCHISE OR THE FRANCHISEE DOES NOT RECEIVE AT LEAST 6 MONTHS ADVANCE NOTICE OF FRANCHISOR'S INTENT NOT TO RENEW THE FRANCHISE.

(E) A PROVISION THAT PERMITS THE FRANCHISOR TO REFUSE TO RENEW A FRANCHISE ON TERMS GENERALLY AVAILABLE TO OTHER FRANCHISEES OF THE SAME CLASS OR TYPE UNDER SIMILAR CIRCUMSTANCES. THIS SECTION DOES NOT REQUIRE A RENEWAL PROVISION.

(F) A PROVISION REQUIRING THAT ARBITRATION OR LITIGATION BE CONDUCTED OUTSIDE THIS STATE. THIS SHALL NOT PRECLUDE THE FRANCHISEE FROM ENTERING INTO AN AGREEMENT, AT THE TIME OF ARBITRATION, TO CONDUCT ARBITRATION AT A LOCATION OUTSIDE THIS STATE.

(G) A PROVISION WHICH PERMITS A FRANCHISOR TO REFUSE TO PERMIT A TRANSFER OF OWNERSHIP OF A FRANCHISE, EXCEPT FOR GOOD CAUSE. THIS SUBDIVISION DOES NOT PREVENT A FRANCHISOR FROM EXERCISING A RIGHT OF FIRST REFUSAL TO PURCHASE THE FRANCHISE. GOOD CAUSE SHALL INCLUDE, BUT IS NOT LIMITED TO:

(i) THE FAILURE OF THE PROPOSED FRANCHISEE TO MEET THE FRANCHISOR'S THEN CURRENT REASONABLE QUALIFICATIONS OR STANDARDS.

(ii) THE FACT THAT THE PROPOSED TRANSFEREE IS A COMPETITOR OF THE FRANCHISOR OR SUBFRANCHISOR.

(iii) THE UNWILLINGNESS OF THE PROPOSED TRANSFEREE TO AGREE IN WRITING TO COMPLY WITH ALL LAWFUL OBLIGATIONS.

(iv) THE FAILURE OF THE FRANCHISEE OR PROPOSED TRANSFEREE TO PAY ANY SUMS OWING TO THE FRANCHISOR OR TO CURE ANY DEFAULT IN THE FRANCHISE AGREEMENT EXISTING AT THE TIME OF THE PROPOSED TRANSFER.

(H) A PROVISION THAT REQUIRES THE FRANCHISEE TO RESELL TO THE FRANCHISOR ITEMS THAT ARE NOT UNIQUELY IDENTIFIED WITH THE FRANCHISOR. THIS SUBDIVISION DOES NOT PROHIBIT A PROVISION THAT GRANTS TO A FRANCHISOR A RIGHT OF FIRST REFUSAL TO PURCHASE THE ASSETS OF A FRANCHISE ON THE SAME TERMS AND CONDITIONS AS A BONA FIDE THIRD PARTY WILLING AND ABLE TO PURCHASE THOSE ASSETS, NOR DOES THIS SUBDIVISION PROHIBIT A PROVISION THAT GRANTS THE FRANCHISOR THE RIGHT TO ACQUIRE THE ASSETS OF A FRANCHISE FOR THE MARKET OR APPRAISED VALUE OF SUCH ASSETS IF THE FRANCHISEE HAS BREACHED THE LAWFUL PROVISIONS OF THE FRANCHISE AGREEMENT AND HAS FAILED TO CURE THE BREACH IN THE MANNER PROVIDED IN SUBDIVISION (C).

(I) A PROVISION WHICH PERMITS THE FRANCHISOR TO DIRECTLY OR INDIRECTLY CONVEY, ASSIGN, OR OTHERWISE TRANSFER ITS OBLIGATIONS TO FULFILL CONTRACTUAL OBLIGATIONS TO THE FRANCHISEE UNLESS PROVISION HAS BEEN MADE FOR PROVIDING THE REQUIRED CONTRACTUAL SERVICES.

