Franchise Disclosure Document

2024

FRANCHISE DISCLOSURE DOCUMENT

meineke®

MEINEKE FRANCHISOR SPV LLC
a Delaware limited liability company
440 South Church Street, Suite 700
Charlotte, North Carolina 28202
(704) 377-8855
www.meineke.com
franchise.info@meineke.com

The franchise offered is for the operation of a Meineke® automotive maintenance and repair center, specializing in servicing exhaust system components, brake system components and providing certain other automotive maintenance and repair services.

The total investment necessary to begin operation of a Meineke® center franchise ranges from $226,774 to $580,818. This includes $45,195 to $71,195 that must be paid to the franchisor or affiliate. If you enter into an Area Development Agreement, you will pay us a development fee equal to 100% of the initial franchise fee for each Meineke® center required to be developed under the Area Development Agreement. The total investment necessary to begin operation if you acquire development rights (for a minimum of four Meineke® centers) is $107,500. This includes $107,500 that must be paid to the franchisor or affiliate.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the Franchise Development Department at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 or (704) 377-8855.

The terms of your contract will govern your franchise relationship. Don't 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 also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: May 31, 2024

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit M.
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 N 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 Meineke business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Meineke franchisee?	Item 20 or Exhibit M 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 A.

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 the franchisor by arbitration only in North Carolina. Out-of-state arbitration may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate with the franchisor in North Carolina than in your own state.

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

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

(THE FOLLOWING APPLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY)

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 the Michigan Franchise Investment Act. This shall not preclude a franchisee, after entering into a franchise 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 provision of the franchise 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 franchise 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 transferee 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.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, the franchisor shall, at the request of a 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 FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENFORCEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to:

State of Michigan
Consumer Protection Division
Attn: Franchise
670 G. Mennen Williams Building
525 West Ottawa Street
Lansing, Michigan 48909
Telephone Number: (517) 335-7567

Note: Despite paragraph (f) above, we intend, and we and you agree, to enforce fully the arbitration provisions of our Franchise Agreement and Area Development Agreement. We believe that paragraph (f) is unconstitutional and cannot preclude us from enforcing these arbitration provisions.

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EXHIBITS

Item 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The Franchisor

The franchisor is Meineke Franchisor SPV LLC and is referred to in this disclosure document as "Meineke" or "we." The person who buys the franchise is referred to as "you." If you are a corporation, partnership or other legal entity, the provisions of our standard form Franchise Agreement (defined below) also apply to all of your owners by virtue of our requirement that your owners personally guarantee your obligations under the Franchise Agreement.

We are a Delaware limited liability company organized on June 9, 2015. Our principal business address is 440 South Church Street, Suite 700, Charlotte, North Carolina 28202. The Meineke web address is http://www.meineke.com. Exhibit A discloses our agents for service of process. We conduct business under our entity name and under the name "Meineke." Although we reserve the right to do so, we have not offered franchises in other lines of business.

Predecessors, Parents and Certain Affiliates

We are a direct, wholly-owned subsidiary of Driven Systems LLC, a Delaware limited liability company ("Driven Systems"). Driven Systems is a wholly-owned subsidiary of Driven Brands Funding, LLC, a Delaware limited liability company ("Driven Brands Funding"). Driven Systems and Driven Brands Funding share our principal business address. Driven Systems and Driven Brands Funding were organized as part of the Securitization Transaction (defined below). As stated in Item 21, Driven Systems guarantees the performance of Meineke.

We are an indirect, wholly-owned subsidiary of Driven Brands, Inc., a Delaware corporation ("Driven Brands"). Driven Brands shares our principal business address. Until July 2015, Driven Brands was the direct parent company of several automotive brands described in this disclosure document. Driven Brands was restructured as part of a secured financing transaction which closed in July 2015 and is now the indirect parent company of the current franchisors of all of these brands.

Driven Brands also is the parent company of Meineke Car Care Centers, LLC, a North Carolina limited liability company ("MCC"), which shares our principal business address. MCC was the franchisor of Meineke Centers (defined below) before the closing of the Securitization Transaction described below. MCC was originally incorporated in Texas in 1972, and then merged into a North Carolina corporation in May 1988. In February 2003, MCC changed its corporate name to Meineke Car Care Centers, Inc. In January 2013, MCC converted from a corporation to a limited liability company and changed its name to Meineke Car Care Centers, LLC.

MCC was originally 100% owned by Sam W. Meineke and Harold Nedell. Sam W. Meineke was also originally an owner of Bass & Meineke Auto Parts Company, which operates

a chain of auto parts and service stores in Houston, Texas under the name "Bass & Meineke" and "CARQUEST." That company is not a part of or affiliated with MCC or us.

We also have the following affiliates that provide products or services to our franchisees. Each affiliate shares our principal business address. These affiliates have not offered franchises in any lines of business or operated any business of the type being offered under this disclosure document.

(1) Spire Supply, LLC ("Spire Supply"), a Delaware limited liability company, may sell certain goods and services to our franchisees.

(2) Driven Brands Shared Services LLC ("Driven Brands Shared Services"), a Delaware limited liability company, performs certain franchising, marketing, product sales, real estate, intellectual property, operating and reporting services and support services for our franchisees on our behalf.

(3) Meineke Realty, Inc. ("Realty"), a North Carolina corporation, occasionally enters into real estate leases for Meineke Centers and subleases them to franchisees or third parties.

Driven Brands is owned by Driven Holdings, LLC ("Driven Holdings"), which is owned by Driven Brands Holdings Inc. ("Driven Brands Holdings"). Driven Brands Holdings also directly and indirectly owns US and foreign subsidiaries that comprise the car wash business of Driven Brands Holdings. In January 2021, Driven Brands Holdings sold shares in an initial public offering and, since that date, Driven Brands Holdings has been a publicly traded company. Before and after the initial public offering, private equity funds managed by Roark Capital Management, LLC, an Atlanta-based private equity firm, owned and continue to own a majority of the outstanding stock of Driven Brands Holdings. Through other private equity funds managed by Roark Capital Management, LLC, we are affiliated with certain other franchise companies operating in a variety of industries. See below for additional information concerning these affiliated franchise companies.

Driven Affiliates

Driven Holdings is the indirect parent company to nine franchisors, including Maaco Franchisor SPV LLC ("Maaco"), Merlin Franchisor SPV LLC ("Merlin"), Econo Lube Franchisor SPV LLC ("Econo Lube"), 1-800-Radiator Franchisor SPV LLC ("1-800-Radiator"), CARSTAR Franchisor SPV LLC ("CARSTAR"), Take 5 Franchisor SPV LLC ("Take 5"), ABRA Franchisor SPV LLC ("Abra"), FUSA Franchisor SPV LLC ("FUSA") and Meineke. In April 2015, Driven Holdings and its franchised brands at the time (which included Meineke, Maaco, Merlin and Econo Lube) became Affiliated Programs (defined below) through an acquisition. Subsequently, through acquisitions in June 2015, October 2015, March 2016, September 2019, and April 2020, respectively, the 1-800-Radiator, CARSTAR, Take 5, Abra and FUSA brands became Affiliated Programs. Maaco, Merlin, Econo Lube, CARSTAR, Take 5, Abra and FUSA share our principal business address. 1-800-Radiator's principal business address is 4401 Park Road, Benicia, California 94510.

Maaco and its predecessors have offered Maaco center franchises since February 1972 providing automotive collision and paint refinishing. As of December 30, 2023, there were 377 franchised Maaco centers and no company-owned Maaco centers in the United States.

Merlin franchises shops that provide automotive repair services specializing in vehicle longevity, including the repair and replacement of automotive exhaust, brake parts, ride and steering control system and tires. Merlin and its predecessors offered franchises from July 1990 to February 2006 under the name "Merlin Muffler and Brake Shops," and have offered franchises under the name "Merlin Shops" since February 2006. As of December 30, 2023, there were 22 Merlin franchises and no company-owned Merlin shops located in the United States.

Econo Lube offers franchises that provide oil change services and other automotive services, including brakes, but not including exhaust systems. Econo Lube's predecessor began offering franchises in 1980 under the name "Muffler Crafters" and began offering franchises under the name "Econo Lube N' Tune" in 1985. As of December 30, 2023, there were nine Econo Lube N' Tune franchises and 12 Econo Lube N' Tune franchises co-branded with Meineke centers in the United States, which are predominately in the western part of the United States, including California, Arizona, and Texas, and no company-owned Econo Lube N' Tune locations in the United States.

1-800-Radiator franchises distribution warehouses selling radiators, condensers, air conditioning compressors, fan assemblies and other automotive parts to automotive shops, chain accounts and retail consumers. 1-800-Radiator and its predecessor have offered 1-800-Radiator franchises since 2004. As of December 30, 2023, there were 194 1-800-Radiator franchises in operation in the United States. 1-800-Radiator's affiliate has owned and operated 1-800-Radiator warehouses since 2001 and, as of December 30, 2023, owned and operated one 1-800-Radiator warehouse in the United States.

CARSTAR offers franchises for full-service automobile collision repair facilities providing repair and repainting services for automobiles and trucks that suffered damage in collisions. CARSTAR's business model focuses on insurance-related collision repair work arising out of relationships it has established with insurance company providers. CARSTAR and its affiliates first offered conversion franchises to existing automobile collision repair facilities in August 1989 and began offering franchises for new automobile repair facilities in October 1995. As of December 30, 2023, there were 455 franchised CARSTAR facilities and no company-owned facilities operating in the United States.

Take 5 franchises motor vehicle centers that offer quick service, customer-oriented oil changes, lubrication and related motor vehicle services and products. Take 5 commenced offering franchises in March 2017, although the Take 5 concept started in 1984 in Metairie, Louisiana. As of December 30, 2023, there were 325 franchised Take 5 outlets and 644 affiliate-owned Take 5 outlets operating in the United States.

Abra franchises repair and refinishing centers that offer high quality auto body repair and refinishing and auto glass repair and replacement services at competitive prices. Abra and its predecessor have offered Abra franchises since 1987. As of December 30, 2023, there were 57

franchised Abra repair centers and no company-owned repair centers operating in the United States.

FUSA franchises collision repair shops specializing in auto body repair work and after-collision services. FUSA has offered Fix Auto shop franchises since July 2020, although its predecessors have offered franchise and license arrangements for Fix Auto shops on and off from April 1998 to June 2020. As of December 30, 2023, there were 203 franchised Fix Auto repair shops operating in the United States, nine of which are operated by FUSA's affiliate under a franchise agreement with FUSA.

Driven Holdings is also the indirect parent company to the following franchisors that offer franchises in Canada: (1) Meineke Canada SPV LP and its predecessors have offered Meineke Center franchises in Canada since August 2004; (2) Maaco Canada SPV LP and its predecessors have offered Maaco center franchises in Canada since 1983; (3) 1-800-Radiator Canada, Co. has offered 1-800-Radiator warehouse franchises in Canada since April 2007; (4) Carstar Canada SPV LP and its predecessors have offered CARSTAR franchises in Canada since September 2000; (5) Take 5 Canada SPV LP ("Take 5 Canada") and its predecessor have offered Take 5 franchises in Canada since November 2019; (6) Driven Brands Canada Funding Corporation and its predecessors have offered UniglassPlus and Uniglass Express franchises in Canada since 1985 and 2015, respectively, Vitro Plus and Vitro Express franchises in Canada since 2002, and Docteur du Pare Brise franchises in Canada since 1998; (7) Go Glass Franchisor SPV LP and its predecessors have offered Go! Glass & Accessories franchises since 2006 and Go! Glass franchises since 2017 in Canada; and (8) Star Auto Glass Franchisor SPV LP and its predecessors have offered Star Auto Glass franchises in Canada since approximately 2012.

As of December 30, 2023, there were: (i) 15 franchised Meineke Centers and no company-owned Meineke Centers in Canada; (ii) 18 franchised Maaco centers and no company-owned Maaco centers in Canada; (iii) 10 1-800-Radiator franchises and no company-owned 1-800-Radiator locations in Canada; (iv) 313 franchised CARSTAR facilities and one company-owned CARSTAR facility in Canada; (v) 30 franchised Take 5 outlets and seven company-owned Take 5 outlets in Canada; (vi) 57 franchised UniglassPlus businesses, 27 franchised UniglassPlus/Ziebart businesses, and five franchised Uniglass Express businesses in Canada, and two company-owned UniglassPlus businesses and one company-owned UniglassPlus/Ziebart business in Canada; (vii) 10 franchised VitroPlus businesses, 57 franchised VitroPlus/Ziebart businesses, and four franchised Vitro Express businesses in Canada, and three company-owned VitroPlus businesses and no company-owned VitroPlus/Ziebart businesses in Canada; (viii) 32 franchised Docteur du Pare Brise businesses and no company-owned Docteur du Pare Brise businesses in Canada; (ix) 12 franchised Go! Glass & Accessories businesses and no franchised Go! Glass businesses in Canada, and eight company-owned Go! Glass & Accessories businesses and no company-owned Go! Glass businesses in Canada; and (x) eight franchised Star Auto Glass businesses and no company-owned Star Auto Glass businesses in Canada.

In December 2021, Driven Brands acquired Auto Glass Now's ("AGN") repair locations. As of December 30, 2023, there were more than 220 repair locations operating under the AUTOGLASSNOW® name in the United States ("AGN Repair Locations"). AGN Repair Locations offer auto glass calibration and windshield repair and replacement services. In the future, AGN Repair Locations may offer products and services to Driven Brands' affiliates and

their franchisees in the United States, and/or Driven Brands may decide to offer franchises for AGN Repair Locations in the United States.

Other than as described above, neither these affiliates nor their predecessors have offered franchises in any other lines of business or operated any business of the type being offered under this disclosure document.

Other Affiliates with Franchise Programs

Through control with private equity funds managed by Roark Capital Management, LLC, we are affiliated with the following franchise programs (together with the Driven affiliates described above, collectively, the "Affiliated Programs"). None of these affiliates operate a Meineke Center franchise.

GoTo Foods Inc. ("GoTo Foods") is the indirect parent company to seven franchisors, including: Auntie Anne's Franchisor SPV LLC ("Auntie Anne's"), Carvel Franchisor SPV LLC ("Carvel"), Cinnabon Franchisor SPV LLC ("Cinnabon"), Jamba Juice Franchisor SPV LLC ("Jamba"), McAlister's Franchisor SPV LLC ("McAlister's"), Moe's Franchisor SPV LLC ("Moe's"), and Schlotzsky's Franchisor SPV LLC ("Schlotzsky's"). All seven GoTo Foods franchisors have a principal place of business at 5620 Glenridge Drive NE, Atlanta, Georgia 30342 and have not offered franchises in any other line of business.

Auntie Anne's franchises Auntie Anne's® shops that offer soft pretzels, lemonade, frozen drinks and related foods and beverages. In November 2010, the Auntie Anne's system became affiliated with GoTo Foods through an acquisition. Auntie Anne's predecessor began offering franchises in January 1991. As of December 31, 2023, there were 1,156 franchised and 11 affiliate-owned Auntie Anne's shops in the United States and 817 franchised Auntie Anne's shops outside the United States.

Carvel franchises Carvel® ice cream shoppes and is a leading retailer of branded ice cream cakes in the United States and a producer of premium soft-serve ice cream. The Carvel system became an Affiliated Program in October 2001 and became affiliated with GoTo Foods in November 2004. Carvel's predecessor began franchising retail ice cream shoppes in 1947. As of December 31, 2023, there were 324 franchised Carvel shoppes in the United States and 29 franchised Carvel shoppes outside the United States.

Cinnabon franchises Cinnabon® bakeries that feature oven-hot cinnamon rolls, as well as other baked treats and specialty beverages. It also licenses independent third parties to operate domestic and international franchised Cinnabon® bakeries and Seattle's Best Coffee® franchises on military bases in the United States and in certain international countries, and to use the Cinnabon trademarks on products dissimilar to those offered in Cinnabon bakeries. In November 2004, the Cinnabon system became affiliated with GoTo Foods through an acquisition. Cinnabon's predecessor began franchising in 1990. As of December 31, 2023, there were 952 franchised and 22 affiliate-owned Cinnabon bakeries in the United States and 952 franchised Cinnabon bakeries outside the United States. In addition, as of December 31, 2023, there were 185 franchised Seattle's Best Coffee units outside the United States.

Jamba franchises Jamba® stores, which feature a wide variety of fresh blended-to-order smoothies and other cold or hot beverages and offer fresh squeezed juices and portable food items to customers who come for snacks and light meals. Jamba has offered JAMBA® franchises since October 2018. In October 2018, Jamba became affiliated with GoTo Foods through an acquisition. Jamba's predecessor began franchising in 1991. As of December 31, 2023, there were approximately 733 franchised Jamba stores in the United States and 57 franchised Jamba stores outside the United States.

McAlister's franchises McAlister's Deli® restaurants, which offer a line of deli foods, including hot and cold deli sandwiches, baked potatoes, salads, soups, desserts, iced tea and other food and beverage products. The McAlister's system became an Affiliated Program through an acquisition in July 2005 and became affiliated with GoTo Foods in October 2013. McAlister's or its predecessor have been franchising since 1999. As of December 31, 2023, there were 506 franchised McAlister's restaurants and 33 affiliate-owned restaurants operating in the United States.

Moe's franchises Moe's Southwest Grill® fast casual restaurants, which feature fresh-mex and southwestern food. In August 2007, the Moe's system became affiliated with GoTo Foods through an acquisition. Moe's predecessor began offering Moe's Southwest Grill franchises in 2001. As of December 31, 2023, there were 606 franchised and six affiliate-owned Moe's Southwest Grill restaurants operating in the United States.

Schlotzsky's franchises Schlotzsky's® quick-casual restaurants, which feature sandwiches, pizza, soups, and salads. Schlotzsky's signature items are its "fresh-from-scratch" sandwich buns and pizza crusts that are baked on-site every day. In November 2006, the Schlotzsky's system became affiliated with GoTo Foods through an acquisition. Schlotzsky's restaurant franchises have been offered since 1976. As of December 31, 2023, there were 295 franchised Schlotzsky's restaurants and 22 affiliate-owned restaurants operating in the United States.

Inspire Brands, Inc. ("Inspire Brands") is a global multi-brand restaurant company, launched in February 2018 upon completion of the merger of the Arby's and Buffalo Wild Wings brands. Inspire Brands is a parent company to six franchisors offering and selling franchises in the United States, including: Arby's Franchisor, LLC ("Arby's"), Baskin-Robbins Franchising LLC ("Baskin-Robbins"), Buffalo Wild Wings International, Inc. ("Buffalo Wild Wings"), Dunkin' Donuts Franchising LLC ("Dunkin'"), Jimmy John's Franchisor SPV, LLC ("Jimmy John's"), and Sonic Franchising LLC ("Sonic"). Inspire Brands is also a parent company to the following franchisors offering and selling franchises internationally: Inspire International, Inc. ("Inspire International"), DB Canadian Franchising ULC ("DB Canada"), DDBR International LLC ("DB China"), DD Brasil Franchising Ltda. ("DB Brasil"), DB Mexican Franchising LLC ("DB Mexico"), and BR UK Franchising LLC ("BR UK"). All of Inspire Brands' franchisors have a principal place of business at Three Glenlake Parkway NE, Atlanta, Georgia 30328 and, other than as described below for Arby's, have not offered franchises in any other line of business.

Arby's is a franchisor of quick-serve restaurants operating under the Arby's® trade name and business system, which feature slow-roasted, freshly sliced roasted beef and other

deli-style sandwiches. In July 2011, Arby's became an Affiliated Program through an acquisition. Arby's has been franchising since 1965. Predecessors and former affiliates of Arby's have, in the past, offered franchises for other restaurant concepts, including T.J. Cinnamons® stores that served gourmet baked goods. All of the T.J. Cinnamons locations have closed. As of December 31, 2023, there were 3,413 Arby's restaurants operating in the United States (2,316 franchised and 1,097 company-owned) and 200 franchised Arby's restaurants operating internationally.

Buffalo Wild Wings is a franchisor of sports entertainment-oriented casual sports bars that feature chicken wings, sandwiches, and other products, alcoholic and other beverages, and related services under the Buffalo Wild Wings® name ("Buffalo Wild Wings Sports Bars") and restaurants that feature chicken wings and other food and beverage products primarily for off-premises consumption under the Buffalo Wild Wings GO name ("BWW-GO Restaurants"). Buffalo Wild Wings has offered franchises for Buffalo Wild Wings Sports Bars since April 1991 and for BWW-GO Restaurants since December 2020. As of December 31, 2023, there were 1,185 Buffalo Wild Wings Sports Bars operating in the United States (533 franchised and 652 company-owned) and 65 franchised Buffalo Wild Wings or B-Dubs restaurants operating outside the United States. As of December 31, 2023, there were 79 BWW-GO Restaurants operating in the United States (31 franchised and 48 company-owned).

Sonic is the franchisor of Sonic Drive-In® restaurants, which serve hot dogs, hamburgers and other sandwiches, tater tots and other sides, a full breakfast menu and frozen treats and other drinks. Sonic became an Affiliated Program through an acquisition in December 2018. Sonic has offered franchises for Sonic restaurants since May 2011. As of December 31, 2023, there were 3,521 Sonic Drive-Ins operating in the United States (3,195 franchised and 326 company-owned).

Jimmy John's is a franchisor of restaurants operating under the Jimmy John's® trade name and business system, which feature high-quality deli sandwiches, fresh baked breads, and other food and beverage products. Jimmy John's became an Affiliated Program through an acquisition in October 2016 and became part of Inspire Brands by merger in 2019. Jimmy John's and its predecessor have been franchising since 1993. As of December 31, 2023, there were 2,644 Jimmy John's restaurants operating in the United States (2,604 franchised and 40 affiliate-owned). Of those 2,644 restaurants, 2,641 were singled-branded Jimmy John's restaurants and three were franchised Jimmy John's restaurants operating at multi-brand locations.

Dunkin' is a franchisor of Dunkin'® restaurants, which offer doughnuts, coffee, espresso, breakfast sandwiches, bagels, muffins, compatible bakery products, croissants, snacks, sandwiches and beverages. Dunkin' became an Affiliated Program through an acquisition in December 2020. Dunkin' has offered franchises in the United States and certain international markets for Dunkin' restaurants since March 2006. As of December 31, 2023, there were 9,580 Dunkin' restaurants operating in the United States (9,548 franchised and 32 company-owned). Of those 9,580 restaurants, 8,295 were single-branded Dunkin' restaurants, two were franchised Dunkin' restaurants operating at multi-brand locations, and

1,283 were franchised Dunkin' and Baskin-Robbins combo restaurants. Additionally, as of December 31, 2023, there were 4,210 single-branded franchised Dunkin' restaurants operating internationally.

Baskin-Robbins is a franchisor of Baskin-Robbins® restaurants, which offer ice cream, ice cream cakes and related frozen products, beverages and other products and services. Baskin-Robbins became an Affiliated Program through an acquisition in December 2020. Baskin-Robbins has offered franchises in the United States and certain international markets for Baskin-Robbins restaurants since March 2006. As of December 31, 2023, there were 2,261 franchised Baskin-Robbins restaurants operating in the United States. Of those 2,261 restaurants, 977 were single-branded Baskin-Robbins restaurants, one was a Baskin-Robbins restaurant operating at a multi-brand location, and 1,283 were Dunkin' and Baskin-Robbins combo restaurants. Additionally, as of December 31, 2023, there were 5,383 single-branded franchised Baskin-Robbins restaurants operating internationally and in Puerto Rico.

Inspire International has, directly or through its predecessors, offered and sold franchises outside the United States for the following brands: Arby's restaurants (since May 2016), Buffalo Wild Wings sports bars (since October 2019), Jimmy John's restaurants (since November 2022), and Sonic restaurants (since November 2019). DB Canada was formed in May 2006 and has, directly or through its predecessors, offered and sold Baskin-Robbins franchises in Canada since January 1972. DB China has offered and sold Baskin-Robbins franchises in China since its formation in March 2006. DB Brasil has offered and sold Dunkin' and Baskin-Robbins franchises in Brazil since its formation in May 2014. DB Mexico has offered and sold Dunkin' franchises in Mexico since its formation in October 2006. BR UK has offered and sold Baskin-Robbins franchises in the UK since its formation in December 2014. The restaurants franchised by the international franchisors are included in the brand-specific disclosures above.

Primrose School Franchising SPE, LLC ("Primrose") is a franchisor that offers franchises for the establishment, development and operation of educational childcare facilities serving families with children from six weeks to 12 years old operating under the Primrose® name. Primrose's principal place of business is 3200 Windy Hill Road SE, Suite 1200E, Atlanta, Georgia 30339. Primrose became an Affiliated Program through an acquisition in June 2008. Primrose and its affiliates have been franchising since 1988. As of December 31, 2023, there were 505 franchised Primrose facilities operating in the United States. Primrose has not offered franchises in any other line of business.

ME SPE Franchising, LLC ("Massage Envy") is a franchisor of businesses that offer professional therapeutic massage services, facial services, and related goods and services under the name "Massage Envy®" since 2019. Massage Envy's principal place of business is 14350 North 87th Street, Suite 200, Scottsdale, Arizona 85260. Massage Envy's predecessor began operation in 2003, commenced franchising in 2010, and became an Affiliated Program through an acquisition in 2012. As of December 31, 2023, there were 1,053 Massage Envy locations operating in the United States, including 1,044 operated as total body care Massage Envy businesses and nine operated as traditional Massage Envy businesses. Additionally, Massage Envy's predecessor previously sold franchises for regional developers, who acquired a license

for a defined region in which they were required to open and operate a designated number of Massage Envy locations either by themselves or through franchisees that they would solicit. As of December 31, 2023, there were nine regional developers operating 11 regions in the United States. Massage Envy has not offered franchises in any other line of business.

CKE Inc. ("CKE"), through two indirect wholly-owned subsidiaries (Carl's Jr. Restaurants LLC and Hardee's Restaurants LLC), owns, operates and franchises quick serve restaurants operating under the Carl's Jr.® and Hardee's ® trade names and business systems. Carl's Jr. restaurants and Hardee's restaurants offer a limited menu of breakfast, lunch and dinner products featuring charbroiled 100% Black Angus Thickburger® sandwiches, Hand-Breaded Chicken Tenders, Made from Scratch Biscuits and other related quick serve menu items. A small number of Hardee's restaurants offer Red Burrito® Mexican food products through a dual concept restaurant. A small number of Carl's Jr. restaurants offer Green Burrito® Mexican food products through a dual concept restaurant. CKE's principal place of business is 6700 Tower Circle, Suite 1000, Franklin, Tennessee 37067. In December 2013, CKE became an Affiliated Program through an acquisition. Hardee's restaurants have been franchised since 1961. As of January 29, 2024, there were 204 company-operated Hardee's restaurants and 1,406 franchised Hardee's restaurants, including 136 franchised Hardee's/Red Burrito dual concept restaurants, operating in the United States. Additionally, there were 458 franchised Hardee's restaurants operating outside the United States. Carl's Jr. restaurants have been franchised since 1984. As of January 29, 2024, there were 49 company-operated Carl's Jr. restaurants and 1,019 franchised Carl's Jr. restaurants, including 243 franchised Carl's Jr./Green Burrito dual concept restaurants, operating in the United States. In addition, there were 661 franchised Carl's Jr. restaurants operating outside the United States. Neither CKE nor its subsidiaries that operate the above-described franchise systems have offered franchises in any other line of business.

ServiceMaster Systems LLC is the direct parent company to three franchisors operating five franchise brands in the United States: Merry Maids SPE LLC ("Merry Maids"), ServiceMaster Clean/Restore SPE LLC ("ServiceMaster") and Two Men and a Truck SPE LLC ("Two Men and a Truck"). Merry Maids and ServiceMaster became Affiliated Programs through an acquisition in December 2020. Two Men and a Truck became an Affiliated Program through an acquisition on August 3, 2021. The three franchisors have a principal place of business at One Glenlake Parkway, Suite 1400, Atlanta, Georgia 30328 and have never offered franchises in any other line of business.

Merry Maids franchises residential house cleaning businesses under the Merry Maids® mark. Merry Maids' predecessor began business and started offering franchises in 1980. As of December 31, 2023, there were 813 Merry Maids franchises in the United States.

ServiceMaster franchises (i) businesses that provide disaster restoration and heavy-duty cleaning services to residential and commercial customers under the ServiceMaster Restore® mark and (ii) businesses that provide contracted janitorial services and other cleaning and maintenance services under the ServiceMaster Clean® mark. ServiceMaster's predecessor began offering franchises in 1952. As of December 31, 2023, there were 619 ServiceMaster Clean franchises and 2,064 ServiceMaster Restore franchises in the United States.

Two Men and a Truck franchises (i) businesses that provide moving services and related products and services, including packing, unpacking and the sale of boxes and packing materials under the Two Men and a Truck® mark, and (ii) businesses that provide junk removal services under the Two Men and a Junk Truck™ mark. Two Men and a Truck's predecessor began offering moving franchises in February 1989. Two Men and a Truck began offering Two Men and a Junk Truck franchises in 2023. As of December 31, 2023, there were 313 Two Men and a Truck franchises and three company-owned Two Men and a Truck businesses in the United States. As of December 31, 2023, there were 20 Two Men and a Junk Truck franchises in the United States.

Affiliates of ServiceMaster Systems LLC also offer franchises for operation outside the United States. Specifically, ServiceMaster of Canada Limited offers franchises in Canada, ServiceMaster Limited offers franchises in Great Britain, and Two Men and a Truck offers franchises in Canada and Ireland.

NBC Franchisor LLC ("NBC") franchises gourmet bakeries that offer and sell specialty bundt cakes, other food items and retail merchandise under the Nothing Bundt Cakes® mark. NBC's predecessor began offering franchises in May 2006. NBC became an Affiliated Program through an acquisition in May 2021. NBC has a principal place of business at 4560 Belt Line Road, Suite 350, Addison, Texas 75001. As of December 31, 2023, there were 562 Nothing Bundt Cakes franchises and 16 company-owned locations operating in the United States. NBC has never offered franchises in any other line of business.

Mathnasium Center Licensing, LLC ("Mathnasium") franchises learning centers that provide math instruction using the Mathnasium® system of learning. Mathnasium began offering franchises in late 2003. Mathnasium became an Affiliated Program through an acquisition in November 2022. Mathnasium has a principal place of business at 5120 West Goldleaf Circle, Suite 400, Los Angeles, California 90056. As of December 31, 2023, there were 968 franchised and 4 affiliate-owned Mathnasium centers operating in the United States. Mathnasium has never offered franchises in any other line of business. Affiliates of Mathnasium also offer franchises for operation outside the United States.

Mathnasium Center Licensing Canada, Inc. has offered franchises for Mathnasium centers in Canada since May 2014. As of December 31, 2023, there were 89 franchised Mathnasium centers in Canada. Mathnasium International Franchising, LLC has offered franchises outside the United States and Canada since May 2015. As of December 31, 2023, there were 79 franchised Mathnasium centers outside the United States and Canada. Mathnasium, Mathnasium Center Licensing Canada, Inc. and Mathnasium International Franchising, LLC each have their principal place of business at 5120 West Goldleaf Circle, Suite 400, Los Angeles, California 90056, and none of them has ever offered franchises in any other line of business.

Youth Enrichment Brands, LLC is the direct parent company to three franchisors operating in the United States: i9 Sports, LLC ("i9"), SafeSplash Brands, LLC ("Streamline Brands"), and School of Rock Franchising LLC ("School of Rock"). i9 became an Affiliated Program through an acquisition in September 2021. Streamline Brands became an Affiliated Program through an acquisition in June 2022. School of Rock became an Affiliated Program

through an acquisition in September 2023. The three franchisors have never offered franchises in any other line of business.

i9 franchises businesses that operate, market, sell and provide amateur sports leagues, camps, tournaments, clinics, training, development, social activities, special events, products and related services under the i9 Sports® mark. i9 began offering franchises in November 2003. i9 became an Affiliated Program through an acquisition in September 2021. i9 has a principal place of business at 9410 Camden Field Parkway, Riverview, Florida 33578. As of December 31, 2023, there were 245 i9 Sports franchises in the United States.

Streamline Brands offers franchises under the SafeSplash Swim School® brand and operates under the SwimLabs® and Swimtastic® brands, all of which provide "learn to swim" programs for children and adults, birthday parties, summer camps, and other swimming-related activities. Streamline Brands has offered swim school franchises under the SafeSplash Swim School brand since August 2014. Streamline Brands offered franchises under the Swimtastic brand from August 2015 through March 2023 and under the SwimLabs brand from February 2017 through April 2023. Streamline Brands became an Affiliated Program through an acquisition in June 2022 and has a principal place of business at 12240 Lioness Way, Parker, Colorado 80134. As of December 31, 2023, there were 128 franchised and company-owned SafeSplash Swim School outlets (including 12 outlets that are dual-branded with SwimLabs), 11 franchised and licensed SwimLabs swim schools, 11 franchised Swimtastic swim schools, and one dual-branded Swimtastic and SwimLabs swim school operating in the United States.

School of Rock franchises businesses that operate performance-based music schools with a rock music program under the School of Rock® mark. School of Rock began offering franchises in September 2005. School of Rock has a principal place of business at 1 Wattles Street, Canton, Massachusetts 02021. As of December 31, 2023, there were 234 franchised and 47 affiliate-owned School of Rock schools in the United States and 78 franchised School of Rock schools outside the United States.

None of the affiliated franchisors are obligated to provide products or services to you; however, you may purchase products or services from these franchisors if you choose to do so.

Except as described above, we have no other parents, predecessors or affiliates that must be included in this Item.

Securitization Transaction

Under a securitization financing transaction which closed in July 2015 (the "Securitization Transaction"), Driven Brands and its affiliates were restructured. As part of the Securitization Transaction, all existing U.S. franchise agreements and related agreements for Meineke Centers were transferred to us, and we became the franchisor of all existing and future Meineke franchise and related agreements. Ownership and control of all U.S. trademarks and certain intellectual property relating to the operation of Meineke Centers in the U.S. were also transferred to us.

At the time of the closing of the Securitization Transaction, Driven Brands entered into a management agreement with us to provide the required support and services to Meineke franchisees under their franchise and related agreements. Driven Brands also acts as our franchise sales agent. We will pay management fees to Driven Brands for these services. It is anticipated that Driven Brands will delegate certain of these responsibilities to MCC, the former franchisor of Meineke Centers, and to other affiliates, including Driven Brands Shared Services. However, as the franchisor, we will be responsible and accountable to you to make sure that all services we promise to perform under your Franchise Agreement or other agreement you sign with us are performed in compliance with the applicable agreement, regardless of who performs these services on our behalf.

Driven Brands and various entities affiliated with Driven Brands entered into several additional secured financing transactions subsequent to the Securitization Transaction (and may enter into other securitization/financing transactions in the future). As a result of these transactions, there have been certain restructuring of various Driven Brands affiliates which are described in this Item 1.

The Franchise Offered

We offer qualified persons the right to own and operate a center (a "Meineke Center" or a "Meineke Car Care Center") using the "Meineke" name and other trademarks and services marks we periodically designate (the "Marks") at an agreed upon location under our standard Franchise and Trademark Agreement (the "Franchise Agreement"), the current form of which is attached as Exhibit C. In this disclosure document, we call the Meineke Center that you will operate under the Franchise Agreement the "Center." Prospective franchisees for Meineke Centers must sign our standard form franchise application ("Franchise Application"), the current form of which is attached as Exhibit D, before signing the Franchise Agreement.

Meineke Car Care Centers offer to the general public automotive repair and maintenance services that we authorize periodically. These services currently include repair and replacement of exhaust system components, brake system components, steering and suspension components (including alignment), belts (V and serpentine), cooling system service, CV joints and boots, axles, wiper blades, universal joints, lift supports, motor and transmission mounts, trailer hitches, air conditioning, state inspections, tire sales, tune-ups and related services, transmission fluid changes and batteries. We and our predecessor have developed and make available to franchisees comprehensive business methods and systems for developing and operating Meineke Car Care Centers, including technical information and expertise relating to authorized repair and maintenance services and related equipment, site selection criteria, sales, marketing and advertising programs and management information and techniques.

Development Agreements

We also grant multi-unit development rights to qualified franchisees, who will have the non-exclusive right to develop multiple Meineke Centers within a defined geographic area (the "Development Area") according to a mandatory development schedule (the "Development Schedule"). We grant these rights under the Area Development Agreement (the "Development Agreement"), the current form of which is attached as Exhibit S. You must commit to

developing a minimum of four Meineke Centers under the Development Agreement. The Development Agreement also memorializes certain incentives you will receive in connection with each Meineke Center developed under the Development Agreement, subject to certain conditions. Specifically, so long as you are in compliance with the Development Schedule, we and you will sign an Addendum to Franchise Agreement in the form attached to the Development Agreement as Exhibit C (the "Development Incentive Addendum") when we and you enter into each franchise agreement. The Development Incentive Addendum will provide for a reduced royalty fee percentage for Authorized Products and Services (defined in Item 6) during the first three years of the Meineke Center's operation, subject to certain conditions, as further detailed in Item 6. Only franchisees signing a new Development Agreement on or after the issuance date of this disclosure document are eligible for the incentives described above.

If you commit to developing five or more Meineke Centers under the Development Agreement, you and we will also sign a Limited Exclusivity Addendum to Area Development Agreement (the "Limited Exclusivity Addendum"), the current form of which is attached as Exhibit S-1. Under the Limited Exclusivity Addendum, we will grant you certain limited exclusive rights in the Development Area, as further detailed in Item 12. For each Meineke Center developed under the Development Agreement, you (or an affiliate whose ownership is identical to yours or that we have approved) will sign our then-current form of franchise agreement (which may differ from the form of Franchise Agreement attached as Exhibit C) and, if applicable, the Development Incentive Addendum.

Conversion Agreements

We may periodically enter into a Conversion Agreement with owners of independent automotive repair facilities of the type attached to this disclosure document as Exhibit T. Under this arrangement, the owner of a retail automotive facility that is not operating as a Meineke Center is invited to convert its facility to a Meineke Car Care Center. At the time that the owner signs the Conversion Agreement, the owner will also sign our Franchise Agreement. Because the owner is already operating an automotive business, the owner will pay a reduced initial franchise fee. In addition, for the first two years after the owner converts its facility to a Meineke Car Care Center, the owner will pay a reduced royalty. At the end of this two-year period, the owner will pay the full royalty payments when due under its Franchise Agreement. The reduced royalty is to compensate the owner for the cost of new Meineke signage, changes to outside décor, and other costs incident to the conversion. Under the conversion program, there are no discounts offered off of the weekly Meineke Advertising Fund contributions.

Co-Branding Arrangements

We also have an arrangement with Econo Lube under which we have co-branded Meineke Centers with the Econo Lube N' Tune name and trademarks. Under this arrangement, a Meineke franchisee who has signed the Co-brand Addendum to Franchise and Trademark Agreement (Exhibit W) operates a co-branded Meineke and Econo Lube N' Tune center using the Econo Lube name and trademarks in addition to the Marks (a "Co-branded Meineke/Econo Lube Center"). Currently, we are not offering franchises for new Co-branded Meineke/Econo Lube Centers; we offer such franchises only in connection with renewals and transfers. In addition, MCC previously entered into a license arrangement with Econo Lube's predecessor

under which existing Econo Lube N' Tune franchisees were given the opportunity to display the Marks and to operate a Meineke Car Care Center at their Econo Lube N' Tune locations. In exchange for the grant of this license and co-branding opportunity, Econo Lube's predecessor paid to MCC certain royalty fees and advertising contributions to the Meineke Advertising Fund. Econo Lube no longer offers these co-branded locations.

Market and Competition

Automotive car care centers represent only a portion of the automotive aftermarket. Meineke Car Care Centers compete with automotive dealerships and a number of national, regional, local and independent retailers which specialize in automotive parts, service and repair. The ability of your Center to compete depends on a variety of factors, including location, accessibility, individual service, merchandising, your own managerial skills, and various federal, state and local regulations.

Laws and Regulations

Certain aspects of any automotive maintenance and repair business are regulated by federal, state and local laws, rules and ordinances, in addition to the laws, regulations and ordinances applicable to businesses generally, such as the Americans with Disabilities Act, Federal Wage and Hour Laws, Environmental Protection Laws and the Occupation, Health and Safety Act. Exhibit F contains a summary of the types of specific laws and regulations that may apply to the operation of a Meineke Center.

Item 2

BUSINESS EXPERIENCE

Jonathan Fitzpatrick: Manager and Chief Executive Officer of Meineke and MCC; Director, Chief Executive Officer and President of Driven Brands
Mr. Fitzpatrick has been a Manager and Chief Executive Officer of Meineke since its formation in June 2015. Mr. Fitzpatrick was appointed to the office of Chief Executive Officer and President and to serve on the Board of Directors of Driven Brands and the Board of Managers of MCC and various Driven Brands' affiliates in July 2012.

Scott O'Melia: Manager, Executive Vice President, and Secretary of Meineke and MCC; Director, Executive Vice President, General Counsel, and Secretary of Driven Brands
Mr. O'Melia has served as Manager, Executive Vice President, and Secretary of Meineke and MCC since May 2020. Mr. O'Melia also has served as Director, Executive Vice President, General Counsel, and Secretary of Driven Brands since May 2020. In addition, Mr. O'Melia has served as Manager, Executive Vice President, and Secretary of various Driven Brands affiliates since May 2020. From May 2019 to April 2020, Mr. O'Melia was in between positions.

Joel Arnao: Interim Chief Financial Officer of Meineke and Driven Brands and Senior Vice President, FP&A, Treasury, and Investor Relations of Driven Brands
Mr. Arnao has been Interim Chief Financial Officer of Meineke and Driven Brands since May 2024 and Senior Vice President, FP&A, Treasury, and Investor Relations of Driven Brands since

July 2023. In addition, Mr. Arnao has served as Interim Chief Financial Officer of various Driven Brands affiliates since May 2024. From November 2020 to June 2023, Mr. Arnao was Vice President of Finance of Rite Aid Corporation in Charlotte, North Carolina. From June 2020 to October 2020, Mr. Arnao was a Senior Advisor of Navhio Consulting in Charlotte, North Carolina. From December 2018 to May 2020, Mr. Arnao was Chief Financial Officer and Vice President of Finance for Merchants Distributors, LLC in Hickory, North Carolina.

Daniel Rivera: Executive Vice President and Chief Operating Officer of Driven Brands
Mr. Rivera has been Executive Vice President and Chief Operating Officer of Driven Brands since February 2023. Mr. Rivera was Executive Vice President and Group President, Maintenance for Driven Brands and also served as Brand President for Take 5 from January 2020 to January 2023. He served as Brand President for Econo Lube, Merlin, Econo Lube N' Tune, LLC, and SBA-TLC, LLC from April 2017 to December 2019. Mr. Rivera served as Brand President for Meineke from June 2015 to December 2019, and served as MCC's Brand President from October 2014 to December 2019.

Mo Khalid: Executive Vice President and Group President, Maintenance for Driven Brands
Mr. Khalid has served as Executive Vice President and Group President, Maintenance for Driven Brands since February 2023. From October 2017 to February 2023, Mr. Khalid held various positions with Great Wolf Resorts, Inc., located in Chicago, Illinois, including Senior Vice President, Field Operations and Vice President, Operations, Eastern Region.

Ted Rippey: Senior Vice President of Franchise Development for Driven Brands
Mr. Rippey has been Senior Vice President of Franchise Development for Driven Brands since January 2020. From January 2017 to December 2019, Mr. Rippey served as Vice President of Franchising for Take 5.

Robert Fillman: Brand President for Meineke and MCC
Mr. Fillman has been Brand President for Meineke and MCC since January 2020. Mr. Fillman also has served as Brand President for Merlin, Econo Lube, SBA-TLC, LLC and Econo Lube N' Tune, LLC since January 2020. From April 2017 to December 2019, Mr. Fillman served as Vice President, Operations for Meineke and MCC.

Jeremy McGowen: Vice President of Operations for Meineke
Mr. McGowen has been Vice President of Operations for Meineke since November 2021. From November 2020 to November 2021, Mr. McGowen was the Managing Director for Drive N Style Franchisor SPV LLC, located in Charlotte, North Carolina. From March 2020 to November 2020, Mr. McGowen was a National Business Development Manager for Walker Products, Inc., located in Pacific, Missouri. From October 2018 to March 2020, Mr. McGowen was Director of Business Development for Solera Holdings Inc., located in Addison, Texas. From March 2012 to October 2018, Mr. McGowen was the National Business Development Manager for AutoZone, Inc., located in Memphis, Tennessee.

Jennings Huntley: Director, Business Development for Driven Brands
Mr. Huntley has been Director, Business Development for Driven Brands since July 2023. From December 2021 to June 2023, Mr. Huntley was Senior Manager, Business Development for Driven Brands. From January 2021 to November 2021, Mr. Huntley was Manager, Business

Development for Driven Brands. From June 2019 to December 2020, Mr. Huntley was an Investment Banking Analyst for Wells Fargo Securities in Charlotte, North Carolina.

Item 3

LITIGATION

Pending Actions

Genesee County Employees' Retirement System v. Driven Brands Holdings Inc., Jonathan G. Fitzpatrick, and Tiffany L. Mason, United State District Court for the Western District of North Carolina (Charlotte Division), Case No. 3:23-cv-00895-MOC-DCK, filed December 22, 2023. Plaintiff Genesee County Employees' Retirement System ("Plaintiff") filed a securities class action against Driven Brands Holdings, Driven Brands Holdings' President and Chief Executive Officer (and the Manager and Chief Executive Officer of Meineke and MCC), Jonathan G. Fitzpatrick, and Driven Brands Holdings' former Chief Financial Officer (and Meineke's former Executive Vice President and Chief Financial Officer), Tiffany L. Mason (collectively, "Defendants"). Plaintiff alleges that Defendants failed to disclose material adverse information or made misrepresentations regarding Driven Brands Holdings' business and operations following the acquisitions of the International Car Wash Group and AGN. Plaintiff claims that Defendants violated Section 10(b) the Securities Exchange Act of 1934 and Rule 10b-5 promulgated under the Act and that Defendants Mr. Fitzpatrick and Ms. Mason violated Section 20(a) of the Act. Plaintiff seeks unspecified compensatory damages, costs and expenses, and an award of equitable relief, as the court considers appropriate.

Meineke Franchisor SPV LLC and Meineke Realty, Inc. v. CJGL, Inc., Carl Douma, and Jan Douma, United States District Court for the Central District of California (Western Division), Case No. 2:23-cv-00374, filed January 18, 2023. Meineke and its affiliate brought this action against a former franchisee and its owners, alleging that the franchisee abandoned its Meineke Center and failed to pay amounts owed to Meineke under its franchise agreement and amounts owed to Meineke's affiliate under the sublease for the Meineke Center. The complaint alleges breach of contract and seeks damages for all amounts owed to Meineke and its affiliate, costs, attorneys' fees, and interest. On March 15, 2023, the former franchisee and its owners filed their answer and counterclaims against the plaintiffs and Roes 1-10, alleging that Meineke's affiliate failed to renew the applicable master lease, failed to satisfy certain landlord requirements that would have permitted the former franchisee to lease the premises directly from the landlord, and failed to return certain remodeling funds to the former franchisee. The counterclaims allege, with respect to the applicable counter-defendants, breach of the implied covenant of good faith and fair dealing, intentional misrepresentations, negligent misrepresentations, fraudulent inducement, rescission and restitution, violation of the California Franchise Investment Law, intentional interference with prospective economic advantage, negligent interference with prospective economic advantage, and unlawful and fraudulent business practices under the California Code. The defendants seek rescission, restitution, damages no less than $1,000,000, disgorgement of profits and unjust enrichment, punitive damages, orders refusing enforcement of certain provisions of the agreements, injunctive relief,

interest, and attorneys' fees. Plaintiffs' and defendants' motions for summary judgment are currently before the Court.

Franchisor-Initiated Action

Meineke Franchisor SPV LLC v. Blue Collar Auto Service, LLC and Ellen M. Brannon, United States District Court for the Western District of North Carolina, Case No. 3:23-cv-00208, filed April 13, 2023. Meineke filed this action to confirm an arbitration award entered in favor of Meineke against a former franchisee and the former franchisee's guarantor for amounts owed to Meinke under the applicable franchise agreement and otherwise. The court issued an order confirming the arbitration award and a final judgment against the former franchisee and its guarantor, jointly and severally.

Concluded Actions

Adeyemi Odufuye and Nitium, Inc. v. Meineke Car Care Centers, LLC, Driven Brands, Inc., Driven Brands Holdings, LLC and Harvest Partners, L.P., United States District Court for the Western District of North Carolina, 3:18-cv-00356, filed May 9, 2018. A former franchisee of a Meineke Center filed a lawsuit against MCC, Driven Brands, and their current and former parent companies, alleging fraud in the inducement, fraud and/or deceit, negligent misrepresentation, breach of contract and the covenant of good faith and fair dealing, violation of the North Carolina Unfair Trade Practices Act, and violations of the North Carolina Business Opportunity Sales Act. The franchisee's claims arose from the purchase of his Meineke Center. The case was originally filed in the Superior Court, Mecklenburg County, North Carolina and was later removed. The franchisee sought actual damages, punitive damages, treble damages, rescission of the franchise agreement, and costs and attorneys' fees. On June 13, 2019, the parties mutually settled the matter without any admission of liability. Under the terms of the settlement agreement, Meineke agreed to pay the former franchisee $54,000. On June 27, 2019, the case was dismissed.

Micah Cane v. Meineke Car Care Center of Dundalk #2342, Richard Seymour, T&T Enterprise, Inc., Thomas Campbell, Meineke Car Care Centers, LLC and Crista Campbell, Circuit Court for Baltimore County, Maryland, Case No. 03C16009625, filed November 20, 2017. This lawsuit was initially filed against a Meineke franchisee and other persons related to the operation of the franchisee's Meineke Center. The plaintiff alleged that he was invoiced for original equipment but instead received after-market, modified parts and brought claims against the franchisee for breach of contract, breach of warranty, unjust enrichment, fraud, and violation of Maryland's Consumer Protection Act. MCC was named in the first amended complaint in 2018 in connection with the warranty and customer service offered on products and services sold at the franchisee's Meineke Center. The court found MCC liable for breach of contract, breach of implied warranty, breach of express warranty, unjust enrichment, promissory estoppel, and unfair and deceptive trade practices in violation of Maryland's Consumer Protection Act. MCC elected not to appeal the court's ruling. The franchisee paid the judgment in full and notices of satisfaction were filed on November 27, 2018.