* * * *

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

* * * *

IF THE FRANCHISOR'S MOST RECENT FINANCIAL STATEMENTS ARE UNAUDITED AND SHOW A NET WORTH OF LESS THAN \$100,000.00, THE FRANCHISOR MUST, AT THE REQUEST OF THE FRANCHISEE, ARRANGE FOR THE ESCROW OF INITIAL INVESTMENT AND OTHER FUNDS PAID BY THE FRANCHISEE UNTIL THE OBLIGATIONS TO PROVIDE REAL ESTATE, IMPROVEMENTS, EQUIPMENT, INVENTORY, TRAINING, OR OTHER ITEMS INCLUDED IN THE FRANCHISE OFFERING ARE FULFILLED. AT THE OPTION OF THE FRANCHISOR, A SURETY BOND MAY BE PROVIDED IN PLACE OF ESCROW.

* * * *

THE NAME AND ADDRESS OF THE FRANCHISOR'S AGENT IN THIS STATE AUTHORIZED TO RECEIVE SERVICE OF PROCESS IS: MICHIGAN DEPARTMENT OF COMMERCE, CORPORATION AND SECURITIES BUREAU, 6546 MERCANTILE WAY, P.O. BOX 30222, LANSING, MICHIGAN 48910.

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO:

DEPARTMENT OF THE ATTORNEY GENERAL'S OFFICE
CONSUMER PROTECTION DIVISION
ATTN: FRANCHISE
670 G. MENNEN WILLIAMS BUILDING
LANSING, MICHIGAN 48913

NOTE: NOTWITHSTANDING PARAGRAPH (F) ABOVE, WE INTEND TO, AND YOU AGREE THAT WE AND YOU WILL, ENFORCE FULLY THE PROVISIONS OF THE ARBITRATION SECTION OF OUR AGREEMENTS. WE BELIEVE THAT PARAGRAPH (F) IS UNCONSTITUTIONAL AND CANNOT PRECLUDE US FROM ENFORCING THE ARBITRATION PROVISIONS.

**ADDENDUM TO THE
EXPRESS OIL CHANGE FRANCHISE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF VIRGINIA**

FOR RESIDENTS OF THE STATE OF VIRGINIA:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement or Area Development Agreement do not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

**ADDENDUM TO THE
EXPRESS OIL CHANGE FRANCHISE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF WISCONSIN**

FOR RESIDENTS OF THE STATE OF WISCONSIN:

The Wisconsin Fair Dealership Law, Chapter 135, Wisconsin statutes supersedes any provision of this disclosure document that is inconsistent with that law.

Wisconsin Law [Stat. Section 135.04] may supersede the Franchise Agreement and Area Development Agreement in your relationship with us in the areas of termination and renewal.

Each provision of this addendum to the disclosure document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Wisconsin Fair Dealership Law, Chapter 135, are met independently without reference to this addendum to the disclosure document.

EXHIBIT J

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

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

Illinois	Pending
Indiana	Pending
Virginia	October 4, 2022
Wisconsin	Pending

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.

EXPRESS OIL CHANGE FRANCHISE, LLC
RECEIPT
(FRANCHISEE'S COPY)

This disclosure document summarizes certain provisions of the franchise agreement, area development agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Express Oil Change Franchise, LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the Company or an affiliate in connection with the proposed franchise sale.

If Express Oil Change Franchise, LLC 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 state agency listed on Exhibit D.

The Franchisor is Express Oil Change Franchise, LLC, located at 1880 Southpark Drive, Birmingham, Alabama 35244. Its telephone number is (205) 945-1771.

Date of Issuance: July 1, 2023

The Franchise seller for this offering is Robert Patterson, Express Oil Change Franchise, LLC, 1880 Southpark Drive, Birmingham, Alabama 35244, (205) 945-1771.

I received a disclosure document dated July 1, 2023, that included the following Exhibits:

- A. Franchise Agreement
- B. Area Development Agreement
- C. Manual Table of Contents
- D. List of State Agencies/Agents for Service of Process
- E. List of Current Franchises
- F. List of Company-Owned Centers
- G. List of Franchisees that Left the System
- H. Financial Statements
- I. State Addenda
- J. State Effective Dates

Date: _____

Prospective Franchisee:

By: _____

Name: _____

Individually and on behalf of the following entity:

Company Name: _____

Title: _____

EXPRESS OIL CHANGE FRANCHISE, LLC
RECEIPT
(FRANCHISOR'S COPY)

This disclosure document summarizes certain provisions of the franchise agreement, area development agreement and other information in plain language. Read this disclosure document and all agreements carefully.

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- J. State Effective Dates

Date: _____

Prospective Franchisee:

By: _____

Name: _____

Individually and on behalf of the following entity:

Company Name: _____

Title: _____