Association of Muffler Dealers, Inc. d/b/a Meineke Dealers Association, Inc. v. Meineke Franchisor SPV, LLC, Meineke Car Care Centers, LLC, Meineke Car Care Centers, Inc., Driven Systems, LLC, Driven Brands Funding, LLC, Driven Brands, Inc., Driven Holdings, LLC, Harvest Partners, L.P., and Roark Capital Group, Inc. ("Roark"), Superior Court Division for the County of Mecklenburg, North Carolina, Case No. 16 CVS 13328, filed July 27, 2016. This lawsuit, which was filed against us and other parties (collectively, the "Defendants"), by the Meineke Dealers Association (the "Association"), alleged fraudulent, deceptive, unfair and commercially unreasonable conduct by reason of the Defendants' refusal to honor certain alleged franchise contract renewal rights of Meineke franchisees. The Association sought a declaration affirming certain contractual rights of the Meineke franchisees, orders compelling the Defendants to perform their obligations to Meineke franchisees under certain provisions of their franchise agreements, a declaration that the Defendants' conduct violates the provisions of the North Carolina Unfair and Deceptive Practices Statute, the entry of temporary, preliminary and permanent injunctive relief and the award of attorneys' fees, court costs and expenses. The dispute arose out of the interpretation and enforcement of the renewal provisions contained in the Meineke standard form of Franchise Agreement. At the time of expiration of the Franchise Agreement, a franchisee may renew the franchise for five, eight or 15 years at his or her election. If the Franchise Agreement is renewed for 15 years, the franchisee is given the right at the end of the renewal term to continue to operate the business as an independent center under the terms of a Rider called the Unilateral Right to Independence Rider signed by the parties. The franchisee would retain the right to renew the Franchise Agreement upon expiration of the renewal term if he or she elects the 15-year term. If the franchisee elects a renewal term of five or eight years, he or she is given the option of signing a Reciprocal Right to Independence Rider which would allow the franchisee to continue to operate the business as an independent center at the end of the renewal term, and the franchisee waives any right to renew the franchise at the end of the renewal term. The Association asserted that if the franchisee exercises that option, we are obligated to sign the Rider. We disagreed with that interpretation of the renewal provisions in the Franchise Agreement and believe that we have the right to elect not to sign the Rider based upon the express language of the Franchise Agreement. The renewal provisions of the Franchise Agreement further provide that a franchisee who elects to renew must sign our then-current form of franchise agreement to renew the franchise. This form of franchise agreement may contain different terms and conditions from the franchisee's existing Franchise Agreement with the exception of certain terms of the existing Franchise Agreement, including the existing royalty rate contained in that Franchise Agreement. The Association alleged in the lawsuit that we have unreasonably enforced the conditions for renewal of the franchise in order to force the franchisee to sign the then-current form of franchise agreement without retaining the right to continue to pay royalties at the rate provided in the franchisee's existing Franchise Agreement. We filed a motion to dismiss based on lack of standing by the Association, and Roark filed a motion to dismiss for lack of personal jurisdiction over it. On July 3, 2017, the court granted our motion to dismiss the claim under the North Carolina Unfair and Deceptive Practices Statute and denied the remainder of that motion. On August 4, 2017, the Court granted the motion of Roark, which was dismissed from the case. We denied all of the allegations and sought to enforce in the lawsuit our rights under the renewal provisions of the Franchise Agreement, including our right to refuse to sign the Reciprocal Independence Rider if the franchisee elected the five- or eight-year renewal term. A mediation was held in the case on February 20, 2018, but that did not result in a resolution. The parties subsequently settled the dispute on April 24, 2018 and agreed

to dismiss the lawsuit. As part of the settlement, the parties agreed, among other things, that we would give existing franchisees meeting certain conditions who elect to renew their franchises for eight years the right to operate as an independent at the end of the renewal term and to retain the right to renew the franchise at the end of that renewal term. The parties also agreed that with respect to existing franchisees meeting certain conditions who elect to renew for five years, we would have the right, in our sole and absolute discretion, to sign or not sign the Reciprocal Rider which, if signed, would give the franchisee the right to operate as an independent at the end of the renewal term and require the franchisee to waive the option to renew the franchise at the end of that renewal term. We also agreed that we would not materially change the royalty structure for existing franchisees meeting certain conditions which those franchisees have in their existing Franchise Agreements. The parties also agreed to mediate any dispute in the future before commencing any legal proceeding against the other party. The parties exchanged releases and covenants not to sue, and each agreed to bear its own costs and attorneys' fees incurred in connection with the dispute.

James Ervi, Miriam Ervi, and CJMJ, Inc. v. Meineke Car Care Centers, LLC, Driven Brands, Inc., Driven Brands Holdings, LLC, Harvest Partners, L.P., Ed Pearson and Roark Capital Group, Inc., Superior Court of Mecklenburg County, North Carolina, Case No. 01-16-0002-3730, filed June 2, 2016. Current franchisees of a Meineke Center filed a lawsuit against MCC, Driven Brands, their current and former parent companies, and an MCC representative alleging fraud in the inducement, fraud and/or deceit, negligent misrepresentation, breach of contract and the covenant of good faith and fair dealing, violation of the North Carolina Unfair Trade Practices Act, and violations of the North Carolina Business Opportunity Sales Act. The franchisees had previously brought the same claims in a lawsuit in Texas but had dismissed their claims without prejudice based on a settlement. The franchisees' claims arose from the purchase of their franchise. They sought actual damages, punitive damages, treble damages, rescission of their franchise agreement, and costs and attorneys' fees. The parties mutually settled the matter on August 14, 2017. The case was dismissed with prejudice with no admission of liability by either party.

Meineke Car Care Centers, LLC v. Keller & Sons, Inc., Michael Keller, Ryan Keller, and Christian Valle, United States District Court for the Central District of California, Case No. 8:15-cv-01305, filed August 14, 2015. MCC filed this lawsuit against a current franchisee for breach of the various franchise agreements and failure to pay franchise fees and advertising contributions. The current franchisee asserted counterclaims against MCC seeking rescission of all franchise agreements and, in the alternative, damages associated with alleged breach of contract. The parties mutually settled the matter and as part of the settlement MCC purchased the assets used in the operation of the defendants' franchises. The case was dismissed with no admission of liability by either party.

Gregory T. Snell and Agarita & Agave Enterprises, Inc. v. Meineke Car Care Centers, LLC, District Court, Bexar County, Texas, Case No. 2014CI16082, filed October 9, 2014. A former franchisee filed a lawsuit alleging that he was fraudulently induced into purchasing two Meineke Centers. The parties mutually settled the matter in December 2014 under which MCC paid the plaintiff $35,000 with no admission of any liability.

Pending Driven Affiliate Action

5002090 Ontario Inc. and Asif Ali v. Take 5 Canada SPV LP, Bruno Piva, Noah Pollack, and Jonathan Fitzpatrick, Court File No. CV-22-00692201-0000, Superior Court of Justice of the Province of Ontario, filed December 23, 2022. 5002090 Ontario Inc. and its director, Asif Ali (collectively, "Ali"), the former franchisee of a Take 5 Oil Change® centre in Ontario, Canada (previously operated as a Pro Oil Change® centre until its conversion), filed a Statement of Claim against the current franchisor of Take 5 Oil Change® centres in Canada, Take 5 Canada, Take 5 Canada's Director, Chief Executive Officer, and President (and Meineke's Manager and Chief Executive Officer), Mr. Fitzpatrick, Take 5 Canada's franchise broker, Mr. Piva, and a former Take 5 Canada (and Meineke) executive, Mr. Pollack, alleging breach of the disclosure and fair dealing provisions of the *Arthur Wishart Act (Franchise Disclosure), 2000* and, alternatively, negligent misrepresentation, as well as breach of good faith. Ali alleges that, when he purchased the Take 5 Oil Change® centre from a then-Pro Oil Change® centre franchisee, he believed that, on the basis of the franchise disclosures that he received from Take 5 Canada and an alleged verbal agreement with a Take 5 Canada representative, he was receiving a full 10-year term to operate the Take 5 Oil Change® centre. According to the Statement of Claim, Ali entered into a loan agreement in connection with his purchase of the Take 5 Oil Change® centre, the terms of which included "a minimum timeframe of 7 years." Ali alleges, however, that his franchise agreement was terminated after less than two years based on his failure to provide the required notice to renew. Ali contends that he does not have copies of any assignment agreement with the prior franchisee, any sublease with Take 5 Canada for the Take 5 Oil Change® centre premises, or other Take 5 Oil Change® centre-related agreements referenced in Take 5 Canada's notice of termination. Ali alleges that he sold the Take 5 Oil Change® centre assets when Take 5 Canada threatened legal action if he failed to vacate the Take 5 Oil Change® centre premises. Ali claims that his lender subsequently commenced legal action against him for defaulting on the Take 5 Oil Change® centre-related loan and, as part of a settlement, he was required to pay the lender certain amounts. Ali seeks damages (including punitive damages) of at least CAN$368,000, interest, declarations that Take 5 Canada's franchise disclosures were invalid and void and that the above-referenced assignment agreement (if it exists) is void, and costs of the action. Take 5 Canada delivered a Statement of Defence in April 2023. To Take 5 Canada's knowledge, none of the individual defendants have been served with the Statement of Claim, and it is unclear if Ali intends to continue pursuing this litigation. Take 5 Canada and the other defendants are defending this action.

Driven Affiliate Subject to Currently Effective Injunctive Order

State of Arizona, et rel., Thomas C. Horne, Attorney General vs. Econo Lube N' Tune, Inc., Case No. CV2011-018783, in the Superior Court of the State of Arizona in and for the County of Maricopa. On October 13, 2011, Econo Lube N' Tune, Inc., a predecessor of Econo Lube (an affiliate of Meineke), entered into a consent judgment with the State of Arizona that grew out of an investigation of the specific operations of a company-owned Econo Lube center located in Phoenix, Arizona. The investigation alleged that the center manager unnecessarily changed out an air-conditioning compressor on a customer's vehicle. As a result of the investigation, the State alleged violations of A.R.S. § 44-1522 (the State's consumer protection act). Econo Lube N' Tune, Inc. denied all of the allegations in the State's complaint that was

filed contemporaneously with the consent judgment. As a means to settle these allegations, the parties agreed to a consent judgment wherein, without agreeing to any of the allegations in the complaint, an agreed injunction was entered into by Econo Lube N' Tune, Inc. stipulating that it would not commit any unfair trade practices against its customers. The injunction also prohibits the company from further employing the center manager who allegedly committed these alleged unfair practices. As part of the consent judgment, Econo Lube N' Tune, Inc. agreed to pay the State of Arizona $30,000 in civil penalties and $10,494.63 in attorneys' fees.

Disclosures Regarding Affiliated Programs

The following affiliates that offer franchises resolved actions brought against them with settlements that involved their becoming subject to currently effective injunctive or restrictive orders or decrees. None of these actions have any impact on us or our brand nor allege any unlawful conduct by us.

The People of the State of California v. Arby's Restaurant Group, Inc. (California Superior Court, Los Angeles County, Case No. 19STCV09397, filed March 19, 2019). On March 11, 2019, our affiliate, Arby's Restaurant Group, Inc. ("ARG"), entered into a settlement agreement with the states of California, Illinois, Iowa, Maryland, Massachusetts, Minnesota, New Jersey, New York, North Carolina, Oregon and Pennsylvania. The Attorneys General in these states sought information from ARG on its use of franchise agreement provisions prohibiting the franchisor and franchisees from soliciting or employing each other's employees. The states alleged that the use of these provisions violated the states' antitrust, unfair competition, unfair or deceptive acts or practices, consumer protection and other state laws. ARG expressly denies these conclusions, but decided to enter into the settlement agreement to avoid litigation with the states. Under the settlement agreement, ARG paid no money but agreed (a) to remove the disputed provision from its franchise agreements (which it had already done); (b) not to enforce the disputed provision in existing agreements or to intervene in any action by the Attorneys General if a franchisee seeks to enforce the provision; (c) to seek amendments of the existing franchise agreements in the applicable states to remove the disputed provision from the agreements; and (d) to post a notice and ask franchisees to post a notice to employees about the disputed provision. The applicable states instituted actions in their courts to enforce the settlement agreement through Final Judgments and Orders, Assurances of Discontinuance, Assurances of Voluntary Compliance, and similar methods.

The People of the State of California v. Dunkin' Brands, Inc. (California Superior Court, Los Angeles County, Case No. 19STCV09597, filed March 19, 2019). On March 14, 2019, our affiliate, Dunkin Brands, Inc. ("DBI"), entered into a settlement agreement with the Attorneys General of 13 states and jurisdictions concerning the inclusion of "no-poaching" provisions in Dunkin' restaurant franchise agreements. The settling states and jurisdictions included California, Illinois, Iowa, Maryland, Massachusetts, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, Vermont, and the District of Columbia. A small number of franchise agreements in the Dunkin' system prohibit Dunkin' franchisees from hiring the employees of other Dunkin' franchisees and/or DBI's employees. A larger number of franchise agreements in the Dunkin' system contain a no-poaching provision that prevents Dunkin' franchisees and DBI from hiring each other's employees. Under the terms of the settlement, DBI agreed not to enforce either version of the no-poaching provision or assist Dunkin' franchisees in

enforcing that provision. In addition, DBI agreed to seek the amendment of 128 franchise agreements that contain a no-poaching provision that bars a franchisee from hiring the employees of another Dunkin' franchisee. The effect of the amendment would be to remove the no-poaching provision. DBI expressly denied in the settlement agreement that it had engaged in any conduct that had violated state or federal law, and, furthermore, the settlement agreement stated that such agreement should not be construed as an admission of law, fact, liability, misconduct, or wrongdoing on the part of DBI. The Attorney General of the State of California filed the above-reference lawsuit in order to place the settlement agreement in the public record, and the action was closed after the court approved the parties' stipulation of judgment.

New York v. Dunkin' Brands, Inc. (N.Y. Supreme Court for New York County, Case No. 451787/2019, filed September 26, 2019). In this matter, the N.Y. Attorney General (the "NYAG") filed a lawsuit against our affiliate, DBI, related to credential-stuffing cyberattacks during 2015 and 2018. The NYAG alleged that the cyber attackers used individuals' credentials obtained from elsewhere on the Internet to gain access to certain information for DD Perks customers and others who had registered a Dunkin' gift card. The NYAG further alleged that DBI failed to adequately notify customers and to adequately investigate and disclose the security breaches, which the NYAG alleged violated the New York laws concerning data privacy as well as unfair trade practices. On September 21, 2020, without admitting or denying the NYAG's allegations, DBI and the NYAG entered into a consent agreement to resolve the State's complaint. Under consent order, DBI agreed to pay $650,000 in penalties and costs, issue certain notices and other types of communications to New York customers, and maintain a comprehensive information security program through September 2026, including precautions and response measures for credential-stuffing attacks.

Other than these actions, 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

We charge an initial franchise fee of $45,000 for each new Meineke Center franchise. You must pay the entire initial franchise fee of $45,000 when you sign the Franchise Agreement. The initial franchise fee is not refundable under any circumstances. We use a portion of the initial franchise fee to defray the costs of training and supplies and for general and administrative expenses. We use a portion of the fee to defray expenses we incur in selecting and approving your Center's location. We retain the remainder, if any, of the initial franchise fee as profit for general corporate purposes.

If you sign a new Development Agreement or if you are an existing Meineke franchisee in good standing who desires to purchase an additional Meineke Center franchise for new

development, the initial franchise fee will be reduced to $22,500 for your second franchised Meineke Center (developed under the Development Agreement, if applicable), and $20,000 for your third and each subsequent franchised Meineke Center (developed under the Development Agreement, if applicable).

In addition, in connection with single unit development, we offer a 25% discount off the cost of the then-current initial franchise fee if you have already purchased another franchise opportunity from any of the other Driven Brands Holdings affiliates.

As described in Item 1, we offer a conversion program to independent or franchised repair facilities that have been in operation for at least 12 months, providing our core services, that convert to a Meineke Center. Under the conversion program, the initial franchise fee is $20,000.

The initial franchise fee incentives and discounts described in this Item 5 may not be combined. During the fiscal year ended December 30, 2023, franchisees signing a franchise agreement paid or committed to pay an initial franchise fee between $0 and $45,000.

If you sign a Development Agreement, you must pay us a non-refundable development fee, which will be equal to 100% of the initial franchise fee for each Meineke Center required to be developed under the Development Agreement (the "Development Fee"). For each Meineke Center developed under the Development Agreement, we will credit the applicable portion of the Development Fee against the applicable initial franchise fee on the date on which the initial franchise fee is payable under the applicable franchise agreement. The Development Fee is not otherwise credited against any fees payable to us. During the fiscal year ended December 30, 2023, developers signing an area development agreement paid or committed to pay between $15,000 and $300,000 in total Development Fees.

We may periodically implement incentive programs to encourage franchise system growth in addition to or in lieu of those described above. Under our incentive programs, we may, among other things, waive all or a portion of the initial franchise fee or modify the payment timing of the initial franchise fee. We may modify or discontinue any incentive program we implement at any time.

If you are a new Meineke franchisee, currently, you must use and purchase from us our M.Key shop management software ("M.Key Software"). You must sign the M.Key Software License and Maintenance Agreement attached as Exhibit H-1 to this disclosure document and pay us a $4,995 M.Key software license fee. This software license fee is not refundable. During the fiscal year ended December 30, 2023, franchisees signing the M.Key Software License and Maintenance Agreement paid or committed to pay an M.Key software license fee between $0 and $4,995.

You must pay us a non-refundable initial set-up fee for the TV and box which run the continual TV ad in the Center's waiting room promoting Meineke services (the "AutoNet TV Fee"), which will range from $200 to $1,200, depending on whether your Center is equipped with a TV. The AutoNet TV Fee is due to us 30 days prior to training or, if you are an existing

franchisee and will not attend the initial training program, you must pay us the AutoNet TV Fee 30 days prior to opening the Center.

You also must pay us an initial advertising contribution equal to $20,000 (the "Initial Advertising Contribution"). We will use the Initial Advertising Contribution to conduct pre-opening, grand opening and post-opening promotion, including promotional materials, initial advertising of the Center (traditional and/or online), and other activities related to the opening of the Center as we determine. There is no Initial Advertising Contribution charged when you renew your franchise. The Initial Advertising Contribution is due before you (or your Operating Partner (defined in Item 15)) attend the initial training program, or, if you are an existing franchisee and will not attend the initial training program, 60 days before opening, and is not refundable.

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Item 6

OTHER FEES

COLUMN 1 TYPE OF FEE[1]	COLUMN 2 AMOUNT	COLUMN 3 DUE DATE	COLUMN 4 REMARKS
Royalty Fees	You are required to pay the greater of an annual minimum royalty in the amount of $20,800 or a calculated royalty based on the following percentages of Gross Revenues on the identified categories of Authorized Products and Services: 7% of exhaust systems 5.5% replacement of engines or transmissions, engine diagnostics, engine seals, mounts and gaskets, transmission mounts, scheduled maintenance 4% of batteries 3% of tires, state inspections, towing services, Emissions Inspections 5% of all other Authorized Products and Services (Note 3)	On or before the day of each week that we periodically specify (the "Payment Day"), currently, Wednesday, you are required to pay the greater of 1/52 of the annual minimum royalty (which equals $400) or your calculated royalty	We may modify the Payment Day and corresponding reporting period at any time. See Note 2 below for a definition of "Gross Revenues." See Note 3 below for a definition of "Authorized Products or Services" and details on the services relating to exhaust system components. The lower rates are applicable only if they are properly reported using approved computer systems; if not, the rate is 7%. The rate on unauthorized services is 7%. The rate for unreported services is 8%. We will determine the amount of royalty fees on new products and services. We will consult with the DAAC (defined in Item 11). In establishing the percentage rate of royalties on newly approved products and services, we will consider your potential profitability on the sales of those services. If, at the end of any calendar year, the actual amount of royalties that you paid us for that year is more than the greater of the annual minimum royalties or the calculated royalties for that year, we will refund to you the difference.

COLUMN 1 TYPE OF FEE[1]	COLUMN 2 AMOUNT	COLUMN 3 DUE DATE	COLUMN 4 REMARKS
			As stated in Item 1, if you sign a new Development Agreement on or after the issuance date of this disclosure document, for each franchise agreement you sign, if you are then in compliance with the Development Schedule, you also will sign a Development Incentive Addendum. Under the Development Incentive Addendum, you will pay a reduced royalty fee for the applicable Meineke Center for a limited period of time, subject to certain conditions. See Note 4 for additional information regarding this and other potentially available royalty incentives and discounts.
Meineke Advertising Fund (the "MAF") Contributions	8% of your Gross Revenues; however, your MAF contribution will be 1.5% of your Gross Revenues from the sale of tires, towing services, and government-regulated inspections (Note 5)	Payable on or before the Payment Day, currently, Wednesday	If, however, your Center is a new Meineke Center, during the 12-week period following the opening of your Center, your weekly MAF contribution will be the greater of 8% of your Gross Revenues or $250. See Note 5.
Successor Franchise Fee	$5,000, subject to any increase in the CPI	Upon signing the new franchise agreement	If you complete your renewal within 180 days prior to the expiration of your Franchise Agreement's term, we will rebate $1,000 of this fee to you. "CPI" means the Consumer Price Index - United States City Average, All Items, for Urban Wage Earners and Clerical Workers, as published by the United States Department of Labor, Bureau of Labor Statistics.

COLUMN 1 TYPE OF FEE[1]	COLUMN 2 AMOUNT	COLUMN 3 DUE DATE	COLUMN 4 REMARKS
Relocation Fee	$1,000	At the time that we consent to the relocation of your Center	Payable if we consent to the relocation of your Center.
Intershop Late Fee	$20	30 days after receipt of an intershop transmittal notice from us	As part of our warranty program, you are required to reimburse any other Meineke Center for repair services it performs under a warranty issued by your Center, but only over a certain monetary threshold. We assess a late fee only if you fail to pay an intershop charge within the 30-day period.
Service Fee	$34	Per week, subject to annual adjustment	Payable if you operate a Co-branded Meineke/Econo Lube Center.
Transfer Fee	$7,500, subject to increase in the CPI, or, at our option, our then-current initial franchise fee for Meineke Centers if the transferee signs our then-current form of franchise agreement	Upon any transfer of the Franchise Agreement or any ownership in you or the assets, revenue, or income of your Center	Either you or the transferee must pay the transfer fee.
Initial Advertising Contribution Upon Transfer	$20,000	Upon any transfer of the Franchise Agreement or any ownership in you or the assets, revenue, or income of your Center	
Resale Assistance Fee	$15,000	Upon any transfer of the Franchise Agreement or any ownership in you or the assets, revenue, or income of your Center	Payable if you elect to participate in the resale assistance program.
M.Key Software Transfer Fee	$1,000	Upon the transfer of the M.Key Software License and Maintenance Agreement to another franchisee approved by us to operate your Center	Payable if the transferee elects to receive assignment of your M.Key Software license.

COLUMN 1 TYPE OF FEE[1]	COLUMN 2 AMOUNT	COLUMN 3 DUE DATE	COLUMN 4 REMARKS
Technology Administrative Fee	$100 per month	As incurred	Payable until corrected if you fail to keep your computer system updated or you fail to promptly install all additions, changes, modifications, substitutions or replacements to the computer hardware, computer software, Internet connections, telephone and power lines, and other data transmission facilities we direct.
Franchisee Profitability Program Software Fees	Currently, $14.95 per month	Monthly Payable only by authorized electronic bank draft	All operating Meineke franchisees are eligible and encouraged to participate in our Franchisee Profitability Program (as described in Item 8). This fee, which is payable only if you elect to participate in the Program, defrays our costs for the Program software and point of sale fees, software support and assistance, and other coordination support. There is also a one-time onboarding fee of $50. These fees may fluctuate as our vendor's pricing changes. See Note 6.

COLUMN 1 TYPE OF FEE[1]	COLUMN 2 AMOUNT	COLUMN 3 DUE DATE	COLUMN 4 REMARKS
M.Key Software Maintenance Fee	$375 Basic Software Maintenance Fee (or, if you purchase AutoVitals, $275) Additional options: Up to $200 per month – Technical Procedures Software $25 per month – Quick Books Integration $59 per month Motovisuals AutoVitals (eInspection): $399 one-time setup fee $225 per month basic package $24 per month for each additional technician tablet above the three tablets provided with the basic package	Monthly Payable only by authorized electronic bank draft	Payable under the M.Key Software License and Maintenance Agreement. We reserve the right to increase the monthly Software Maintenance Fee: (a) on each anniversary of the M.Key Software License and Maintenance Agreement's effective date to reflect any increase in the CPI for the preceding 12-month period or, if we elected not to increase the Software Maintenance Fee on any anniversary of that effective date, the aggregate increase in the CPI from the date of the last increase; and (b) at any time to reflect any increase in any third party's charges to us. See Notes 6 and 7.
AutoNet TV Fee	$30 to $50 per month, subject to periodic adjustment	Monthly Payable only by authorized electronic bank draft	Covers your monthly subscription to AutoNet TV's streaming content.
Attorneys' Fees and Other Costs	Will vary under the circumstances	As incurred	Payable if we prevail in a legal dispute with you about any breach of the Franchise Agreement or Development Agreement.

COLUMN 1 TYPE OF FEE[1]	COLUMN 2 AMOUNT	COLUMN 3 DUE DATE	COLUMN 4 REMARKS
Indemnification	Will vary under the circumstances	As incurred	You must reimburse us if we are held liable for third-party claims arising from the development and operation of your Center(s).
Commingled Funds Fee	$2,500, plus $250 for each subsequent month until you separately account for the funds	Upon receipt of invoice	Payable if audit reveals commingling of Center funds with any other funds, whether your personal funds or funds from your other businesses.
Audit	Cost of audit, including the charges of any independent accountant and/or third-party vendor, attorneys' fees, and per diem fees and costs of our employees, including travel and lodging and other out-of-pocket costs, plus interest	Upon receipt of invoice	Payable if (a) you fail to submit Gross Revenues statements; (b) you fail to maintain books and records or computers as required, including point of sale records; (c) the audit reveals an understatement of Gross Revenues greater than 2% for any consecutive 12-month period; or (d) you fail to produce all of your books and records as required within 15 days after our request.
Reimbursement of Repair and Maintenance Costs	Will vary under the circumstances	As incurred	If you fail or refuse to repair or maintain your Center as required, we may do so on your behalf and at your expense.
Interest on Late Payments and Other Related Charges	Interest rate on late payments is 3% above the prime rate, not to exceed the highest rate permitted by law $35 charge for each non-sufficient funds occurrence	Interest begins accruing 10 days after the payment due date and is due immediately	This interest rate applies to any money you owe to us or any of our affiliates, including contributions to the MAF and other regional or local cooperatives. We also may assess service charges for any items that are returned for insufficient funds and late charges if permitted by applicable law.
Fascia and Sign Update	$3,000	At the time of purchasing an existing franchise	This deposit is for the sign order (fascia) and is payable only if you purchase an existing Meineke Center franchise.

COLUMN 1 TYPE OF FEE[1]	COLUMN 2 AMOUNT	COLUMN 3 DUE DATE	COLUMN 4 REMARKS
Alternative Supplier Evaluation Fees	Will vary under the circumstances	As incurred	If you seek approval of a part offered by a supplier, which has not been tested by an independent certified laboratory, we may charge a reasonable evaluation fee.
Training Fees	No charge associated with initial training for you (or, if you are a business entity, your Operating Partner) and one other person who has signed or guaranteed your obligations under the Franchise Agreement, but we may charge a fee to cover our out-of-pocket costs of supplemental training	As incurred	Payable if you ask for special assistance, or we determine that there are significant deficiencies in your Center, and we require your personnel to undergo additional training.
Upgrade of Center	Up to $20,000 per occurrence	As incurred, but not more often than once every five years during the Franchise Agreement's term	You must periodically upgrade and/or remodel the Center as we reasonably require. Substantial upgrades and remodeling will not be required more than once every five years during the Franchise Agreement's term or involve a capital cost of more than $20,000 per occurrence. On renewal of your franchise, there is no monetary limitation on the cost of updating your Center.
Sublease Rent	110% of the rent payable by the sublessor, plus an amount equal to 1.25% of the contribution made by the sublessor to fund construction and improvement of the premises	As incurred	Under certain circumstances, you may sublease your location from Realty or another affiliate of ours.

NOTE 1: With the exception of the fascia and sign update, all fees are nonrefundable. Unless noted, all fees are uniformly imposed by and payable to us.

NOTE 2: "Gross Revenues" means all the revenues derived from or in connection with the operation of your Center, whether from sales for cash or credit, and irrespective of their collection, including charges for Authorized Products and Services and applicable proceeds from any business interruption insurance for your Center, but excluding: (a) sales taxes, use taxes, gross receipts taxes, and other similar taxes added to the sale price, collected from the customer and remitted to the appropriate tax authorities; (b) credit card fees on credit card sales; and (c) check guaranty fees. Gross Revenues also include revenues derived from any products or services sold and/or performed from or in connection with your Center that are not Authorized Products and Services. Neither the inclusion of revenues from the sale or performance of unauthorized products or services from or in connection with your Center in the definition of "Gross Revenues" nor our collection of royalty fees on those unauthorized products and services constitutes an acknowledgment or admission by us that those unauthorized products or services are Authorized Products and Services or a waiver of our right to assert that the sale of unauthorized products and services in connection with your Center is a breach of the Franchise Agreement or otherwise violates our rights.

NOTE 3: "Authorized Products and Services" means the installation, repair and maintenance of, and all parts relating to, the mechanical and electrical systems on cars and light vehicles and the sale of any such parts.

Services relating to the exhaust system components include installation, repair and sale of mufflers, pipes, clamps, catalytic converters, flex hoses, resonators and other parts customarily considered parts of the exhaust system. If you are purchasing a new Meineke Center that has never operated prior to the date you begin operating, the annual and minimum royalties do not start until six months after you begin to do business at the Center.

NOTE 4: If you are an existing Meineke franchisee in good standing and are purchasing an additional Meineke Center for new development, you are eligible for a 75% reduction in royalty fees for the first six months of operation of the additional Meineke Center. After the first six months, you will pay the standard royalty fees.

The royalties under the conversion program are reduced by 50% for the first two years of operation of the converted Meineke Center, subject to the terms and conditions stated in the Conversion Agreement. After the first two years, you will pay the standard royalty fees.

We participate in the International Franchise Association's VetFran Program. Veterans of the U.S. armed forces who otherwise meet the requirements of the VetFran Program will receive a 50% reduction in royalty fees for the first six months of operation of their Meineke Centers.

Under the Development Incentive Addendum (if applicable), subject to your continuing compliance with certain terms and conditions, during the 36-month

period following the actual opening date of the applicable Meineke Center (the "Royalty Reduction Period"), the royalty fee for Authorized Products and Services will be reduced to: (a) during the first 12 months of the Royalty Reduction Period, 1% of Gross Revenues from the sale of Authorized Products and Services; (b) during the second 12 months of the Royalty Reduction Period, 1% of Gross Revenues from the sale of Authorized Products and Services; and (c) during the third 12 months of the Royalty Reduction Period, the greater of 3% of Gross Revenues from the sale of Authorized Products and Services or $11,345. If Gross Revenues during the first or second 12-month period of the Royalty Reduction Period exceed $650,000 (the "Royalty Threshold"), upon your receipt of notice from us, the Development Incentive Addendum and the royalty reduction incentive will terminate at the end of the 12-month period in which the Royalty Threshold is first surpassed. In addition, we may terminate the Development Incentive Addendum and the royalty reduction incentive if: (i) we terminate the Development Agreement; (ii) we place you in default of the Franchise Agreement, and you fail to cure the default within the applicable cure period, if any, regardless of whether we elect to terminate the Franchise Agreement; or (iii) the Center fails to satisfy any of the incentive conditions during the Royalty Reduction Period. Upon the expiration or termination of the Development Incentive Addendum, the royalty fee for Authorized Products and Services will be calculated under the terms of the applicable Franchise Agreement without regard to the royalty reduction described in this paragraph. As stated above, only franchisees signing a new Development Agreement on or after the issuance date of this disclosure document are eligible for these incentives. Except as stated in this paragraph, there are no other royalty incentives or discounts available under the Development Agreement.

The royalty fee incentives and discounts described in this Note 4 may not be combined.

We may periodically implement incentive programs to encourage franchise system growth in addition to or in lieu of those described in this Note 4. Under our incentive programs, we may, among other things, waive or reduce the royalty fee and/or MAF contribution payable by a franchisee for a limited period of time. We may modify or discontinue any incentive program at any time.

NOTE 5: We may reduce the percentage amount of your contributions to the MAF on Gross Revenues from the sale of any products and services that are not Core Authorized Products and Services (defined in Item 16) and change the way the reduced percentages are allocated.

If you sign "Version 1" or "Version 2" of the Advertising Addendum to Franchise and Trademark Agreement (Exhibit Z) (either, the "Advertising Addendum"), your weekly MAF contribution will be reduced, subject to certain conditions. Specifically, if you sign "Version 2" of the Advertising Addendum and meet our continuing eligibility criteria, you will contribute weekly to the MAF: (a) during the 12-month period following the effective date of the Addendum (the

"Addendum Date"), 6% of Gross Revenues; and (b) during the balance of the term of the Franchise Agreement, (1) if you are a "Tier Two" franchisee, 5.5% of Gross Revenues, or (2) if you are a "Tier One" franchisee, 6% of Gross Revenues. We will determine "Tier One" and "Tier Two" eligibility on a yearly basis, in our discretion, after consulting with the DAAC. For Gross Revenues from the sale of tires, towing services or government-regulated inspections, your weekly MAF contribution will remain 1.5% of Gross Revenues.

If you are renewing your franchise rights and sign "Version 1" of the Advertising Addendum and meet the "Tier One" or "Tier Two" eligibility requirements, we will allocate to a capital fund: (A) during the first calendar year (or part thereof) following the Addendum Date, 1% of your weekly MAF contributions; and (b) during the second calendar year following the Addendum Date, 2% of your weekly MAF contributions. During the third calendar year following the Addendum Date, we will direct funds in the capital fund solely to improve the image of your Center, including replacing and/or upgrading exterior and interior signs and décor according to our then-current image guidelines for a Meineke Center, in consultation with you. If funds remain in the capital fund after the Center image improvements, we will remit them to you to use for further improvements to the Center, at your discretion. For the third calendar year following the Addendum Date and continuing through the balance of the term of the Franchise Agreement, your weekly MAF contributions will be reduced as described above (5.5% of Gross Revenues if you are a "Tier Two" franchisee or 6% of Gross Revenues if you are a "Tier One" franchisee).

In addition to your MAF contributions, we strongly recommend that you spend 2% of your Gross Revenues on local advertising, except to the extent you are required to make additional contributions for the local directory advertising for your market.

NOTE 6: We and our affiliates may charge you upfront and ongoing fees for any required or recommended proprietary software or technology that we or our affiliates license to you and for other required or recommended computer system maintenance and support services that we provide you during the Franchise Agreement's term. The aggregate ongoing fees for the software, technology, and services, however, will not exceed $750 per month (the "Monthly Technology Cap"). We may increase the Monthly Technology Cap on January 30, 2026 and every five years afterward to reflect any increase in the CPI for the preceding 60-month period or, if we elected not to increase the Monthly Technology Cap on any applicable January 30, the aggregate increase in the CPI from the date of the last increase. The following will not be subject to the Monthly Technology Cap: (a) any initial or upfront fees or similar one-time fees; (b) any optional software, technology, or services that we have not expressly recommended; (c) any computer hardware; (d) any front office software or applications; and (e) any software, products, applications, services, or equipment that you are required to

purchase or lease in order to offer and provide Authorized Products and Services and/or otherwise operate the Center.

NOTE 7: M.Key Software License Fee Pricing:

New Meineke Center for a new franchisee:	$4,995
All new Meineke Centers for an existing franchisee:	$2,995
All conversion Meineke Centers:	$2,995

As stated in Item 5, if you are a new Meineke franchisee, currently, you must use and purchase from us our M.Key Software and sign the M.Key Software License and Maintenance Agreement.

Item 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

COLUMN 1 TYPE OF EXPENDITURE	COLUMN 2 AMOUNT (1)	COLUMN 3 METHOD OF PAYMENT	COLUMN 4 WHEN DUE	COLUMN 5 TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Fee (2)	$45,000	As Incurred	When you sign the Franchise Agreement	Us
Living Expenses During Initial Training (3)	$7,500 - $10,000	As Incurred	As Incurred	Various third parties
Real Estate Rent and Security Deposit (4)	$5,585 - $12,600	As Incurred	As Incurred	Lessor
Opening Inventory	$10,000 - $15,000	Lump Sum or Financed	At Training	Supplier
Equipment, Signs, Small Tools, Installation (5)	$35,000 - $175,000	Lump Sum or Financed	Before Opening	Affiliate or Supplier
Freight	$3,500 - $7,500	Lump Sum	Before Opening	Affiliate or Supplier
Point of Sale Software and Computer Hardware (6)	$4,871 - $10,000	Lump Sum	Before Opening	Us, an Affiliate or Supplier
Center Supplies	$4,318 - $6,318	Lump Sum	Before Opening	Affiliate or Supplier
Insurance	$10,000 - $12,000	Lump Sum	Before Opening	Insurance Company (annually)

COLUMN 1 TYPE OF EXPENDITURE	COLUMN 2 AMOUNT (1)	COLUMN 3 METHOD OF PAYMENT	COLUMN 4 WHEN DUE	COLUMN 5 TO WHOM PAYMENT IS TO BE MADE
Initial Marketing	$20,000	As Incurred	Before you (or your Operating Partner) attend the initial training program (or, if you are an existing franchisee and will not attend the initial training program, 60 days before you open the Center)	Us
Legal and Accounting Expenses	$1,000 - $12,400	As Incurred	As Incurred	Attorney and Accountant
Building Improvements and Building Design (7)	$30,000 - $180,000	As Incurred	Before Opening	Lessors, Suppliers, Utilities, Tradespeople
Additional Funds - 3 Months (8)	$50,000 - $75,000	As Incurred	As Incurred	Employees, Suppliers, Utilities, etc.
TOTAL ESTIMATED INITIAL INVESTMENT (leased location) (9)	$226,774 - $580,818			

NOTE 1: The low end of these estimates is based on a 3,400 square foot five-bay location, which includes five vehicle lifts, and the high end of these estimates is based on a 7,000 square foot six-bay location, which includes six vehicle lifts. If you open a Meineke Car Care Center with more than six bays, your costs will be greater. The Meineke real estate team may be able to assist you in identifying an existing automotive repair facility for conversion to a Meineke Center, which may accelerate the actual opening date of that Meineke Center and decrease the establishment costs stated above.

Because owners of existing automotive repair facilities often bring an existing customer base to the Meineke system, we may occasionally offer certain incentives to these franchisees who convert their businesses to Meineke Centers, as described in the Conversion Agreement.

NOTE 2: As described in Item 5, when you sign the Franchise Agreement, you must pay us an initial franchise fee of $45,000; however, you may pay a reduced initial franchise fee under certain circumstances, as described in Item 5. The initial franchise fee is not refundable.

NOTE 3: You are responsible for expenses for airfare (varies with current airfare prices), hotel, meals, and incidentals incurred by you (or your Operating Partner) and your personnel (as applicable) during training.

NOTE 4: Most Meineke franchisees lease the premises for their Meineke Centers. Rent depends on geographic location, size, local rental rates, businesses in the area, site profile, and other factors, varies from market to market, and could be higher in large metropolitan areas than in suburban markets and smaller metropolitan areas. Your landlord likely will require you to pay a security deposit equal to one month's rent or more. (Security deposits may be refundable.) Your lease negotiations with your landlord and the size and market area of the Center's location ultimately will dictate when your rental payments will begin.

If you purchase an existing automotive repair center for conversion to a Meineke Center, you may be able to negotiate more favorable lease terms if the seller is also the landlord for the facility premises.

It is possible, however, that you will choose to buy, rather than rent, real estate on which a building suitable for the Center already is constructed or could be constructed. Real estate costs depend on location, size, visibility, economic conditions, accessibility, competitive market conditions, and the type of ownership interest you are buying. Because of the numerous variables affecting the value of a particular piece of real estate, this initial investment table does not reflect the potential purchase cost of real estate or the costs of constructing a building suitable for the Center.

NOTE 5: Equipment costs are reduced when converting an existing auto repair shop with existing equipment.

NOTE 6: We describe the required computer system in Item 11. As stated above, if you are a new Meineke franchisee, currently, you must use and purchase from us the M.Key Software. You may purchase any hardware system that meets or exceeds our then-current requirements.

NOTE 7: These amounts include property renovation costs (which may be contained in the cost of the property as described above), design fees, utility expenses, and expenses for minor repairs.

NOTE 8: These estimates are of your general operating expenses and working capital requirements for your first three months of operations and include such costs as lease payments, advertising, payroll, supplies, telephone, professional services, vehicle expenses, taxes and licenses, debt-service, repairs and maintenance, and other costs. These costs do not usually include the owner's salary. These figures are estimates, and we cannot assure you that you will not have any additional expenses in starting the Center. Your actual expenses will depend on factors such as your management skill, experience and business acumen; local economic

conditions, the local market for the Center; the prevailing wage rate; competition in the market place; and sales level reached during the start-up phase.

NOTE 9: We relied on our and our predecessors' over 50 years of franchising Meineke Centers to compile these estimates. Except as otherwise noted, none of these expenses are refundable. These payments are only estimates and your costs may be higher, depending on your particular circumstances. You should review these figures carefully with a business advisor, accountant or attorney before making any decision to purchase a franchise. We do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing depend on many factors, including the availability of financing generally, your creditworthiness and collateral, and lending policies of financial institutions from which you request a loan.

NOTE 10: Except for the non-refundable Development Fee, there is no initial investment required to begin operating under the Development Agreement. As stated in Item 1, you must commit to developing a minimum of four Meineke Centers under the Development Agreement, in which case the Development Fee would be $107,500.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

To ensure the Meineke system maintains high and uniform standards of quality and service, you must operate your Center in strict conformity with our methods, standards and specifications set forth in the Operations Manual (defined in Item 11) periodically. The Operations Manual prescribes methods, standards, and specifications that we require or recommend in the operation of your Center. Under certain circumstances, we or our affiliates may negotiate purchase arrangements or terms (such as price) with suppliers for your benefit. We do not provide material benefits (e.g., renewal or additional franchises) to you based on use of designated or approved suppliers. None of our officers currently own an interest in any non-affiliated, third-party suppliers that comprise the existing supply base for the Meineke franchise system.

A group of Meineke franchisees have formed a purchasing cooperative for equipment and supplies. This cooperative is entirely independent from us, and we make no recommendations or endorsements with respect to its activities.

Equipment Parts, Inventory, and Supplies

All equipment and fixtures you use in connection with your Center must be of the types, brands and models that we may determine to meet industry standards as to quality, performance and safety. All signs that you purchase or lease must be of the types, brands and models that meet our standards and specifications. As long as these items meet our standards, you may purchase or lease equipment, fixtures, inventory, and supplies from any supplier. Required equipment for your Center includes an alignment machine, a tire changing machine, a wheel

balancer, lifts (two post and four post), cutting and welding equipment, air compressor, drum/disc brake lathe, brake tools, certain hand tools and supplies, a computer-based point of sale system, and sequentially numbered customer receipts that you must purchase from our designated supplier. With the exception of sequentially numbered customer receipts, which you are required to purchase from our designated suppliers, you may purchase your supplies from any supplier who meets the standards that we may designate periodically. While we maintain a list of suppliers for these items, you may choose to purchase them from other suppliers. You may purchase, where applicable, a portion or all of the required equipment and supplies through an affiliate we may designate. In many cases, where possible, we will arrange for the installation of the equipment you purchase through our affiliates and, in some cases, operating instructions in the use of the equipment.

Your Center may use only parts, uniforms, forms, labels, inventory and supplies that conform to our specifications and standards as to quality, performance, and safety and/or are purchased from suppliers (which may include us and/or our affiliates) we approve. We maintain a list of these suppliers. Exhaust system parts that meet the most stringent noise regulations of all the states in the United States, currently California, will be deemed approved. Unless we determine otherwise, all other parts that meet the original equipment manufacturer's standards will be deemed to meet our specifications as to quality, safety, and performance. Except for customer receipts, if we require you to purchase an item exclusively from us, we will sell the item at our cost. We and our affiliates have the right to profit from the sale of any other items for which we or they are approved suppliers. The items that you are required to purchase that are subject to standards and specifications will constitute between 40% to 50% of your overall purchases in operating your Center.

We may periodically modify our specifications and standards for parts, uniforms, forms, labels and other inventory and supplies and the list of approved suppliers for them. After we provide you with notice of a modification, you may not reorder any parts, uniforms, forms, labels or other inventory and supplies that do not meet our then-current specifications and standards or reorder any of those items from any supplier who is no longer approved.

If you want to order on a regular basis any parts, uniforms, forms, labels and other inventory and supplies from any supplier who we have not then approved, you must first submit to us sufficient information, specifications and samples concerning the supplier so that we can determine whether the supplier meets our approved supplier criteria. If we do not disapprove the supplier within 30 days after we have received all requested information, then the supplier will be deemed approved. Standards for a product will be applied uniformly to all suppliers of the product. If you seek approval of a part offered by a supplier which has not been tested by an independent certified laboratory, we may charge reasonable fees to cover our costs of evaluating the supplier. We may prescribe procedures for the submission of requests for approval and impose obligations on suppliers that we may require to be incorporated in written agreements.

Computer System

We require you to purchase or lease, at your expense, a computer system meeting certain specifications as described in Item 11. You may use any computer hardware you consider to be appropriate, provided it meets or exceeds our then-current requirements. You may only use shop

management software in the operation of your Center that we have approved. Currently, we are the only approved supplier of shop management software (M.Key Software) for new franchisees. New franchisees will be trained by us or MCC using the M.Key system. Existing franchisees may opt to use VAST software from MAM Software Group, Inc. as their shop management software, and, if they do, they will be responsible for obtaining training.

All operating Meineke franchisees are eligible and encouraged to participate in our Franchisee Profitability Program. If you elect to participate in the Program, you also must install and use in the operation of your Center the Franchisee Profitability Program software. This software assists you in preparing and submitting standardized profit and loss information to Meineke's Franchise Profitability Program department directly, so that we may use the data to improve overall franchisee performance within the Meineke system.

Items From Which We Derive Revenue

We have entered into a license agreement with a third-party vendor, under the terms of which the vendor has granted us a license to use, and license our franchisees to use, certain shop management software, which has been customized for use in Meineke Centers. We refer to this customized software as the M.Key Software. We and our affiliates market and provide certain support and maintenance services in connection with the M.Key Software for profit. The purchase of software from approved sources will represent 1% to 4% of your initial investment in a Meineke Center.

If you request, we or our affiliates will order certain pieces of your Center equipment. We or our affiliates will pay the manufacturer directly and then you will reimburse us or them for the costs of the equipment prior to opening your Center. We and/or our affiliates may periodically receive prompt pay discounts, which we and they do not pass on to you unless you pay for the equipment directly at the time of the initial invoice issued by the manufacturer. In the fiscal year ending December 30, 2023, we and/or our affiliates received prompt pay discounts from vendors in the amount of $46,379. The purchase of equipment will represent between 28% and 55% of your initial investment in a Meineke Center. In the fiscal year ending December 30, 2023, our affiliates' revenue from the sale of all equipment, inventory, supplies and other materials and products to Meineke franchisees was approximately $1,274,520. We derived these figures from our affiliates' internally prepared financial statements.

Realty or another Meineke affiliate may derive revenues from subleasing locations to franchisees. You do not have to sublease your Center location from one of our affiliates. However, if our affiliate has entered into a primary lease with a landlord for a location that you wish to operate, then you must sublease that location from our affiliate. (A copy of the Sublease Agreement is attached to this disclosure document as Exhibit E.) In that instance, our affiliate will mark up the lease no less than 10% of the rent payable to the landlord plus an amount equal to 1.25% of the aggregate contribution made by our affiliate to fund the construction and improvement of the premises. In the fiscal year ending December 30, 2023, with the exception of nine leases, our affiliates did not mark up the rent charged by the landlords to our affiliates. For the fiscal year ended December 30, 2023, our affiliates' gross revenue from subleasing was approximately $1,343,698.

Rebates and Promotional Allowances

Currently, neither we nor our affiliates will solicit or accept any rebates from any approved supplier of equipment, signs, parts or other supplies based on the amount of your purchases from such supplier, but we may solicit and accept rebates based on the amount of purchases by us and our affiliates. We may solicit and accept other benefits from suppliers, such as promotional allowances, provided we use them for the benefit of the chain of Meineke Centers, such as defraying the cost of training programs, dealer conventions, special events and meetings. In the fiscal year ended December 30, 2023, we received $1,064,945 in promotional allowances, which we used solely for the benefit of the Meineke Car Care Centers chain, as the Franchise Agreement requires, including for dealer convention costs, contest and President's Club sales incentive trip, Regional Council meetings, dealer training meetings, MDPCI training events, and test programs. We may also solicit and accept royalty fees and other payments from suppliers for authorization to use the Marks. Otherwise, you and we agree not to solicit or accept any benefits from any preferred supplier that are not offered on a comparable basis to all owners of Meineke Centers.

As described above, we have the right to obtain benefits from suppliers, and we intend to solicit and receive benefits in the future which are intended to benefit the chain of Meineke Centers.

We and our affiliates periodically test equipment and tools at the Meineke University training center located in Charlotte, North Carolina before approving them for use by franchisees. "Preferred Suppliers" are approved suppliers who provide equipment, parts, supplies or other products for use in our training programs and the Operations Manual to demonstrate and teach techniques in performing services associated with Authorized Products and Services. The following manufacturers have supplied us and our affiliates certain equipment or tools for use in the Meineke University training center in Charlotte, North Carolina after the initial test period: Hennessy Industries, Inc., Hunter Engineering Company, OTC Division-Robin Air-SPX Corporation, Huth Corporation, Ingersoll-Rand Company, Vacula Automotive Tools and Equipment, Rotary Lift - A Dover Industries Company, Ever-Wear, American Lubrication Equipment Corporation and Redline Detection. We and our affiliates use the equipment and tools, in part, to provide additional instruction to our franchisees on their proper use and maintenance. We will submit any Preferred Supplier arrangement to periodic competitive bidding.

Site Selection

You must select a site for your Center that meets our approval no later than 180 days after you sign the Franchise Agreement.

If your Center is a new Meineke Center, you must lease, sublease or purchase the Premises (defined in Item 11) within one year after the date of your Franchise Agreement. We have the right to approve the terms of any lease, sublease or purchase contract for the Premises of your Center, which approval will not be unreasonably withheld. Any lease or sublease for the Premises must contain certain provisions acceptable to us. These conditions include a provision giving us the right on any termination or expiration of the Franchise Agreement (unless you

exercise your right to renew or go independent in accordance with the Franchise Agreement) to assume the lease or sublease or to enter into a further sublease for a period of not less than 12 months and not more than 18 months, without the lessor's or sublessor's consent. (Lease Addendum, Exhibit G)

Development and Opening of Your Center

You are solely responsible for developing and operating your Center and for all associated expenses. You must submit the plans and specifications to us for our approval before starting to develop the Premises of your Center. All development must be in accordance with the plans and specifications we have approved and must comply with all applicable laws, ordinances and local rules and regulations (including the Americans with Disabilities Act and the Occupational Safety and Health Act) detailed in Exhibit F to this disclosure document. We may periodically inspect the Premises during its development. Your Center may not be opened for business until we notify you that all our requirements for opening have been met. You agree to open your Center within 18 months after the date of your Franchise Agreement. However, if you fail to open your Center within 18 months due to reasons beyond your control (such as acts of God, unavoidable delays in obtaining zoning permits or unavoidable construction delays), we will grant a reasonable extension of time for you to open your Center.

Advertising by Franchisee

In addition to your required contribution to the MAF described in Item 11, we strongly recommend that you advertise locally. You must submit to us no later than 60 days in advance samples of all advertising and promotional materials that we did not prepare, and use of the advertising and promotional materials will be subject to our prior written approval. You may not use any advertising or promotional materials that we have not approved in writing. All of your advertising and promotion must be completely factual and conform to the highest standards of ethical advertising. You must refrain from any business or advertising practice that may injure our business, the business of other Meineke Centers or the goodwill associated with our Marks.

All advertising by you in any medium must be approved by us in writing prior to development or use, and must conform to our standards and specifications, including websites and online listings. You may not create and maintain your own websites for the Center or that advertise the Center or other Meineke Centers you own and operate. We will create and maintain these properties for you to ensure they are consistent with Meineke standards and adhere to best practices. We reserve all rights to directory or online listings, which include any online presence or accounts that use the Marks. You must cooperate in any of our attempts to gain access to and control of these listings. You may be provided the right to gain access to online listings we create and/or post content on online listings for your Center, but all content posted must be approved by us. We may revoke access to online listings if brand standards are violated or our consent is either not solicited or withheld.

Insurance

You must maintain in force and provide us evidence, in the form we require, of: (a) comprehensive, commercial, general liability policy (currently in the amount of $1,000,000

per occurrence); (b) garage keepers liability insurance policy (currently in the amount of $20,000 per bay); (c) product and automobile liability insurance; (d) general casualty insurance, fire and extended coverage, vandalism and malicious mischief insurance, for the replacement value of your Center and its contents; and (e) other insurance policies, such as business interruption insurance, as we may reasonably determine periodically. (Insurance Compliance for Meineke Car Care Centers, Exhibit O)

We reserve the right to periodically increase those amounts. However, before we do so we agree to consult with the DAAC. All insurance policies must be issued by carriers with at least an A- rating with A.M. Best Company, Inc. (or a similar rating by a comparable rating service accepted by us) and must contain the types and minimum amounts of coverage, exclusions and maximum deductibles that we periodically prescribe, must name us and our affiliates as additional insureds, provide for 30 days' prior written notice to us of any material modification, cancellation or expiration of the policy and include all other provisions that we may require.

Telephone and Other Telecommunications Numbers

Your Center must maintain a telephone listing. You must pay all telecommunications charges directly to the telecommunications company. If under any circumstances your Center closes, we have the right to forward all calls to 1-800-MEINEKE. We may place protective codes restricting access to the telephone listing in order to protect the franchise system in the event you no longer operate your Center as a Meineke Center. (Release of Telephone Number and Transfer of Telephone Service, Exhibit K)

Specifications and Standards

The appearance and operation of your Center is important to us and is subject to our specifications and standards. You must comply with all mandatory specifications, standards and operating procedures and other obligations that are contained in the Operations Manual that relate to the development and operation of a Meineke Center, including: (1) offering only Authorized Products and Services; (2) sales procedures, customer warranties and services; (3) advertising and promotional programs; (4) days and hours of operation; and (5) accounting and record keeping systems and forms as they relate to the reporting of sales at your Center. We will consult with the DAAC on any material changes to the Operations Manual. We will not change the required days and hours of operation unless all our company-owned Meineke Centers and at least 1/3 of all Meineke Centers located in the United States operate during the revised days and hours. Afterwards, you will have six months to modify your Center's days and hours of operation to the new requirements.

Condition of Center

You must maintain the condition and appearance of your Center so that it is clean and attractive. You must repair and make modifications and additions to equipment, furnishings, or signs that do not meet our standards. We may require you to upgrade and/or remodel your Center periodically. However, we will not require you to make substantial upgrades or remodel your Center more than once every five years or involve a cost more than $20,000. You may not

make any alterations to your Center, nor any replacements, relocations, or alterations of fixtures, equipment or signs that do not meet our then-current standards and specifications.

Development Agreement

The Development Agreement does not require you to buy or lease from us (or our affiliates), our designees, or approved suppliers, or according to our specifications, any goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, or comparable items related to establishing or operating your business under the Development Agreement. However, you must give us information and materials we request concerning each site at which you propose to operate a Meineke Center so that we can assess that site, which is subject to our written acceptance.

Item 9

FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in agreement	Disclosure document item
a. Site selection and acquisition/lease	§§ 2.2 and 4.1 of Franchise Agreement; § 5 of Development Agreement	Items 8, 11 & 12
b. Pre-opening purchases/leases	§§ 4.1 and 4.3 of Franchise Agreement	Items 7 & 8
c. Site development and other pre-opening requirements	§ 4 of Franchise Agreement	Items 7 & 11
d. Initial and ongoing training	§§ 5.1 and 5.2 of Franchise Agreement	Item 11
e. Opening	§ 4.2 of Franchise Agreement	Item 11
f. Fees	§ 3 of Franchise Agreement; § 7 and Exhibit C of Development Agreement	Items 5, 6 & 7
g. Compliance with standards and policies/Operations Manual	§§ 4.3, 5.4 and 7 of Franchise Agreement	Items 8 & 11
h. Trademarks and proprietary information	§§ 10 and 11 of Franchise Agreement	Items 13 & 14
i. Restrictions on products/services offered	§ 7.1 of Franchise Agreement	Items 8 & 16
j. Warranty and customer service requirements	§§ 7.12 and 7.13 of Franchise Agreement	Items 6 & 11

Obligation	Section in agreement	Disclosure document item
k. Territorial development and sales quotas	§ 2.3 of Franchise Agreement; §§ 3 and 4 and Exhibits A and B of Development Agreement; Limited Exclusivity Addendum (if applicable)	Item 12
1. Ongoing product/service purchases	§ 7.2 of Franchise Agreement	Item 8
m. Maintenance, appearance, and remodeling requirements	§§ 7.3, 7.4 and 7.5 of Franchise Agreement	Item 8
n. Insurance	§ 7.10 of Franchise Agreement	Items 6 & 11
o. Advertising	§§ 3.4 and 8 of Franchise Agreement	Items 6, 8 & 11
p. Indemnification	§ 16.2 of Franchise Agreement; § 20 of Development Agreement	Item 6
q. Owner's participation/ management/staffing	§§ 6 and 7.8 of Franchise Agreement; § 8 of Development Agreement	Item 15
r. Records/reports	§§ 9.1, 9.2 and 9.3 of Franchise Agreement	Item 8, 11 & 16
s. Inspections/audits	§§ 5.3, 9.5 and 9.6 of Franchise Agreement	Item 6
t. Transfer	§ 12 of Franchise Agreement; §§ 13, 14, and 15 of Development Agreement	Items 6 & 17
u. Renewal	§ 14 of Franchise Agreement	Items 6 & 17
v. Post-termination obligations	§§ 11.4, 14 and 15 of Franchise Agreement	Item 17
w. Non-competition covenants	§ 11.2, 11.4 and 12.2(k) of Franchise Agreement; § 12 of Development Agreement	Item 17
x. Dispute resolution	§ 17 of Franchise Agreement; § 22 of Development Agreement	Item 17

Item 10

FINANCING

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

Item 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

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

As noted in Item 1, we have entered into a management agreement with Driven Brands for the provision of support and services to Meineke franchisees. Driven Brands may delegate certain of these responsibilities to MCC, Driven Brands Shared Services or other affiliates. However, we remain responsible for all of the support and services required under the Franchise Agreement and the Development Agreement.

Pre-Opening Obligations

We or our designee will provide you the following pre-opening assistance:

1. We will approve or disapprove the site you select for your Center. We generally do not own the Premises in which you operate your Center (Franchise Agreement, §§ 2.2 and 4.1).

2. We will provide you (or, if you are a business entity, your Operating Partner) and one other person an initial training program, as further described below. In addition, we will provide Internet training to your manager (Franchise Agreement, § 5.1).

3. We will provide you access to our confidential operations manual (the "Operations Manual") at no charge (Franchise Agreement, § 5.4). The Operations Manual currently has approximately 99 pages and may be found online on the dealer-only section of the Meineke website: www.meineke.com. The Operations Manual is subject to change periodically and will be updated as changes become effective. The online version of the Operations Manual is the guiding manual and, in the event of a conflict between any paper version of the Operations Manual and the online Operations Manual, the online Operations Manual will control. The table of contents of the Operations Manual is attached to this disclosure document as Exhibit I.

4. If you sign a Development Agreement, for each Meineke Center developed under the Development Agreement, we will review and approve in writing or reject a completed site application for each proposed site and examine and approve or reject the lease for the proposed site (Development Agreement, § 5).

Ongoing Obligations

We or our designee will provide you with the following assistance during the operation of your Center:

1. We will provide you (or your Operating Partner) an opportunity to attend the initial training program for retraining at no charge. If we add any Core Products and Services after you sign your Franchise Agreement, we will provide an opportunity to attend training as to

the general aspects of the new products or services at times and places that we determine (Franchise Agreement, § 5.1).

2. We will provide periodic guidance with respect to the Meineke system, including improvements and changes to it. This guidance, at our discretion, will be provided in the form of the Operations Manual, bulletins and weekly newsletters, and other written or electronic communications, consultations by telephone or in person at our offices or at your Center, and by any other means of communications (Franchise Agreement, § 5.2).

3. On reasonable request, we will endeavor to provide special training on various aspects of operating a Meineke Center. You must pay the training fees and charges we establish periodically (Franchise Agreement, § 5.1).

4. We will provide Internet training through our dealer website, at no cost to you.

5. We and/or our agents may conduct both on-site and virtual Center inspections to evaluate, among other things, the Center's operation and your compliance with the Meineke system, when and as frequently as we deem appropriate (Franchise Agreement, § 5.3).

6. We will maintain a national customer warranty program (Franchise Agreement, § 7.12).

7. We will administer the MAF (Franchise Agreement, § 8.2).

8. If you sign the Development Agreement, during the term of the Development Agreement, we will grant you franchises for Meineke Centers if we approve your completed site applications in writing. For each Meineke Center, you must sign our then-current form of franchise agreement and related documents, the terms of which may differ substantially from those in the Franchise Agreement attached to this disclosure document and, if applicable, the Development Incentive Addendum (Development Agreement, §§ 5 and 6). (The Development Schedule will dictate the respective deadlines by which you (or your approved affiliate) must sign a purchase agreement, lease, or sublease for the premises for, sign the franchise agreement for, and open each Meineke Center.)

We will consult with the Dealer Association Advisory Council (the "DAAC") on certain issues relative to various matters relating to our relationship with all franchisees in our franchise system. The areas of consultation, and consent where applicable, are stated in the Franchise Agreement. The DAAC is a representative committee from the Meineke Dealer Association ("Association"), which is an independent association of Meineke franchisees. We will consult the DAAC as long as the Association represents at least 50% of all franchised Meineke Centers and continues to be representative of the franchisee body. MCC entered into a Cooperation Agreement with the Association in which, among other things, we will underwrite the costs of meetings of the DAAC and of the Regional Council. The annual aggregate amount of this support will not exceed $100,000, which will be subject to annual adjustments depending upon changes to the CPI, and will continue as long as the Cooperation Agreement remains in effect.

Site Selection

We will provide you with a Project Resource Manual, which includes contact information, project checklists and discussions on topics such as "Process Overview," "Real Estate Criteria" and "Selection, Financing, Legal & Insurance, Equipment & Signage, Computer and Training." After an initial discussion on your project and the Project Resource Manual, we typically provide site location assistance in your market. We may provide real estate contacts, contractors and developers who can assist you in the development of your Center and financing sources that may be available to you to fund your project. We will provide site evaluation mapping and location analysis to be used during the site selection and site approval process.

You will propose, for our approval, a location for your Center within the MSA, PMSA, NECMA, county, parish, or other corresponding geographical area used by the U.S. Census Bureau and as described as the "Market Area" (Schedule A to the Franchise Agreement) no later than 180 days after signing the Franchise Agreement. The location must conform to our site selection guidelines and requirements and is subject to our approval. You must provide all information about the proposed site that we request, including a complete site analysis report. We do not have to consider a proposed location until we receive all requested information. In approving or disapproving a site, we will consider factors such as general location, neighborhood and the distance to other Meineke Centers operating in the Market Area. We will have no liability to you or anyone else for approving or disapproving a proposed location. Once approved, we and you will complete and sign Schedule B of the Franchise Agreement designating the location of your Center (the "Premises").

If we and you cannot agree on a location for your Center within 180 days after signing the Franchise Agreement, either we or you may terminate the Franchise Agreement. Also, if you fail to lease or purchase your Premises within one year from the date of the Franchise Agreement, we may terminate your Franchise Agreement.

In the fiscal year ended December 30, 2023, the average time from the date a new franchisee signed its Franchise Agreement to the date the franchisee opened a Meineke Center was approximately 12 months. The range was from less than one month to approximately 26 months. This time estimate may, however, vary depending on numerous factors, including finding a location, securing the location with a lease or purchase contract, construction schedules (if any), weather, number of Meineke Center franchises that you commit to developing, and your efforts. The Center must be open and operating within 18 months after the date of the Franchise Agreement.

Training

We or our affiliates will provide an initial training program on the operation of a Meineke Center for you or, if you are a business entity, your Operating Partner and one other person, who has signed the Franchise Agreement or guaranteed your obligations under the Franchise Agreement, before you open the Center. The trainees must attend and successfully complete the training program and be certified by us. The length of the training for each trainee will depend upon the function(s) the trainee will perform at your Center. The training will last up to a maximum of 13 days. We will conduct the training program approximately every month.

Training will be conducted at the Meineke University training center we and our affiliates operate in Charlotte, North Carolina, at a designated Meineke Center and/or virtually through our current learning management system. Training will include certification in the following:

TRAINING PROGRAM

Column 1 Subject	Column 2 Hours of Classroom Training	Column 3 Hours of On-The-Job Training	Column 4 Location
Business System*	Up to 53	0	Meineke University training center in Charlotte, North Carolina, a designated Meineke Center, and/or virtually through our current learning management system
Shop Operations	Up to 16	Up to 7	Meineke University training center in Charlotte, North Carolina, a designated Meineke Center, and/or virtually through our current learning management system
Total	Up to 69 Hours	Up to 7 Hours	

*"Business System" includes policies and procedures in selling skills, computer system pricing, inventory control, human resources, trade and national accounts, advertising and marketing, financial analysis, regulatory obligations and daily operational issues.

We provide instructional materials at the time of training. These materials include manuals, guides, forms, information sheets regarding automotive repair, selling and marketing, and general business and financial materials. If you have paid in full the initial franchise fee as required under the Franchise Agreement and you (or your Operating Partner) attend initial training before you open the Center, we will not charge any fees for the initial training program for you (or, if you are a business entity, your Operating Partner) and one other person who has signed or guaranteed your obligations under the Franchise Agreement. If you purchase an existing Meineke Center, you are required to attend and complete the same initial training program as other franchisees. You must pay the costs of travel, food and lodging that you and your representatives incur in connection with training (Franchise Agreement, § 5.1).

At any time during the Franchise Agreement's term, you (or your Operating Partner) may attend, subject to availability, the initial training program for retraining. We will not charge you a fee for retraining. You will be responsible for all of your own expenses incurred in connection with retraining, including compensation, travel, lodging and meals.

In addition, as stated above, your manager must successfully complete the Internet training that we require before you open the Center. We do not charge a fee for this training.

Currently, MCC's Training and Operational Manager, Weston Burroughs, conducts our training program. Mr. Burroughs has 18 years of training experience and has been associated with MCC since June 2019.

You may receive individual instruction at your Center by our Franchise Business Consultants who periodically visit your Center. In addition, periodically, we may require you to attend field training at a company-owned or an approved franchised Meineke Center prior to opening your Center.

If we determine that there are significant deficiencies in the operations of your Center, we may require you (or your Operating Partner) and your managers and key employees to attend and successfully complete periodic or additional training programs for which we may charge reasonable training fees as detailed in Item 6. You will be responsible for all of your own expenses, including compensation, travel, lodging and meals incurred in connection with attending any mandatory training programs.

Advertising

The MAF has been established to create, develop, and implement marketing, advertising and related programs and materials to enhance the goodwill associated with the Marks, to promote the sale of authorized products and services and to develop and maintain a favorable public image of Meineke Centers. You must contribute to the MAF the amounts described in Item 6. MAF contributions are payable, together with the royalty fee due, on a weekly basis. All Meineke Centers located in the United States owned by us or any of our affiliates will contribute to the advertising programs funded by the MAF on the same basis as franchisees, although certain franchisees (including those signing either of the Advertising Addenda to Franchise Agreement (Exhibit Z)) may contribute to the MAF at lower rates. Some third-party vendors also contribute advertising allowances to the MAF. The MAF does not use funds for advertising that is principally a solicitation for the sale of franchises.

We may use funds from the MAF to pay for all costs and expenses associated with the marketing, advertising and related programs and materials, including the costs of preparing, producing and distributing marketing, advertising and related materials, employing advertising agencies and media buying agencies, supporting market research activities, administering MAF and all other related costs and expenses (Franchise Agreement, § 8.2).

We will seek the advice of the Advertising Committee (consisting of not more than seven Meineke franchisees appointed periodically by the DAAC) with respect to the creative concepts and media used for programs funded by the MAF. We will meet periodically (i.e., at least once every six months) with the Advertising Committee for those purposes. Although the MAF is intended to enhance the goodwill associated with the Marks, to promote the sale of any or all Authorized Products and Services and to develop and maintain a favorable public image of Meineke Centers for the benefit of all Meineke Centers, we cannot assure you that any particular Meineke Center, or that Meineke Centers in any particular local market area, will benefit directly or pro-rata from any marketing, advertising or related program.

Your contributions to the MAF will be held and disbursed by a national bank or trust company or other financial institution (the "MAF Trustee") we appoint periodically. The MAF Trustee is obligated to receive, hold and disburse funds in the MAF in accordance with a mutually acceptable agreement that is consistent with the parties' rights and obligations under the Franchise Agreement. We will remit promptly all of your MAF contributions to the MAF Trustee. We may direct the MAF Trustee to make payments directly to third parties or to make payments to us for remittance to third parties. All fees, compensation, charges and expenses of the MAF Trustee ("MAF Trustee Fees") will be paid from MAF, and we will have no liability or responsibility for them.

As described in Item 6, you must contribute weekly to the MAF 8% of your Gross Revenues; however, if your Center is a new Meineke Center, during the 12-week period following the Center's opening, your MAF contribution will be the greater of 8% of your Gross Revenues or $250. We will allocate your weekly contribution to the MAF as follows:

Creative -	Not more than 0.5% of Gross Revenues
National Advertising -	Not more than 3% of Gross Revenues
Local Directory Advertising and Local Advertising -	Not less than 4.5% of Gross Revenues

If, however, your Center is a new Meineke Center, and you must pay the minimum of $250 to the MAF during any week in the 12-week period following the opening of your Center, we will allocate your contribution as follows: 6% to Creative, 38% to National Advertising, and 56% to Local Directory Advertising and Local Advertising.

For Gross Revenues from the sale of tires, towing services or government-regulated inspections, however, your MAF contribution will be 1.5% of Gross Revenues, which will be allocated as follows: 0.5% to Creative and 1% to National Advertising.

Periodically, we may, with the advice of the Advertising Committee, change these allocations of your contributions to the MAF among Creative, National Advertising, Local Directory Advertising and Local Advertising to enhance the effectiveness of advertising and promotional efforts. The allocation of your MAF contributions (as well as those of other Meineke Centers in your Market Area) for Local Directory Advertising and Local Advertising (not less than 4.5%) will be allocated annually between Local Directory Advertising and Local Advertising based on a majority vote of the Meineke Centers located in your Market Area. However, the allocation for Local Directory Advertising cannot be more than 1% without our prior consent. We reserve the right upon notice to you to reduce your MAF contributions as provided in Section 3.4 of your Franchise Agreement and/or to change the allocations of your MAF contributions in accordance with Sections 8.3 and 8.4 of your Franchise Agreement.

The term "Creative" includes the costs associated with creating, developing and distributing national or general advertising, marketing, promotions, public relations and market

research programs and related activities, including, among other things, costs for preparing television, radio, newspaper, point of sales, digital, social media, smart phone applications, call center scripts, reputation management, and other media programs and materials (such as websites) and all related fees and commissions, including fees charged by national spokespersons and commissions charged for creative works. In addition, we may use up to 30% of your contributions to Creative periodically to offset any deficits in media placement costs incurred as part of the Local Advertising portion of the MAF in any local market area on terms and conditions we determine. As part of the Creative portion of the MAF, we may provide you with marketing, advertising and promotional materials at cost, plus any related administrative, shipping, handling and storage charges. The term "National Advertising" includes all costs associated with placing and purchasing national media advertising (e.g., national television, print media and electronic media) and related activities and associated fees and commissions, including commissions charged by media buying companies. The term "Local Directory Advertising" includes all costs associated with placing and purchasing advertising in classified advertising directories through various media, including print and electronic media, and related activities and associated fees and commissions, including commissions charged by media buying companies. The term "Local Advertising" includes all costs associated with regional and local advertising and promotional programs and related activities and associated fees and commissions, including commissions charged by advertising agencies and media buying companies. If any costs can be allocated to more than one of the above categories or if any costs appropriately charged to the MAF do not fall within a particular category, we may allocate those costs to one or more categories.

We will maintain an adequately staffed advertising and marketing department to perform the services we customarily provide in administering the advertising and other programs funded by the MAF. We are entitled to be paid each year from the MAF for those services in the amount equal to 2.75% of all contributions by all Meineke Centers to the MAF (the "Annual Reimbursement"). We may pay ourselves the Annual Reimbursement in advance in quarterly installments each year. We will allocate the Annual Reimbursement, MAF Trustee Fees and the costs relating to the annual audit of the revenues and expenses of the MAF proportionately to the Creative, National Advertising, Local Directory Advertising and Local Advertising portions of the MAF. We may increase this amount only according to the terms of your Franchise Agreement.

The MAF will be accounted for separately from our other funds and will not, except for the Annual Reimbursement, be used to defray any of our or any affiliate's general operating expenses. Except for the Annual Reimbursement and the repayment of any advances or loans we may make to the MAF, neither we nor any of our affiliates will be entitled to derive any income from the MAF, including commissions or discounts for media purchases from the MAF. Any advertising agency commissions and discounts granted to us or any of our affiliates for media purchases from the MAF will be contributed to the MAF or netted against the invoice for such purchases.

All disbursements from the MAF will be made first from income and then from contributions. We may compromise any claim for past due contributions to the MAF from any Meineke franchisee, provided any compromise of contributions to the MAF will be proportionate

to any contemporaneous compromise of other amounts the franchisee owes us and our affiliates, and we have the right to charge a proportionate amount of the collection costs against the contributions. In any fiscal year, we may spend amounts that are more or less than the aggregate contributions of all Meineke Centers to the MAF in that year, and we may fund any deficits with contributions from future years. The MAF may borrow from us (on commercially reasonable terms and rates) or other lenders to cover deficits or cause the MAF to invest any surplus for future use. We will cause an audit to be prepared of the revenues and expenses incurred by the MAF and will provide you a copy upon your written request. The costs of audits will be charged against the MAF. On reasonable request, the Advertising Committee may periodically review the books and records of the MAF.

During the fiscal year ended December 30, 2023, MAF funds were expended as follows:

TV	14.82%
Radio	8.57%
Direct Mail	5.79%
Digital	5.47%
Paid Search	19.51%
SEO	4.72%
Customer Response Marketing	1.72%
National + Additional Advertising	36.65%
Annual Reimbursement (as described above)	2.75%
TOTAL:	100.0%

Direct Mail, Digital, and Paid Search expenditures include commissions and fees charged in connection with the placement of the advertisements. National + Additional Advertising expenditures include costs incurred for audit, traffic and distribution, telephone testing charges, bad debt expenses, creative, spend back, point of sale material, marketing programs such as customer rewards, and "free towing."

Except as described above, we assume no direct or indirect liability or obligation with respect to the maintenance, direction or administration of the MAF. We do not act as trustee or in any other fiduciary capacity with respect to the MAF.

If you sign the "Version 2" Advertising Addendum and meet our eligibility criteria, you will pay a reduced weekly MAF contribution equal to 6% of Gross Revenues for 12 months following the Addendum Date and, for the remainder of the Franchise Agreement's term, 5.5% of Gross Revenues if you are a "Tier Two" franchisee, or 6% of Gross Revenues if you are a "Tier One" franchisee. We will determine "Tier One" and "Tier Two" eligibility on a yearly basis, in our discretion, after consulting with the DAAC. For Gross Revenues from the sale of tires, towing services or government-regulated inspections, your MAF contribution will remain 1.5% of Gross Revenues. However, if you are renewing your franchise rights and sign the "Version 1" Advertising Addendum, we will allocate 1% of your weekly MAF contributions for the first calendar year (or part thereof) following the Addendum Date, and 2% of your weekly

MAF contributions for the second calendar year following the Addendum Date, to a capital fund assuming you meet the "Tier One" or "Tier Two" eligibility requirements. During the third calendar year following the Addendum Date, we will direct funds in the capital fund solely to improve the image of your Center, including replacing and/or upgrading exterior and interior signs and décor according to our then-current image guidelines for a Meineke Center, in consultation with you. If funds remain in the capital fund after the Center image improvements, we will remit them to you to use for further improvements to the Center, at your discretion. For the third calendar year following the Addendum Date and continuing through the balance of the term of the Franchise Agreement, your weekly MAF contributions will be reduced as described above (5.5% of Gross Revenues if you are a "Tier Two" franchisee or 6% of Gross Revenues if you are a "Tier One" franchisee). We will allocate the applicable MAF contribution payable under each Advertising Addendum, excluding any amount allocated to the capital fund (if applicable) and the portion of the MAF contribution derived from the sale of tires, towing services, and government-regulated inspections (which will be allocated consistent with the Franchise Agreement without regard to the Addendum), as follows: 6% to Creative; 38% to National Advertising; and 56% to Local Directory Advertising and Local Advertising.

You also must pay us an Initial Advertising Contribution equal to $20,000. We will use the Initial Advertising Contribution to conduct pre-opening, grand opening and post-opening promotion, including promotional materials, initial advertising of the Center (traditional and/or online), and other activities related to the opening of the Center as we determine. We do not charge you an Initial Advertising Contribution when you renew your franchise. The Initial Advertising Contribution is due before you attend the initial training program, or, if you are an existing franchisee and will not attend the initial training program, 60 days before opening.

In addition to the MAF and Initial Advertising Contribution, we strongly encourage you to advertise locally. You may use your own advertising materials subject to our prior approval as described in Item 8. You may not use any advertising or promotional materials (including on websites and in print materials and other advertisements) that we have not approved in writing. You may not create and maintain your own websites for the Center or that advertise the Center or other Meineke Centers you own and operate.

You are not required to participate in advertising cooperative(s).

Computer System

We require you to purchase or lease, at your expense, a computer system that provides an interface to our home office to upload to us sales, marketing and other information we require. The computer software and hardware you use in the operation of your Center must meet our-then current specifications. Cost estimates for the computer hardware and software will range from $4,871 to $10,000. You may use any computer hardware you consider to be appropriate, provided it meets our then-current specifications and provided further that it functions properly with the computer software we require. Currently, our computer hardware and software specifications include one Core i7 processor workstation running Windows 10 Professional 64 bit or higher for desktop OS, 16 GB minimum of RAM, one 256 GB minimum hard drive, antivirus software, wired Internet with minimum upload speed of 10 Mbps, a business class router/firewall, dual band wireless access points, and at least two laser printers.

We and our affiliates may condition any license of required or recommended proprietary software to you, and/or your use of technology developed or maintained by or for us (including M.Key Software and the Franchisee Profitability Program software (as applicable)), on your signing a software license agreement or similar document, or otherwise agreeing to the terms (for example, by acknowledging your consent to and accepting the terms of a click-through license agreement), that we and our affiliates periodically require to regulate your use of the software or technology. We and our affiliates may charge you upfront and ongoing fees for any required or recommended proprietary software or technology that we or our affiliates license to you and for other required or recommended computer system maintenance and support services that we provide you during the Franchise Agreement's term. The aggregate ongoing fees for those software, technology, and services, however, will not exceed the Monthly Technology Cap, subject to the exceptions listed in Item 6. We may increase the Monthly Technology Cap as provided in Item 6.

As stated above, you may only use shop management software in the operation of your Center that we have approved. Currently, we are the only approved supplier of shop management software (M.Key Software) for new franchisees, as further detailed below. Existing franchisees may opt to use VAST software from MAM Software Group, Inc. as their shop management software. Each software vendor must maintain a license from us to use our proprietary information in the software.

As stated in Item 8, we have entered into a license agreement with a third-party vendor, under the terms of which the vendor has granted us a license to use, and license our franchisees to use, certain shop management software, which has been customized for use in Meineke Centers. We refer to this customized software as the M.Key Software. If you are a new franchisee, you will be required to sign the M.Key Software License and Maintenance Agreement, under the terms of which we will grant you the right to use the M.Key Software and provide certain support and maintenance services relating to the M.Key Software. (The maintenance agreement does not apply to hardware.) The cost of the "basic" maintenance support for M.Key is currently $375 (or, if you purchase AutoVitals, $275) per month. We reserve the right to increase this monthly fee: (a) on each anniversary of the effective date of the M.Key Software License and Maintenance Agreement to reflect any increase in the CPI for the preceding 12-month period or, if we elected not to increase the Software Maintenance Fee on any anniversary of that effective date, the aggregate increase in the CPI from the date of the last increase; and (b) at any time to reflect any increase in any third party's charges to us. Additional charges for optional support, products and services may apply as described in Item 6.

If you are using the M.Key Software (which is cloud-based software) and you intentionally cease storing the applicable Center data and information "on the cloud," or you inadvertently cease to store that data and information "on the cloud" and fail to notify us of the software failure and provide us a reasonable opportunity to bypass the failure, the M.Key Software will cease to function as it was intended, and you will be unable to activate the software until you begin to store "on the cloud" the data and information so that it is accessible to us. We will periodically require you to update/upgrade your hardware and or software programs during your Franchise Agreement's term. There is no contractual limitation on the frequency or cost of these obligations. You are also required to pay your royalties and MAF contributions through an

electronic transfer of funds, for which we may electronically access your bank account to collect these funds.

All operating Meineke franchisees are eligible and encouraged to participate in our Franchisee Profitability Program. If you elect to participate in the Program, you must install and use in the operation of your Center the Franchisee Profitability Program software. This software assists you in preparing and submitting standardized profit and loss information to Meineke's Franchisee Profitability Program department directly, so that we may use the data to improve overall franchisee performance within the Meineke system. You must pay us a monthly software fee (currently, $14.95 per month) for the Franchise Profitability Program software, which defrays our costs for the software and point of sale fees, software support and assistance, and other coordination support. There is also a one-time onboarding fee of $50. These fees may fluctuate as our vendor's pricing changes.

To ensure full operational efficiency and optimum communication capability between and among computer systems, you must, at your expense, keep your computer systems in good condition and promptly install all additions, changes, modifications, substitutions or replacements to software, telephone and power lines, and other data transmission facilities as we direct. If you fail to keep your computer system updated or you fail to promptly install all additions, changes, modifications, substitutions or replacements to the computer hardware, computer software, Internet connections, telephone and power lines, and other data transmission facilities we direct, you must pay us our technology administrative fee ($100 per month) to cover our costs related to your delayed installation. In view of the contemplated interconnection of computer systems and the necessity that the systems be compatible with each other, you must use computer software that complies with our specifications.

Item 12

TERRITORY

Franchise Agreement

The Franchise Agreement grants you the right to operate the Center at a specific location. You may not conduct the business of your Center or use the Meineke system at any other location, or relocate your Center without our prior written consent.

Upon signing the Franchise Agreement, we and you will have 180 days in which you must propose and we must approve a site location for the Center. Upon approving the location, we and you will complete and sign Schedule B of the Franchise Agreement designating the Premises. Once the Premises of the Center has been determined, we will not grant others the right to operate (1) a Meineke Center within a two-mile radius from the Premises (the "Protected Area"); (2) a Meineke Center outside the Protected Area but within a radius of three miles from the Premises without offering you a right of first refusal; or (3) more than one Meineke Center for every 50,000 motor vehicles (i.e., automobiles and light trucks that are licensed to operate on public highways) registered in the particular Metropolitan Statistical Area that your Center is to operate.

If we propose to operate, or grant someone else the right to operate, a Meineke Center outside the Protected Area but within a three-mile radius of your Premises, we must first offer a franchise to you on our then-standard terms and conditions for new Meineke Centers, provided that you are Option Eligible (defined below). If you do not accept our offer to sell you a franchise for the Meineke Center within 30 days after our written notice, we may operate or grant someone else the right to operate, a Meineke Center at the proposed location. If, however, there is more than one then-existing Meineke Center located within a three-mile radius from the proposed location of the new Meineke Center, then you will be entitled to the right of first refusal only if (a) your Center is closest to the proposed location of the new Meineke Center, or (b) the owners of all Meineke Centers that are closer to the proposed location of the new Meineke Center fail to accept any similar right of first refusal contained in their franchise agreements. You will be "Option Eligible" if: (1) you are not then in arrears in any payment to us or to any of our affiliates for 30 days or more, and we have not delivered to you a notice of default during the past 12 months; (2) you have no outstanding customer warranty matters or customer complaints which have not been resolved within 30 days after we notify you of them; and (3) you are at least a "3-Star Dealer" according to the then-current Meineke Star Rating Program for at least the final two years of your Franchise Agreement's existing term.

Your rights and our obligations described above do not apply to any Meineke Center that is open or under development, or as to which the location has been approved, as of the date we notify you of our approval of the Premises.

Continuation of the exclusive rights described above does not depend upon achievement of a certain sales volume, market penetration or other contingency. We may not alter your Protected Area without your written agreement.

If we and you enter into a Market Area Reservation Letter, the current form of which is attached to this disclosure document as Exhibit X, we will reserve (but not grant) to you the limited exclusive right to enter into a Franchise Agreement for a new (ground-up) Meineke Center to be located in a specified geographic area for a limited period of time.

In addition to the territorial protection described above, we and our predecessors have developed certain policies to determine the potential loss of sales existing Meineke Centers incur as a result of the addition of new Meineke Centers in a local market area. These policies are embodied in a written document entitled "Meineke's Encroachment Insurance Policy" (the "Policy") and are not incorporated into your Franchise Agreement. Although we may change the Policy periodically, we will seek the advice of the DAAC before making any material change. The Policy is attached to the disclosure document as Exhibit J. The Policy also contains provisions for us and any affected Meineke franchisee to amicably resolve any concerns about an additional Meineke Center causing an excess loss of sales to an existing Meineke Center, as well as an informal binding dispute resolution process if the parties are unable to amicably resolve those concerns. The Policy does not confer any additional legal rights upon you if you should institute any legal action against us concerning the opening of another Meineke Center.

Neither we nor our affiliates are restricted from establishing other franchises or company-owned outlets or other channels of distribution selling or leasing similar products or services under a different trademark or to enter into co-branding relationships with others to sell the same

or different products and services. However, if we or any of our subsidiaries acquire a business, then to the extent any retail outlet of that business, at the time of the acquisition, is located in your Protected Area and 15% or more of the outlet's revenues during the 12 months prior to the acquisition are derived from Core Authorized Products and Services, we agree to exert reasonable efforts to sell the outlet, or discontinue any franchise or other licensing arrangement with the outlet, within 12 months after the acquisition ("Divestiture Period"). If we are unable to sell or discontinue the operation of the outlet within the Divestiture Period, you may invoke the Policy to address any adverse impact caused by the outlet or exercise your right to sell the assets of your Center to us as explained below.

We will not authorize our executive officers who perform line management functions to be employed by or have management responsibility for an affiliate of ours which does not use our Marks and whose annual sales from Core Authorized Products and Services exceed 15% of its total annual revenues. This limitation does not apply to executive officers who are Board members and who perform staff functions, other than the Vice President of Development and the Chief Financial Officer.

Our affiliates, including our subsidiaries, may acquire or establish other outlets selling or leasing similar products under a different trademark. However, with respect to any new outlets established in that event, you have the option (the "Put Option") to sell us the tangible assets of your Center at fair market value if (a) any of our affiliates acquires a business which, after the acquisition, opens a new retail outlet in your Protected Area and 15% or more of the new outlet's revenues during the 12 months after its opening (the "1-Year Opening Period") are from the sale of Core Authorized Products and Services, or (b) you have the right to sell your Center because we or any of our affiliates, including our subsidiaries, acquired a business which, at the time of acquisition, had an existing competitive outlet in your Protected Area as explained above. In connection with the sale, you will assign to us any equipment lease for equipment used to perform Authorized Products and Services at your Center and lease or assign to us the lease for the Premises of your Center. You must exercise the Put Option by giving us written notice (the "Put Option Notice") 120 days after the expiration of the Divestiture Period or the 1-Year Opening Period. Upon delivery of the Put Option Notice and pending the closing of the purchase, we may require that the operation of your Center be subject to the supervision and control of our appointed manager. If we cannot agree on the fair market value of the Center's assets within 30 days after the Put Option Notice, then the fair market value will be determined by a mutually agreeable member of a nationally recognized accounting firm (the "Appraiser"). The Appraiser's fees and costs will be borne equally by you and us. We will pay 50% of the purchase price at the closing of the sale and will pay 25% of the purchase price on both the first and second anniversaries of the closing.

Development Agreement

You will not receive an exclusive territory under the Development Agreement, or, if applicable, the Limited Exclusivity Addendum. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

If you wish to enter into a Development Agreement, you must commit to developing a minimum of four Meineke Centers within the Development Area. We and you will identify the Development Area in the Development Agreement before signing it. Sizes and boundaries for Development Areas will vary widely depending on factors like economic conditions in the market you are developing, the number of Meineke Centers that you agree to develop, demographics, and site availability. There is no minimum size for Development Areas. We will describe the Development Area using county boundaries. We and you will determine the Development Schedule specifying the number of Meineke Centers that you must develop to keep your development rights and, for each applicable Meineke Center, the dates by which you must sign the purchase agreement, lease, or sublease, sign the then-current franchise agreement, and open the Meineke Center. We and you then will complete the Development Schedule in the Development Agreement before signing it. Your acquisition from another franchisee or us of an existing Meineke Center located in the Development Area, or a Meineke Center located in the Development Area that has been closed for fewer than 12 months, will not be considered a new Meineke Center and, consequently, will not count toward your development obligations under the Development Schedule.

Your right to develop Meineke Centers in the Development Area under the Development Agreement is non-exclusive. We and our affiliates retain the absolute right to develop and operate, and license third parties to develop and operate, during and after the term of the Development Agreement, any business under any name, including Meineke Centers, in any geographic area, including the Development Area ("Permitted Businesses"), regardless of the proximity to or effect on the Meineke Centers developed under the Development Agreement or otherwise operated by you and/or your affiliates. Permitted Businesses may directly compete with the Meineke Centers developed under the Development Agreement or otherwise operated by you and/or your affiliates.

As stated in Item 1, however, if you commit to developing five or more Meineke Centers under the Development Agreement, you and we will also sign a Limited Exclusivity Addendum, which grants you certain limited rights in the Development Area, subject to certain terms and conditions. Specifically, under the Limited Exclusivity Addendum, during the term of the Development Agreement, neither we nor our affiliates will grant a franchise for the operation of a Meineke Center to anyone else in the Development Area, except for any franchised Meineke Center in operation or under lease, construction, or other commitment to open in the Development Area as of the effective date of the Development Agreement, as long as you: (a) timely comply with the Development Schedule; and (b) are otherwise in material compliance with the terms and provisions of the Development Agreement. Except as expressly stated in the preceding sentence, we and our affiliates retain the absolute right to develop and operate, and license third parties to develop and operate, during and after the term of the Development Agreement, any business under any name in any geographic area, regardless of the proximity to or effect on the Meineke Centers developed under the Development Agreement or otherwise operated by you and/or your affiliates. As an example, we may acquire or be acquired by another business, which business may open and operate, and franchise others to open and operate, businesses similar to Meineke Centers using marks other than the Marks, without providing any rights or compensation to you. We and our affiliates may, and may authorize others to, engage in many business activities, and these business activities may compete with

Meineke Centers. After the Limited Exclusivity Addendum terminates or expires, we and our affiliates may license others to develop and/or operate Meineke Centers in the Development Area.

You may not develop or operate Meineke Centers outside the Development Area. We may terminate the Development Agreement if you do not satisfy your development obligations according to the Development Schedule, or alternatively, (a) reduce the number of Meineke Centers stated in the Development Schedule, (b) withhold evaluation or approval of site proposal packages for new Meineke Centers, (c) extend the Development Schedule, and/or (d) if applicable, terminate the Limited Exclusivity Addendum. Except as described above, continuation of your territorial rights in the Development Area under the Limited Exclusivity Addendum does not depend on your achieving a certain sales volume, market penetration, or other contingency, and we may not alter your Development Area or your territorial rights.

Other Businesses

Except as described in Item 1, we do not operate or franchise, or currently plan to operate or franchise, any business under a different trademark that sells or will sell goods or services similar to those that our franchisees sell. However, our affiliates, including the Affiliated Programs described in Item 1 and other portfolio companies that currently are or in the future may be owned by private equity funds managed by Roark Capital Management, LLC, may operate and/or franchise businesses that sell similar goods or services to those that our franchisees sell. Item 1 describes our current Affiliated Programs that offer franchises, their principal business addresses, the goods and services they sell, whether their businesses are franchised and/or company-owned, and their trademarks. All of these other brands (with limited exceptions) maintain offices and training facilities that are physically separate from the offices and training facilities of our franchise network. Most of the Affiliated Programs are not direct competitors of our franchise network given the products or services they sell, although some are, as described in Item 1. All of the businesses that our affiliates and their franchisees operate may solicit and accept orders from customers near your business. Because they are separate companies, we do not expect any conflicts between our franchisees and our affiliates' franchisees regarding territory, customers and support, and we have no obligation to resolve any perceived conflicts that might arise.

Item 13

TRADEMARKS

You may use certain Marks in operating the Center. MCC has registered the following principal Marks on the Principal Register of the United States Patent and Trademark Office (the "USPTO"). As noted in Item 1, we became the owner of the then-existing Marks in July 2015.

Marks	Registration Number	Registration Date
MEINEKE (word mark)	1,207,483	9/7/1982; renewed 8/18/2012, 3/3/2023

Marks	Registration Number	Registration Date
MEINEKE (word mark)	1,241,466	6/7/1983; renewed 8/21/2012, 6/27/23
MEINEKE (word mark)	3,017,566	11/22/2005; renewed 6/30/2016
meineke®	1,434,915	3/31/1987; renewed 12/6/2017
meineke	1,207,490 1,610,116 1,620,331	9/7/1982; renewed 9/18/2012, 3/2/2023 8/14/1990; renewed 8/20/2021 10/30/1990; renewed 8/18/2021
M.KEY (word mark)	2,803,550	1/6/2004; renewed 12/13/2013
meineke car care center	2,956,651	5/31/2005; renewed 6/13/2015
meineke car care center	3,126,819	8/8/2006; renewed 7/18/2016
MEINEKE CAR CARE CENTER (word mark)	3,126,804	8/8/2006; renewed 7/18/2016
RIGHT SERVICE. RIGHT PRICE. (word mark)	2,979,521	7/26/2005; renewed 1/28/2016
LIFE DOESN'T ALWAYS GIVE YOU OPTIONS. MEINEKE DOES. (word mark)	3,338,640	11/20/2007; renewed 5/17/2018
MEINEKE ON WITH LIFE.	5,087,639	11/22/2016
TAKING CARE OF YOUR CAR SHOULDN'T TAKE OVER YOUR LIFE	5,083,216	11/15/2016
DOING CAR CARE RIGHT	6,049,270	5/5/2020

MCC registered the following principal Marks with the Department of State of Puerto Rico. As noted in Item 1, we became the owner of these Marks in July 2015.

Mark	Registration Number	Registration Date
meineke car care center	63,181	3/10/2004; renewed 3/10/2014

Mark	Registration Number	Registration Date
	63,182	3/10/2004; renewed 3/10/2014

If you operate your Center as a Co-branded Meineke/Econo Lube Center, we have granted you a license to use Econo Lube's trademarks listed below. We are authorized to grant you a limited license to use the trademarks in conjunction with your operation of a Co-branded Meineke/Econo Lube Center pursuant to an arrangement with our affiliate, Econo Lube. By a similar arrangement, we have granted Econo Lube the limited use of the Marks to use in the co-branding of our Meineke Centers.

Econo Lube and its predecessors registered the following principal trademarks on the Principal Register of the USPTO:

Marks	Registration Number	Registration Date
ECONO LUBE	3,887,349	12/7/2010; renewed 3/10/2021
ECONO LUBE N' TUNE	3,887,350	12/7/2010; renewed 3/10/2021
ECONO LUBE N' TUNE & BRAKES	3,887,351	12/7/2010; renewed 3/10/2021
	5,226,613	6/20/2017

We, Econo Lube and our/their predecessors filed all required affidavits of use. There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, nor are there any pending material infringement, opposition or cancellation proceedings or material litigation involving the Marks. We do not know of any superior prior rights or infringing uses that could materially affect your use of the Marks in any state. There are no agreements currently in effect that significantly limit our right to use or license the use of the Marks in a manner material to the franchise.

The Franchise Agreement grants you the right to use the Marks that identify the services and/or products offered by Meineke Centers and Co-branded Meineke/Econo Lube Centers, where applicable, if you have signed the Co-brand Addendum. If we determine it is advisable at any time for us and/or you to modify or discontinue use of any Mark and/or use one or more additional or substitute trademarks, service marks or trade dress, you must comply with our directions within a reasonable time after notice. We will have no liability or obligation to you whatsoever with respect to any required modification or discontinuance of any Mark, or the promotion of a substitute trademark, service mark or trade dress, that is a result of our determination of a risk of conflicting rights with others.

You must notify us immediately of any apparent infringement of or challenge to your use of any Mark, or any claim by another person of any rights in any Mark. You may not communicate with any person, other than us, our counsel and your counsel, in connection with any such infringement, challenge or claim. We will have sole discretion to take the action we deem appropriate and will have the right to control exclusively any litigation or USPTO proceeding arising out of any infringement, challenge or claim or otherwise relating to any Mark. You must sign any documents, render the assistance and do the things advisable in the opinion of our counsel to protect our interests in any litigation or USPTO proceeding or otherwise to protect our interests in the Marks.

We will indemnify you against, and reimburse you for, all damages for which you are held liable in any action for trademark infringement arising out of your authorized use of any Mark in compliance with the Franchise Agreement and, except as otherwise described in this Item, for all costs you reasonably incur in defending any such claim brought against you, as long as you have timely notified us of the claim and you and your owners are in compliance with the Franchise Agreement and all other agreements entered into with us or any of our affiliates. At our sole discretion, we may prosecute, defend and/or settle any action arising out of your use of any Mark, and if we prosecute, defend and/or settle any such matter, we do not have to indemnify or reimburse you for any fees or disbursements of any legal counsel you retain.

In addition to the registered marks listed above, we and our affiliates assert a common law right to the name "Meineke Discount Muffler Shops" by virtue of our use of the name since 1972 in Texas, and to "Meineke Car Care Centers," which we began using in 2003.

The Development Agreement does not grant you any rights to use the Marks. You obtain the right to use the Marks only under a Franchise Agreement.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents that are material to the franchise.

We claim copyright protection for our Operations Manual and for most publications we issue, although we have not registered these materials with the United States Copyright Office. We also claim copyright protection in our Internet training courses that we make available to you, but we have not registered these courses with the United States Copyright Office. We consider certain information relating to the development and operation of Meineke Centers to be our trade secrets and proprietary information ("Confidential Information"). This Confidential Information includes: (1) technical information and expertise relating to Authorized Products and Services and the equipment used with them; (2) site selection criteria for Meineke Centers; (3) sales, marketing and advertising programs, algorithm and techniques for Meineke Centers; (4) knowledge of operating results and financial performance of Meineke Centers, other than your Center and other Meineke Centers that you own; (5) comprehensive methods of operating Meineke Centers, including pricing information, royalty and advertising contribution rates, and inventory mix; (6) computer software programs; and (7) Internet training modules.

We will disclose relevant parts of the Confidential Information to you solely for your use in operating your Center. During the term of your Franchise Agreement and after its expiration or termination: (a) you may not use the Confidential Information in any other business or capacity (such use is an unfair method of competition); (b) you must exert your best efforts to maintain the confidentiality of the Confidential Information; (c) you may not make unauthorized copies of any portion of the Confidential Information disclosed in written, electronic or other form; and (d) you must implement all reasonable procedures we prescribe periodically to prevent unauthorized use or disclosure of the Confidential Information, including the use of nondisclosure agreements with your officers, directors, and managers and the delivery of those agreements to us. Your restrictions on disclosure and use of Confidential Information do not apply to information or techniques which are or become generally known in the automotive service industry (other than through your own disclosure), provided you obtain our prior written consent to disclosure or use.

You must promptly disclose to us all ideas, concepts, methods, techniques and products relating to the development, marketing and/or operation of a Meineke Center that you conceive or develop, other than patentable inventions. If we adopt any of them as part of the Meineke system, they will be deemed our exclusive property and "works made-for-hire" for us. You must sign whatever assignment and other documents we require to evidence our ownership and to assist us in securing intellectual property rights in these ideas, concepts, methods, techniques or products.

There are currently no effective determinations of the USPTO, United States Copyright Office, or any court, and no pending infringement, opposition or cancellation proceedings or material litigation, involving any of the copyrighted materials. There are no agreements currently in effect that significantly limit our right to use or authorize you to use the copyrighted materials. We do not know of any infringing uses that could materially affect your use of the copyrighted materials in any state. Except as noted above, we are not required by any agreement to protect or defend copyrights or Confidential Information, although we will do so when this action is in the best interest of our franchise system.

The Development Agreement does not grant you any right to use our copyrighted materials but does grant you the right to use the Confidential Information, as described above.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

We may require you (or your Operating Partner) to actively participate in, and exert your best efforts in connection with, the direction and management of your Center's business and the business of other Meineke Car Care Centers you own (if applicable). You must designate a manager who has satisfactorily completed our Internet training program to serve as the Center's manager. The Center's manager must devote substantially all of his or her business time and attention to the on-premises management and operation of the Center. As stated above, before you open the Center, you (or your Operating Partner) must attend and successfully complete our initial training program, and your manager must successfully complete our Internet training

program. Your manager need not have an equity interest in the business, nor are you required to inform us of the identity of the manager, but you must inform us as to who will be the Operating Partner.

If you are, or at any time during the Franchise Agreement's term become, a business corporation, partnership, limited liability company or other legal entity, you must designate an "Operating Partner." Your Operating Partner must be an individual who (a) owns and controls not less than 10% of your equity and voting rights; (b) has completed our training program to our satisfaction; and (c) has the power and authority to bind you in all dealings with us.

You must staff the Center at all times with a sufficient number of competent and properly trained employees. You are responsible for hiring all employees of your Center and are exclusively responsible for the terms of their employment, including their compensation and training. You are solely responsible for all employment decisions for your Center, including those related to hiring, firing, remuneration, personnel policies, benefits, record keeping, supervision and discipline, and regardless of whether you received advice from us on these subjects.

At least one employee of your Center must obtain (within a reasonable time, but not more than one year after the date of the Franchise Agreement or the opening date of the Center, if your Center is new) and maintain certification by Automotive Service Excellence ("ASE") (or any successor or similar organization we designate) for each of the areas of service comprising Authorized Products and Services performed at your Center for which certification is provided. In the event of changes in personnel at your Center in functions that require ASE certification, you will have a reasonable period of time, but not more than one year, to obtain appropriate certification of any replacement personnel. If in the future ASE certification is offered on Authorized Products and Services that is not offered as of the date of the Franchise Agreement, or if in the future you perform Authorized Products or Services for which ASE certification is offered, you must obtain certification within a reasonable period of time, but not more than one year.

If you are a business entity, we will require that each person or entity that has a 10% or greater direct or indirect legal or beneficial ownership in you sign a personal guaranty agreeing to be personally bound, jointly and severally, by your financial and other obligations under the Franchise Agreement. A copy of the Owner's Personal Guaranty is attached to the Franchise Agreement as Schedule D. In addition, each of your officers, directors, managers and others who attend our training programs must sign nondisclosure agreements prohibiting their unauthorized use or disclosure of the Confidential Information.

If you sign the Development Agreement, prior to opening your first Meineke Center, you must hire and train a managing director (the "Managing Director"), who will be subject to our approval in our reasonable discretion. Your Managing Director must devote his or her full time and efforts to the management and/or supervision of Meineke Centers within the Development Area. The Managing Director need not have an equity interest in the business, however.

If you are a business entity, each individual owner having a 10% or greater direct or indirect legal or beneficial ownership interest in you must sign a personal guaranty of your

obligations under the Development Agreement. This "Guaranty and Assumption of Obligations" is attached to the Development Agreement as Exhibit D. Your owners' spouses are not required to personally guarantee your performance under the Development Agreement.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Your Center will offer and sell only those automotive maintenance and repair products and services that we authorize Meineke Centers to offer and sell to the public periodically, as described in the Operations Manual and the Franchise Agreement. You must offer for sale, and exert your best efforts to aggressively market and sell, all Core Authorized Products and Services. "Core Authorized Products and Services" currently are: repair and replacement of exhaust system components, brake system components, shocks and struts, and any other Authorized Products and Services that we designate periodically to be products or services central to the operation of Meineke Centers. We may add Core Authorized Products and Services once the sales of the product or service reaches 10% of the system-wide sales for one year. Except for the Core Authorized Products and Services designated as of August 1, 1999, we may delete Core Authorized Products and Services once the sales of the product or service drops below 10% of system-wide sales for one year. All other Authorized Products and Services (i.e., those which are not Core Authorized Products and Services) are optional, and you do not have to offer them for sale at your Center.

We may add or delete Authorized Products and Services and conditionally approve Authorized Products and Services. We will consult with the DAAC with respect to decisions to add or delete Authorized Products and Services. The addition of Authorized Products and Services may require you to incur additional costs for equipment, inventory, additional personnel, personnel training and leasehold improvements.

Your Center may not, without our approval, offer any products or services that are not Authorized Products and Services. Even if you pay royalty fees and MAF contributions on the sale of unauthorized products or services, you are not entitled to continue to offer these unauthorized services at your Center. You may not use your Center for any purpose other than the operation of a Meineke Center in compliance with the Franchise Agreement. Your Center must offer courteous and efficient service in accordance with our standards.

You must comply with our discount price program, which is the foundation of the marketing concept of Meineke Centers (i.e., services performed at prices measurably less than those charged by authorized new car dealers). This pricing commitment is necessary to maintain the marketing concept of Meineke Centers and does not, in any manner, mandate or attempt to mandate the retail prices you charge customers. You may not enter into any agreement, understanding or arrangement, or engage in any concerted practice, with other Meineke franchisees or others relating to the prices at which Authorized Products and Services are offered or sold by you or any other Meineke Center.

We may periodically offer "Test Programs" in order to determine whether to add services. To be included within a "Test Program," you must sign an Addendum to the Franchise

Agreement and meet certain criteria. As of the date of this disclosure document, we are testing expanded electric vehicle services via our Meineke EV branding platform. We prohibit the sale of other products and services unless you receive our prior written consent. If you are found to be selling unauthorized services at your Center under the name "Meineke," then you must account to us for these sales and pay the royalty fees and MAF contributions generated from those sales.

We have established a standardized customer warranty with respect to Authorized Products and Services on terms and conditions which we may, in our sole discretion, modify. You must perform promptly all of the terms and conditions of all customer warranties. If you purchase an existing Meineke Center, you are responsible for performing warranty work for vehicles serviced by the prior owner.

You are not limited in the customers to whom you may sell the approved products or services. Other than as described above, there are no limits on any of our rights to modify the products and services that your Center may or must provide.

Item 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
a. Length of the franchise term	§ 2.1 of Franchise Agreement; § 3.1 of Development Agreement	15 years. Development Agreement expires on the earlier of the final opening deadline specified in the Development Schedule, or the date on which the last Meineke Center required to be developed under the Development Agreement opens for business.
b. Renewal or extension of the term	§ 14 and, if applicable, the Unilateral Right to Independence Rider or Reciprocal Right to Independence Rider, each of which is attached to the Franchise Agreement	We may grant you renewal under a successor franchise agreement for your Center for a term of 15, eight or five years at your choice. There is no renewal or extension right under the Development Agreement.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
c. Requirements for franchisee to renew or extend	§ 14 of Franchise Agreement	Provide notice at least 180 days prior to expiration; you, your owners, and affiliates are in compliance with agreements; you maintain possession of Premises for term of renewal; sign successor franchise agreement; remodel Center; pay successor franchise fee; sign release (if state law allows). "Renewal" means signing our successor franchise agreement, which may have materially different terms and conditions than the Franchise Agreement.
d. Termination by franchisee	§ 2.2 of Franchise Agreement	If we and you are unable to mutually agree on a location for your Center within 180 days after the date of the Franchise Agreement, either party may terminate the Franchise Agreement, effective upon notice.
e. Termination by franchisor without cause	Not Applicable	Not Applicable.
f. Termination by franchisor with cause	§§ 2.2, 4.1, and 13 of Franchise Agreement; § 9.2 of Development Agreement	We may terminate the Franchise Agreement or Development Agreement if you commit any one of several violations.
g. "Cause" defined - curable defaults	§ 13.2 of Franchise Agreement; §§ 9.2 and 10 of Development Agreement; § 5 of Limited Exclusivity Addendum	Under the Franchise Agreement, you have 30 days to cure failure to discontinue offering or selling any products or services from the Center that are not Authorized Products and Services; 30 days to cure monetary defaults; and 30 days to cure certain breaches of the Franchise Agreement that are not listed in (h.) below, including breach of the Operations Manual. Under the Development Agreement, you have 30 days to cure defaults not listed in (h.) below. Without waiving our option to terminate the Development Agreement, upon your failure to meet your

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		development obligations under the Development Schedule, in lieu of termination, we may, (1) reduce the number of Meineke Centers on the Development Schedule; (2) withhold evaluation or approval of site proposal packages for new Meineke Centers; (3) extend the Development Schedule; and/or (4) if applicable, terminate the Limited Exclusivity Addendum.
h. "Cause" defined — non-curable defaults	§ 13.1 of Franchise Agreement; § 9.2 of Development Agreement	Under the Franchise Agreement, non-curable defaults include insolvency and other financial difficulties; failure to open Center; material misrepresentation; felony conviction; unauthorized use or disclosure of Confidential Information; unauthorized transfer; termination of lease; repeated defaults; and default under any other agreement between you or any of your owners or affiliates and us and failure to cure within the applicable cure period, if any. Under the Development Agreement, non-curable defaults include failure to sign purchase agreement, lease, or sublease for any Meineke Center by applicable secure deadline; failure to develop and open any Meineke Center by applicable opening deadline; failure to have open and operating at least cumulative number of new Meineke Centers in the Development Area then required by the Development Schedule; termination of any franchise agreement between you (or any of your affiliates) and us by us; insolvency; bankruptcy-related events; conviction of or pleading no contest to felony, crime involving moral turpitude, or any other crime or offense that is likely

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		to affect adversely reputation and goodwill associated with Meineke franchise system and Marks; abandonment or failure to actively operate; violation of laws or regulations; unauthorized transfer; and violation of non-compete or confidentiality restrictions.
i. Franchisees' obligations on termination/non-renewal	§ 15 of Franchise Agreement; § 9.3 of Development Agreement	Pay all amounts owed to us; discontinue use of Marks, Confidential Information and computer software; transfer and assign telephone number to us; if we do not assume your lease or sublease, de-identify your Center; sell us your inventory of parts and supplies; comply with post-term covenants (unless you seek independence under § 14); and provide us with evidence of compliance with post-term obligations within 30 days. Also, upon the termination or expiration (without the grant of a successor franchise) of the Franchise Agreement, at our option, we may take a lease or an assignment of your Center's lease. However, you will not be required to lease or assign your lease if you notified us 18 months before the expiration of your Franchise Agreement that you do not intend to renew your franchise and you will not own or operate a Competitive Business (defined in (q.) below) at the Premises of the former Center after the expiration of the Franchise Agreement. Under the Development Agreement, cease using Confidential Information and return confidential materials to us.
j. Assignment of contract by franchisor	§ 12.8 of Franchise Agreement; § 13 of Development Agreement	No restrictions on our right to assign.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
k. "Transfer" by franchisee – defined	§§ 12.1 and 12.4 of Franchise Agreement; § 14 of Development Agreement	Under the Franchise Agreement, includes voluntary or involuntary, direct or indirect, sale, assignment, transfer, pledge, or grant of security interest in, or other disposition of the Franchise Agreement or direct or indirect ownership interest in you, including, issuance or redemption of stock; merger, or consolidation; transfer as a result of divorce, insolvency, or dissolution proceeding or other operation of law; transfer on death; or foreclosure of your Center. Under the Development Agreement, includes direct or indirect transfer or encumbrance of the Development Agreement and any transfer of any direct or indirect ownership in you.
l. Franchisor approval of transfer by franchisee[1]	§ 12.1 of Franchise Agreement; § 14 of Development Agreement	We have the right to approve any transfer.
m. Conditions for franchisor approval of transfer	§§ 12.2 and 12.3 of Franchise Agreement; §§ 14 and 15 of Development Agreement	Under the Franchise Agreement, you must give notice, be in compliance with agreements, pay transfer fee, and execute a non-compete agreement and general release (if state law allows); transferee must meet our standards, complete our training program, pay initial advertising contribution, execute new franchise agreement or an assignment agreement at our option, remodel Center to conform to new standards, and meet financial requirements; your Center must be open and operating; you or transferee pay any applicable third-party broker fees and costs or our then-current initial franchise fee (at our option). If transferring to a corporation you own, the transfer agreement must be satisfactory to us.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		You may only transfer the Development Agreement with a transfer of all Meineke Centers that you (and, if applicable, your affiliates) own and operate. We will consent to the assignment of the Development Agreement to an entity that you form for convenience of ownership if the entity is newly formed; the entity has and will have no other business other than the development and operation of Meineke Centers; you and the entity satisfy our then-current transfer conditions; you hold all equity interests in the entity or, if you are owned by multiple individuals, each owner's proportionate equity interest in the entity is the same as his/her equity interest in you pre-transfer; and you and the entity otherwise comply with the developer entity requirements in the Development Agreement.
n. Franchisor's right of first refusal to acquire franchisee's business	§§ 12.6 and 12.7 of Franchise Agreement	We can match any offer for the Center. Before you obtain an offer from a buyer, you may offer to us first. If you do, then we only have a right of first refusal if the terms are different than offered to us.
o. Franchisor's option to purchase franchisee's business	§ 15.4 of Franchise Agreement	Upon termination or expiration, subject to certain conditions, we may require you to assign the lease or sublease for the Center Premises to us (or, at our option, sublease the Center Premises to us) or, if the Franchise Agreement is for a new Center, and you or your affiliate owns the Center Premises, lease the Center Premises to us, unless you seek independence under § 14 of the Franchise Agreement.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
p. Death or disability of franchisee	§ 12.5 of Franchise Agreement	Franchise must be assigned by estate to an approved buyer within 12 months.
q. Non-competition covenants during the term of the franchise	§ 11.2 of Franchise Agreement; § 12.1 of Development Agreement	You and your owners may not: own or engage in a Competitive Business anywhere, or own any entity that grants franchises, licenses or other rights to operate a Competitive Business; divert business to a Competitive Business; or act in a manner injurious or prejudicial to the goodwill of the Marks or the Meineke system. You are not, however, restricted from owning shares of a class of securities of a Competitive Business that are listed on a stock exchange or traded on the over-the-counter market and that represent less than 5% of that class of securities. A "Competitive Business" means any enterprise that sells any Core Authorized Products or Services, excluding (1) any other franchised Meineke Center; (2) any other automotive business franchised by Driven Brands Holdings or its subsidiaries; and (3) any enterprise (a) that offers and sells products and services that we consider to be Core Authorized Products and Services, other than repair and replacement of exhaust system components, brake system components and ride system components, (b) that you owned and were operating prior to the date that such product or service is designated as an Authorized Product or Service (even if that designation is on a test basis), and (c) that you fully disclosed to us in writing before the date such product or service is designated an Authorized Product or Service.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
r. Non-competition covenants after the franchise is terminated or expires	§ 11.4 of Franchise Agreement; § 12.2 of Development Agreement	For one year from the later of the date of termination or expiration or when you begin to comply with the covenant, you and your owners are prohibited from owning, managing, operating, or consulting with any Competitive Business located at the Premises; within a six-mile radius of the Center; or within a six-mile radius of any Meineke Center in operation at the time that you signed the Franchise Agreement. Under the Development Agreement, however, the restrictions above apply to any Competitive Business located in the Development Area; within six miles of the border of the Development Area; or within a six-mile radius of any Meineke Center in operation at the time that you signed the Development Agreement.
s. Modification of the Agreement	§ 17.12 of Franchise Agreement; § 17 of Development Agreement	Generally, no modifications, except by written agreement signed by both parties, or, under the Franchise Agreement, unless at least 75% of all franchised Meineke Centers vote in favor of the modification. We may change the Operations Manual and Meineke system.
t. Integration/merger clause	§ 17.11 of Franchise Agreement; § 18 of Development Agreement	Generally, only terms of the applicable agreement and Operations Manual are binding (subject to state law). Any representations or promises outside of the disclosure document and applicable agreement may not be enforceable.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
u. Dispute resolution by arbitration or mediation	§§ 17.2, 17.4 and 17.15 of Franchise Agreement; § 22 of Development Agreement	Except for injunctive relief and, under the Franchise Agreement only, certain types of multi-plaintiff and class actions (which you or we may bring in court under certain conditions), any controversy, disputes or claims, on the demand of either party, subject to specific time requirements, will be resolved by binding arbitration in the city where we then have our principal place of business (currently Charlotte, North Carolina). Under the Franchise Agreement only, prior to enforcement, you may appeal certain of our business decisions to an ombudsman, but we are not bound by his or her views.
v. Choice of forum	§ 17.5 of Franchise Agreement; § 22.4 of Development Agreement	Under the Franchise Agreement, subject to arbitration requirements, (i) any court action we bring may be brought in the jurisdiction where we have our principal place of business (currently Charlotte, North Carolina), and (ii) any action you bring may be brought in the jurisdiction where your Center is located. Under the Development Agreement, subject to arbitration requirements, any court action must be brought in the jurisdiction where we have our principal place of business (currently Charlotte, North Carolina).
w. Choice of law	§ 17.1 of Franchise Agreement; § 22.1 of Development Agreement	Except for United States Arbitration Act, North Carolina law applies (subject to state law).

* If, upon your transfer of the Center, you agree to finance all or a portion of the purchase price, we will require you to sign the Tri Party Agreement (Exhibit AA), which requires you to defer loan payments for a period of 90 days if your purchaser is in monetary default to us under their franchise agreement.

Item 18

PUBLIC FIGURES

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

Item 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

A. Gross Revenues and Key Performance Indicators

Part A of this financial performance representation includes the historical average and median Gross Revenues and certain key performance indicators for 507 franchised Meineke Centers that operated from January 1, 2023 through December 30, 2023 (the "2023 Fiscal Year") and that met the following criteria: (i) the Meineke Center had operated for at least two full years as of the end of the 2023 Fiscal Year; (ii) the Meineke Center operated with at least five repair bays; and (iii) the Meineke Center reported Gross Revenues and KPI data to us for the full 2023 Fiscal Year. As of the end of the 2023 Fiscal Year, there were a total of 702 Meineke Centers in operation. However, the performance of 48 Meineke Centers is not included below because they had not been open and operating for at least two full years as of the end of the 2023 Fiscal Year. We also excluded the performance of: (a) four Meineke Centers because they did not report Gross Revenues and KPI data to us for the full 2023 Fiscal Year; and (b) 143 Meineke Centers because they operate with fewer than five repair bays and therefore do not use the prototypical business format and operating procedures for a Meineke Center that form the basis of the franchise opportunity that we offer in this disclosure document. These 195 excluded Meineke Centers averaged 4.1 repair bays (for those Meineke Centers for which bay data was available) and had average Gross Revenues of $746,849, median Gross Revenues of $670,484, lowest Gross Revenues of $37,109, and highest Gross Revenues of $2,512,173 for the 2023 Fiscal Year. Of these 195 Meineke Centers, 78 Meineke Centers (40%) met or exceeded the average Gross Revenues of these 195 Meineke Centers. Also excluded are 31 Meineke Centers that closed during the 2023 Fiscal Year (two of which operated for less than 12 months). "Gross Revenues" means all revenue from a franchised Meineke Center location. Gross Revenues does not include sales tax, credit card fees, and check guaranty fees.

We separated the 507 Meineke Centers into the top performing 50% and bottom performing 50% based on average Gross Revenues, with the top performing 50% reflecting the results of those Meineke Centers with the highest average Gross Revenues for the 2023 Fiscal

Year, and the bottom performing 50% reflecting the results of those Meineke Centers with the lowest average Gross Revenues for the 2023 Fiscal Year. The Meineke Centers in this financial performance representation operate throughout the United States in both urban and suburban areas and have operated for an average of 20.7 years.

	Top 50%	Bottom 50%	Median for All Meineke Centers	Average for All Meineke Centers	# / % Met/Exceeded Average
# of Meineke Centers	254	253	507	507	
Gross Revenues	$1,284,137	$657,353	$915,136	$971,363	223 / 44%
Call Lead Conversion	33.8%	26.8%	30.7%	30.3%	263 / 52%
Call Success %	90.3%	87.1%	90.3%	88.7%	301 / 59%
Avg Google Rating	4.36	4.20	4.3	4.28	285 / 56%

	Top 50%	Bottom 50%
Lowest Gross Revenues	$915,136	$55,899
Highest Gross Revenues	$4,426,243	$915,115
Median Gross Revenues	$1,202,661	$680,108
# / % Met / Exceeded Average	91 / 36%	140 / 55%

There were 24 Meineke Centers that were open for more than one full year and less than two full years as of the end of the 2023 Fiscal Year and reported Gross Revenues and KPI data to us for the full 2023 Fiscal Year. These Meineke Centers had average Gross Revenues of $814,935, median Gross Revenues of $727,509, lowest Gross Revenues of $239,322, and highest Gross Revenues of $1,428,928 for the 2023 Fiscal Year. Of these 24 Meineke Centers, 10 Meineke Centers (42%) met or exceeded the average Gross Revenues of these 24 Meineke Centers.

Footnotes to this Financial Performance Representation:

1. "Call Lead Conversion" means the percentage of unique callers matched to a phone number on a processed invoice (matched phone numbers divided by total invoices). We track incoming phone calls to each Meineke Center through a phone database. If a phone number in the phone database matches a phone number listed on an invoice, we associate that invoice with a phone call (as opposed to a walk-in customer).

2. "Call Success %" means the percentage of answered telephone calls that are longer than 15 seconds divided by the total number of calls received during business hours only. Calls are considered "unsuccessful" if they were unanswered, abandoned while on hold, abandoned while transferring to another line, or reached voicemail.

3. "Google Rating" means the average rating from all Google reviews received by the Meineke Centers during the 2023 Fiscal Year. The lowest rating available is "1," and the highest rating available is "5."

B. Gross Revenues and Cost Analysis

Part B of this financial performance representation includes the average and median Gross Revenues and certain cost and expense information for the 2023 Fiscal Year, as reported by 84 Meineke Centers that met the criteria in Part A of this financial performance representation and also participated in our Franchisee Profitability Program. The Franchisee Profitability Program is a Driven Brands Shared Services department established in July 2018 that works with franchisees to prepare and submit standardized profit and loss information to us directly with a focus on using the data to improve overall franchisee performance. All operating Meineke franchisees are eligible and encouraged to participate in the Franchisee Profitability Program. There were a total of 240 Meineke Centers participating in our Franchisee Profitability Program for the 2023 Fiscal Year; however, only 84 of these Meineke Centers had submitted a full year of Gross Revenues and expense information for the 2023 Fiscal Year, operated with five or more repair bays, and had operated for a full two years by the end of the 2023 Fiscal Year.

We separated the 84 Meineke Centers into the top performing 50% and bottom performing 50% based on Gross Revenues, similar to Part A of this financial performance representation, for purposes of detailing their cost and expense information. However, the average and median Gross Revenues of the Meineke Centers depicted in the chart below are not entirely representative of the average and median Gross Revenues of the Meineke Centers depicted in Part A of this financial performance representation because there are fewer Meineke Centers in this Part B. For example, all Meineke Centers in the bottom performing 50% in Part A in particular likely have lower 4-Wall EBITDA than the 42 Meineke Centers depicted in the bottom performing 50% in this Part B, given the disparity in average Gross Revenues between Parts A and B of this financial performance representation. The Meineke Centers in this financial performance representation have operated for an average of 16 years. The list of costs and expenses below is not all-inclusive. Meineke franchisees will incur additional expenses in the operation of their Meineke Centers that do not appear in this financial performance representation.

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	Top 50%	Bottom 50%	Median for all Meineke Centers	Average for all Meineke Centers	# / % Met/Exceeded Average
	42	42	84	84	
Gross Revenues	**$1,367,365**	**$667,232**	**$902,647**	**$1,017,298**	**35 / 42%**
Cost of Goods	$350,833	$158,195	$216,162	$254,514	
Gross Profit	**$1,016,532**	**$509,037**	**$686,484**	**$762,784**	**32 / 38%**
	74%	*76%*	*76%*	*75%*	
Total Labor	$318,752	$164,689	$204,991	$241,721	
Royalty	$68,368	$33,362	$45,132	$50,865	
Advertising	$78,760	$38,433	$51,992	$58,596	
Occupancy	$121,182	$86,420	$100,243	$103,801	
Other OpEx	$149,825	$91,914	$116,247	$120,870	
Total 4-Wall OpEx	**$736,887**	**$414,818**	**$518,605**	**$575,852**	**27 / 32%**
4-Wall EBITDA	**$279,645**	**$94,219**	**$167,879**	**$186,932**	**35 / 42%**
4-Wall EBITDA %	*20.5%*	*14.1%*	*18.6%*	*18.4%*	

	Top 50%	Bottom 50%
Lowest Gross Revenues	$918,574	$190,542
Highest Gross Revenues	$2,645,321	$886,720
Median Gross Revenues	$1,153,892	$683,339
# / % Met/Exceeded Average Gross Revenues	12 / 29%	24 / 57%

Footnotes to this Financial Performance Representation:

1. "Cost of Goods" is the purchase cost for batteries, dealer parts, local parts, miscellaneous parts, oil and bulk fluid, supplies, tires, sublet materials, and merchant fees, less rebates received on such goods.

2. "Total Labor" includes direct labor (technician wages, bonus, and overtime, and subcontractor labor) and indirect labor (manager wages and incentive compensation, hourly wages and bonuses, vacation/holiday expense, payroll taxes, and employee benefits) associated with staffing each Meineke Center and attempts to exclude any owner draw or distribution as further discussed in this footnote. We reviewed the franchisee source data for "Total Labor" and determined there was inconsistent treatment of owner payroll, as some Meineke Centers recorded owner payroll as a separate line item, whereas other Meineke Centers included owner payroll within operating payroll. Accordingly, 12 of the 84 Meineke Centers within the source data reported owner payroll separate from operating payroll in excess of $50,000. Owner payroll for these 12 Meineke Centers averaged 10.3% of Gross Revenues. In order to account for owner payroll of the 72 Meineke Centers that did not separately identify owner payroll or did so for an amount less than $50,000, we recorded an adjustment to increase owner payroll to 10.3% of Gross Revenues for all Meineke Centers and subtracted this adjustment from operating payroll. This adjustment equals approximately $97,488 of operating payroll removed from the above income statement for the top performing 50% and $51,922 removed

from the bottom performing 50%.

3. "Royalty" is the total Royalty fees paid by franchisees under the Franchise Agreement. To present a more equalized summary of costs and expenses, we adjusted the Royalty to 5% of Gross Revenues for all Meineke Centers in this financial performance representation (the overall rate taking into account the different royalty rate assessed for each type of service). All multi-unit developers who sign an Area Development Agreement with Meineke to open more than one Meineke Center will pay reduced Royalty Fees during the initial years of operation of each new Meineke Center they open.

4. "Advertising" is the total MAF contributions paid by franchisees under the Franchise Agreement. Although franchisees signing our Franchise Agreement agree to pay 8% of Gross Revenues to the MAF, all franchisees included in this financial performance representation – and generally in the Meineke franchise system – pay a lower MAF contribution under the Advertising Addenda to Franchise and Trademark Agreement, the fleet programs and other advertising incentives. Accordingly, we adjusted the Advertising to match the rate payable under the Advertising Addenda to Franchise and Trademark Agreement and the fleet programs (i.e., 5.76% of Gross Revenues) for all Meineke Centers in this financial performance representation.

5. "Occupancy" costs include leases, rent, common area maintenance, and property taxes, as well as expenses for telephone, Internet, cable, gas, electricity, water, sewer, trash removal, and security.

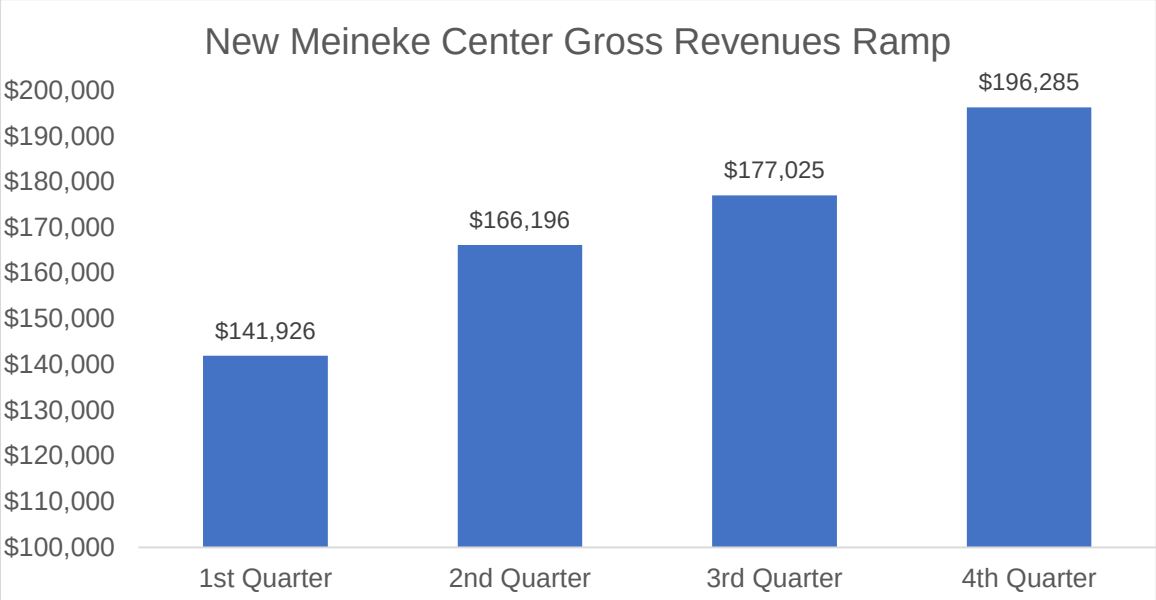
6. "Other OpEx" includes the following: costs a Meineke Center chooses to incur for additional advertising beyond the advertising expenses required under the Franchise Agreement; office supplies; automobile; bad debt expense; bank fees and service charges; donations a Meineke Center may choose to make to charitable organizations; dues and subscriptions (like technical tools and ALLDATA or Mitchell on demand, magazine subscriptions, business association dues (e.g., Chamber of Commerce and BBB), and additional software fees for, among other things, QuickBooks); equipment leases; general liability insurance; licenses and permits; merchant fees; repair and maintenance (including repairs related to equipment and facilities); training fees; costs related to laundry and uniforms, small tools, hazardous waste, resolving warranty and customer complaints, and cash over/short; and software license fees payable to operate the Meineke Center's point of sale system.

7. "4-Wall EBITDA" are the amounts that remain when all expenses listed in the chart are subtracted from Gross Revenues.

C. New Meineke Center Gross Revenues Ramp

Part C of this financial performance representation provides information on the historical average and historical median Gross Revenues ramp of a Meineke Center within the first year of operation. We included in the chart below the first year Gross Revenues ramp for 60 franchised Meineke Centers that opened during the period from December 30, 2018 through December 31, 2022. A total of 80 new Meineke Centers opened during this period. We excluded from this financial performance representation: (i) nine Meineke Centers that opened during the period that operate with fewer than five repair bays; and (ii) 11 Meineke Centers that failed to submit weekly sales reports for their entire first full year of operation. We did not include the results of any Meineke Centers that opened during the 2023 Fiscal Year because they had not operated for one full year by December 30, 2023. Since Gross Revenues are reported at the end of each week, each "quarter" in our analysis below

consists of 13 weeks (such that all periods have the same number of days (i.e., 91)), and four "quarters" equals 52 weeks (or one full year). The beginning and ending dates of each "quarter" in this financial performance representation differ for each Meineke Center because each Meineke Center opened for business on a different date. Of the 60 Meineke Centers included in this financial performance representation, there are 10 in Texas, 5 in Nevada, 5 in Pennsylvania, 4 in Arizona, 4 in Florida, 3 in Illinois, 3 in North Carolina, 3 in Oklahoma, 3 in Alaska, 2 in California, 2 in Kentucky, 2 in Maryland, 2 in Tennessee, 1 in Alabama, 1 in Colorado, 1 in Georgia, 1 in Indiana, 1 in Louisiana, 1 in New Jersey, 1 in New York, 1 in South Carolina, 1 in Nebraska, 1 in Virginia, 1 in Washington, 1 in Ohio.



Quarter	# of Meineke Centers	Average Gross Revenues	Median	High	Low	# / % Met/Exceeded Average
1st Quarter	60	$141,926	$124,447	$425,447	$40,586	22 / 37%
2nd Quarter	60	$166,196	$151,433	$376,514	$54,276	27 / 45%
3rd Quarter	60	$177,025	$167,160	$328,709	$45,925	27 / 45%
4th Quarter	60	$196,285	$183,500	$409,993	$53,275	24 / 40%

* * *

The sales and expense information vary for Meineke Centers depending on factors like the number of repair bays and the density of vehicle ownership.

Our management prepared this financial performance representation based on Gross Revenues and cost and expense information reported by our franchisees. This financial performance representation was 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 their contents or form. Written substantiation of the data used in preparing the charts above will be made available to you on reasonable request.

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

Other than the preceding financial performance representations, 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 Meineke Center, however, we may provide you with the actual records of that Meineke Center. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Scott O'Melia, 440 South Church Street, Suite 700, Charlotte, North Carolina 28202, (704) 377-8855, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20

OUTLETS AND FRANCHISEE INFORMATION

All figures in the following tables are as of our fiscal year ends of December 30, 2023, December 31, 2022, and December 25, 2021.

Meineke Centers

Table No. 1

Systemwide Outlet Summary
Meineke Centers
For years 2021 to 2023

Column 1 Outlet Type	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	2021	712	706	-6
	2022	706	705	-1
	2023	705	702	-3
Company-Owned	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Total Outlets	**2021**	**712**	**706**	**-6**
	2022	**706**	**705**	**-1**
	2023	**705**	**702**	**-3**

Table No. 2

Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
Meineke Centers
For years 2021 to 2023

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Alabama	2021	0
	2022	2
	2023	2
Arizona	2021	4
	2022	1
	2023	1
Arkansas	2021	0
	2022	0
	2023	0
Colorado	2021	3
	2022	3
	2023	3
Connecticut	2021	5
	2022	0
	2023	0
Delaware	2021	0
	2022	1
	2023	0
Florida	2021	0
	2022	2
	2023	1
Georgia	2021	1
	2022	0
	2023	0
Idaho	2021	0
	2022	2
	2023	0
Illinois	2021	2
	2022	4
	2023	1
Indiana	2021	2
	2022	3
	2023	5
Iowa	2021	0
	2022	0
	2023	1
Kansas	2021	1
	2022	0
	2023	8

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Kentucky	2021	0
	2022	0
	2023	12
Maine	2021	1
	2022	0
	2023	0
Maryland	2021	2
	2022	1
	2023	1
Massachusetts	2021	1
	2022	0
	2023	1
Mississippi	2021	0
	2022	0
	2023	2
Missouri	2021	0
	2022	1
	2023	3
New Jersey	2021	0
	2022	1
	2023	10
Nevada	2021	0
	2022	1
	2023	0
New Hampshire	2021	2
	2022	1
	2023	1
New York	2021	0
	2022	0
	2023	1
North Carolina	2021	0
	2022	3
	2023	6
Ohio	2021	0
	2022	1
	2023	0
Oklahoma	2021	0
	2022	1
	2023	0
Oregon	2021	0
	2022	1
	2023	0
Pennsylvania	2021	4
	2022	0
	2023	2

Column 1 State	Column 2 Year	Column 3 Number of Transfers
South Carolina	2021	0
	2022	3
	2023	1
South Dakota	2021	0
	2022	1
	2023	0
Tennessee	2021	1
	2022	0
	2023	0
Texas	2021	4
	2022	4
	2023	6
Virginia	2021	1
	2022	2
	2023	1
Washington	2021	0
	2022	0
	2023	1
Wyoming	2021	1
	2022	0
	2023	0
Total	**2021**	**35**
	2022	**39**
	2023	**71**

Table No. 3

Status of Franchised Outlets
Meineke Centers
For years 2021 to 2023

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened[1]	Col. 5 Termina-tions	Col. 6 Non-Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations – Other Reasons	Col. 9 Outlets at End of the Year
Alabama	2021	7	0	0	0	0	0	7
	2022	7	0	0	0	0	0	7
	2023	7	0	0	0	0	0	7
Alaska	2021	1	0	0	0	0	1	0
	2022	0	3	0	0	0	0	3
	2023	3	0	0	0	0	0	3

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened[1]	Col. 5 Termina-tions	Col. 6 Non-Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations – Other Reasons	Col. 9 Outlets at End of the Year
Arizona*	2021	14	2	0	0	0	0	16
	2022	16	1	1	0	0	1	15
	2023	15	0	0	0	0	0	15
Arkansas	2021	3	0	0	0	0	0	3
	2022	3	0	1	0	0	0	2
	2023	2	0	0	0	0	0	2
California*	2021	18	2	3	0	0	0	17
	2022	17	0	1	0	0	0	16
	2023	16	0	2	0	0	0	14
Colorado	2021	23	0	0	0	0	1	22
	2022	22	0	0	0	0	1	21
	2023	21	0	0	0	0	0	21
Connecticut	2021	25	0	3	1	0	0	21
	2022	21	0	0	0	0	0	21
	2023	21	0	0	0	0	0	21
Delaware	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
	2023	6	1	0	0	0	0	7
Florida	2021	27	0	0	2	0	2	23
	2022	23	2	2	0	0	0	23
	2023	23	5[2]	4[2]	0	0	0	24
Georgia	2021	14	5	2	0	0	0	17
	2022	17	2	1	0	0	1	17
	2023	17	1	3	0	0	0	15
Idaho	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
	2023	6	0	0	0	0	0	6
Illinois	2021	34	2	0	0	0	0	36
	2022	36	2	0	0	0	0	38
	2023	38	1	2	0	0	0	37
Indiana	2021	21	1	1	0	0	0	21
	2022	21	0	0	0	0	0	21
	2023	21	3	0	0	0	0	24
Iowa	2021	6	0	0	0	0	1	5
	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
Kansas	2021	12	0	0	0	0	0	12
	2022	12	0	0	0	0	0	12
	2023	12	0	0	0	0	0	12
Kentucky	2021	15	0	0	0	0	0	15
	2022	15	0	0	0	0	0	15
	2023	15	0	0	0	0	0	15

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened[1]	Col. 5 Termina-tions	Col. 6 Non-Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations – Other Reasons	Col. 9 Outlets at End of the Year
Louisiana	2021	2	2	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	1	0	0	0	0	5
Maine	2021	5	0	0	0	0	0	5
	2022	5	0	1	0	0	0	4
	2023	4	0	0	0	0	0	4
Maryland	2021	20	1	0	0	0	0	21
	2022	21	1	0	0	0	0	22
	2023	22	2	0	0	0	0	24
Massachusetts	2021	23	1	0	0	0	1	23
	2022	23	0	1	0	0	0	22
	2023	22	1	0	0	0	0	23
Michigan	2021	6	0	1	1	0	0	4
	2022	4	0	1	0	0	0	3
	2023	3	0	0	0	0	0	3
Minnesota	2021	6	0	0	0	0	0	6
	2022	6	0	1	0	0	0	5
	2023	5	0	0	0	0	0	5
Mississippi	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
Missouri	2021	21	0	0	0	0	0	21
	2022	21	0	0	0	0	0	21
	2023	21	1	1	0	0	0	21
Montana	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Nebraska	2021	1	1	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	1	0	0	0	0	3
Nevada*	2021	27	1	0	0	0	1	27
	2022	27	2	0	0	0	0	29
	2023	29	3	0	0	0	0	32
New Hampshire	2021	14	0	0	0	0	0	14
	2022	14	0	0	0	0	0	14
	2023	14	0	0	0	0	0	14
New Jersey	2021	47	2	0	0	0	1	48
	2022	48	2	2	0	0	0	48
	2023	48	0	1	0	0	0	47
New Mexico	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened[1]	Col. 5 Termina-tions	Col. 6 Non-Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations – Other Reasons	Col. 9 Outlets at End of the Year
New York	2021	24	0	0	0	0	2	22
	2022	22	0	1	0	0	0	21
	2023	21	0	3	0	0	0	18
North Carolina	2021	48	0	0	3	0	1	44
	2022	44	0	0	0	0	0	44
	2023	44	1	0	0	0	0	45
North Dakota	2021	1	0	0	0	0	0	1
	2022	1	0	1	0	0	0	0
	2023	0	0	0	0	0	0	0
Ohio	2021	16	0	0	1	0	3	12
	2022	12	1	0	0	0	0	13
	2023	13	0	4	0	0	0	9
Oklahoma	2021	5	0	0	0	0	0	5
	2022	5	1	0	0	0	0	6
	2023	6	1	0	0	0	0	7
Oregon	2021	9	0	0	0	0	0	9
	2022	9	0	0	0	0	0	9
	2023	9	0	0	0	0	0	9
Pennsylvania	2021	52	1	0	1	0	0	52
	2022	52	3	1	0	0	0	54
	2023	54	1	0	0	0	0	55
Puerto Rico	2021	4	1	0	0	0	0	5
	2022	5	0	0	0	0	0	5
	2023	5	1	0	0	0	0	6
South Carolina	2021	15	0	0	0	0	1	14
	2022	14	0	1	0	0	0	13
	2023	13	0	0	0	0	0	13
South Dakota	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Tennessee*	2021	8	1	0	0	0	0	9
	2022	9	0	0	0	0	1	8
	2023	8	1	0	0	0	1	8
Texas*	2021	55	4	0	0	0	1	58
	2022	58	1	2	0	0	0	57
	2023	57	2	4	0	0	1	54
Utah	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	1	0	0	0	0	3
Virginia	2021	25	1	0	0	0	0	26
	2022	26	1	1	0	0	0	26
	2023	26	0	1	0	0	0	25

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened[1]	Col. 5 Termina-tions	Col. 6 Non-Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations – Other Reasons	Col. 9 Outlets at End of the Year
Washington	2021	19	1	0	0	0	0	20
	2022	20	1	0	0	0	0	21
	2023	21	0	1	0	0	1	19
West Virginia	2021	2	0	0	0	0	0	2
	2022	2	0	1	0	0	0	1
	2023	1	0	0	0	0	0	1
Wisconsin	2021	9	0	0	0	0	0	9
	2022	9	0	0	0	0	0	9
	2023	9	0	2	0	0	0	7
Wyoming	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Total	**2021**	**712**	**29**	**10**	**9**	**0**	**16**	**706**
	2022	**706**	**23**	**20**	**0**	**0**	**4**	**705**
	2023	**705**	**28**	**28**	**0**	**0**	**3**	**702**

[1]Includes new outlets and existing company-owned outlets that a franchisee purchased from the franchisor; excludes outlets that re-opened after being temporarily closed.
[2]Includes two outlets that both opened and were terminated in 2023.
* Includes locations previously unaccounted for.

Table No. 4

Status of Company-Owned Outlets
Meineke Centers
For years 2021 to 2023

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired from Franchisee	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisee	Col. 8 Outlets at End of the Year
All States	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Total	**2021**	**0**	**0**	**0**	**0**	**0**	**0**
	2022	**0**	**0**	**0**	**0**	**0**	**0**
	2023	**0**	**0**	**0**	**0**	**0**	**0**

Table No. 5

Projected Openings as of December 30, 2023
Meineke Centers

Column 1 State	Column 2 Franchise Agreements Signed but Outlet Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company-Owned Outlet in the Next Fiscal Year
Arizona	1	0	0
California	4	0	0
Connecticut	2	0	0
Delaware	1	0	0
District of Columbia	1	0	0
Florida	7	0	0
Georgia	1	1	0
Illinois	3	0	0
Indiana	3	0	0
Kentucky	1	1	0
Louisiana	2	0	0
Maryland	1	0	0
Massachusetts	3	1	0
Missouri	1	0	0
Nebraska	1	0	0
Nevada	1	0	0
New Jersey	1	0	0
North Carolina	6	1	0
Oklahoma	1	0	0
Pennsylvania	2	0	0
Tennessee	1	0	0
Texas	23	0	0
Virginia	2	0	0
Total	69	4	0

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Co-branded Meineke/Econo Lube Centers

Table No. 1

Systemwide Outlet Summary
Co-branded Meineke/Econo Lube Centers
For years 2021 to 2023

Column 1 Outlet Type	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	2021	25	25	0
	2022	25	22	-3
	2023	22	22	0
Company-Owned	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Total Outlets	**2021**	**25**	**25**	**0**
	2022	**25**	**22**	**-3**
	2023	**22**	**22**	**0**

Table No. 2

Transfers of Outlets from Franchisees to New Owners (other than Franchisor)
Co-branded Meineke/Econo Lube Centers
For years 2021 to 2023

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Kansas	2021	0
	2022	0
	2023	0
Utah	2021	0
	2022	0
	2023	0
Total	**2021**	**0**
	2022	**0**
	2023	**0**

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Table No. 3

Status of Franchised Outlets
Co-branded Meineke/Econo Lube Centers
For years 2021 to 2023

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened[1]	Col. 5 Termina-tions	Col. 6 Non-Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations – Other Reasons	Col. 9 Outlets at End of the Year[2]
Arizona	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Arkansas	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
California*	2021	12	0	0	0	0	0	12
	2022	12	0	2	0	0	0	10
	2023	10	0	0	0	0	1	9
Illinois	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Kansas	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Kentucky	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Nevada	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	1	0
	2023	0	0	0	0	0	0	0
North Carolina	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
South Dakota	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Texas	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Utah	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened[1]	Col. 5 Termina-tions	Col. 6 Non-Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations – Other Reasons	Col. 9 Outlets at End of the Year[2]
Washing-ton	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
Total	**2021**	**25**	**0**	**0**	**0**	**0**	**0**	**25**
	2022	**25**	**0**	**2**	**0**	**0**	**1**	**22**
	2023	**22**	**1[3]**	**0**	**0**	**0**	**1[3]**	**22**

[1]Includes new outlets and existing company-owned outlets that a franchisee purchased from the franchisor.
[2]Excludes outlets that re-opened after being temporarily closed.
[3]Franchisee relocated from California to Washington.
*Includes locations previously unaccounted for.

Table No. 4

Status of Company-Owned Outlets
Co-branded Meineke/Econo Lube Centers
For years 2021 to 2023

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired from Franchisee	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisee	Col. 8 Outlets at End of Year
All States	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Total	**2021**	**0**	**0**	**0**	**0**	**0**	**0**
	2022	**0**	**0**	**0**	**0**	**0**	**0**
	2023	**0**	**0**	**0**	**0**	**0**	**0**

Table No. 5

Projected Openings as of December 30, 2023
Co-branded Meineke/Econo Lube Centers

Column 1 State	Column 2 Franchise Agreements Signed but Outlet Not Opened	Column 3 Projected New Franchised Outlet in the Next Fiscal Year	Column 4 Projected New Company-Owned Outlet in the Next Fiscal Year
All States	0	0	0
Total	0	0	0

The names, addresses, and telephone numbers of all franchisees and their Meineke Centers as of December 30, 2023 are listed in Exhibit M-1.

The names, cities and states, and current business telephone numbers, or, if unknown, the home telephone numbers, of franchisees who have signed a franchise agreement but have not yet opened Meineke Centers as of December 30, 2023 are listed in Exhibit M-2.

The names, cities and states, and current business telephone numbers, or, if unknown, the last known home telephone numbers of franchisees who have temporarily closed their Meineke Centers as of December 30, 2023 are listed in Exhibit M-2.

The names, cities and states, and current business telephone numbers, or, if unknown, the last known home telephone numbers, of every franchisee who has had a franchise terminated, canceled, not renewed during the most recently completed fiscal year, or who otherwise voluntarily or involuntarily ceased to do business under their franchise agreement or area development agreement in the same period, or who have not communicated with us within 10 weeks of the date of this disclosure document, are listed in Exhibit M-3. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

The names, addresses, and telephone numbers of all franchisees and their Co-branded Meineke/Econo Lube Centers as of December 30, 2023 are listed in Exhibit M-4.

The names, cities and states, and current business telephone numbers, or, if unknown, the home telephone numbers, of franchisees who have signed a franchise agreement and co-brand addendum to franchise and trademark agreement but have not yet opened their Co-branded Meineke/Econo Lube Centers as of December 301, 2023 are listed in Exhibit M-5.

The names, cities and states, and current business telephone numbers, or, if unknown, the last known home telephone numbers, of every co-branded franchisee who has had a franchise terminated, canceled, not renewed during the most recently completed fiscal year, or who otherwise voluntarily or involuntarily ceased to do business under their franchise agreement and co-brand addendum to franchise and trademark agreement in the same period, or who have not communicated with us within 10 weeks of the date of this disclosure document, are listed in Exhibit M-6. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Trademark Specific Franchisee Organizations

Meineke Dealers Association, 1701 Barrett Lakes Blvd. NW, Suite 180, Kennesaw, Georgia 30144, (678) 797-5160, mdaoffice@meinekedealers.com; http://www.meinekedealers.com. This franchisee organization is endorsed and recognized by us.

Confidentiality Clauses

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the Meineke franchise system. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

Item 21

FINANCIAL STATEMENTS

Attached as Exhibit N are the audited consolidated financial statements of Driven Systems, our parent company, and its subsidiaries for the years ended December 30, 2023 and December 31, 2022 and for the years ended December 31, 2022, December 25, 2021, and December 26, 2020; and Driven Systems' unaudited balance sheet as of March 30, 2024, and its unaudited statements of income and cash flows for the three-month periods ended March 30, 2024 and April 1, 2023. Driven Systems guarantees the performance of Meineke. A copy of the guarantee of Driven Systems is attached as Exhibit V.

As reflected in Item 1, Driven Brands will be providing required support and services to franchisees under a management agreement with us. Attached as Exhibit N are the audited consolidated financial statements of Driven Brands and its subsidiaries for the years ended December 30, 2023 and December 31, 2022 and for the years ended December 31, 2022, December 25, 2021, and December 26, 2020; and Driven Brands' unaudited balance sheet as of March 30, 2024, and its unaudited statements of income and cash flows for the three-month periods ended March 30, 2024 and April 1, 2023. These financial statements are being provided for disclosure purposes only. Driven Brands is not a party to the Franchise Agreement or Development Agreement we sign with franchisees, nor does it guarantee our obligations under the Franchise Agreement or Development Agreement we sign with franchisees.

As noted in Item 1, Driven Brands and certain entities affiliated with Driven Brands entered into the Securitization Transaction and certain additional secured financing transactions subsequent to the Securitization Transaction (and may enter into other securitization/financing transactions in the future). Certain indirect subsidiaries of Driven Brands, including Meineke, have guaranteed the indebtedness incurred in connection with each of these transactions. See the Footnotes to the financial statements in Exhibit N for more information about these transactions.

Item 22

CONTRACTS

The following contracts/documents are exhibits:

Franchise and Trademark Agreement (Exhibit C)

Franchise Application (Exhibit D)

Sublease Agreement (Exhibit E)

Addendum to Lease and Collateral Assignment of Lease (Exhibit G)

M.Key Software License and Maintenance Agreement (Exhibit H-1)

M.Key Sales Contract (Exhibit H-2)

Release of Telephone Number and Transfer of Telephone Service (Exhibit K)

Renewal/Resale Release (Exhibit L)

Confidentiality Agreement (Exhibit Q-5)

Small Market Addendum (Exhibit R)

Area Development Agreement (Exhibit S)

Limited Exclusivity Addendum to Area Development Agreement (Exhibit S-1)

Conversion Agreement (Exhibit T)

Co-brand Addendum to Franchise and Trademark Agreement (Exhibit W)

Market Area Reservation Letter (Exhibit X)

Disclosure Acknowledgment Addendum (Exhibit Y)

Advertising Addenda to Franchise and Trademark Agreement (Exhibit Z)

Tri Party Agreement (Exhibit AA)

Item 23

RECEIPTS

Our and your copies of the Franchise Disclosure Document Receipt are located at the last four pages of this disclosure document.

EXHIBIT A

STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS

STATE AGENCIES/AGENTS
FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for the franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states.

If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of the franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process.

There also may be additional agents appointed in some of the states listed.

CALIFORNIA

Website: www.dfpi.ca.gov
Email: ask.DFPI@dfpi.ca.gov

Commissioner of Department of Financial Protection & Innovation
Department of Financial Protection & Innovation
Toll Free: 1 (866) 275-2677

Los Angeles

320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
(213) 576-7500

Sacramento

2101 Arena Boulevard
Sacramento, California 95834
(866) 275-2677

San Diego

1455 Frazee Road, Suite 315
San Diego, California 92108
(619) 525-4233

San Francisco

One Sansome Street, Suite 600
San Francisco, California 94104-4428
(415) 972-8559

HAWAII

(for service of process)

Commissioner of Securities
Department of Commerce
and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

(for other matters)

Commissioner of Securities
Department of Commerce
and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA

(for service of process)

Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6531

(state agency)

Indiana Secretary of State
Securities Division
Room E-111
302 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6681

MARYLAND

(for service of process)

Maryland Securities Commissioner
at the Office of Attorney General-
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

(state agency)

Office of the Attorney General-
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

MICHIGAN

Michigan Attorney General's Office
Consumer Protection Division
Attn: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48933
(517) 335-7567

MINNESOTA

Commissioner of Commerce
Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1500

NEW YORK

(for service of process)

Attention: New York Secretary of State
New York Department of State
One Commerce Plaza,
99 Washington Avenue, 6th Floor
Albany, New York 12231-0001
(518) 473-2492

(Administrator)

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005
(212) 416-8236

NORTH DAKOTA

(for service of process)

Securities Commissioner
North Dakota Securities Department
600 East Boulevard Avenue
State Capitol, 14th Floor, Dept. 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

(state agency)

North Dakota Securities Department
600 East Boulevard Avenue, Suite 414
Bismarck, North Dakota 58505
(701) 328-2910

OREGON

Oregon Division of Financial Regulation
350 Winter Street NE, Suite 410
Salem, Oregon 97301
(503) 378-4140

RHODE ISLAND

Securities Division
Department of Business Regulations
1511 Pontiac Avenue
John O. Pastore Complex-Building 69-1
Cranston, Rhode Island 02920
(401) 462-9500

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

VIRGINIA

(for service of process)

Clerk, State Corporation Commission
1300 East Main Street
First Floor
Richmond, Virginia 23219
(804) 371-9733

(for other matters)

State Corporation Commission
Division of Securities and Retail Franchising
Tyler Building, 9th Floor
1300 East Main Street
Richmond, Virginia 23219
(804) 371-9051

WASHINGTON

(for service of process)

Director Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501
(362) 902-8760

(for other matters)

Department of Financial Institutions
Securities Division
P. O. Box 41200
Olympia, Washington 98504-1200
(362) 902-8760

WISCONSIN

(for service of process)

Administrator, Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-2139

(state administrator)

Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-9555

EXHIBIT B

STATE ADDENDA AND FRANCHISE AGREEMENT RIDERS

ADDITIONAL DISCLOSURES TO THE FRANCHISE DISCLOSURE DOCUMENT OF MEINEKE FRANCHISOR SPV LLC

The following are additional disclosures to the Franchise Disclosure Document of Meineke Franchisor SPV LLC required by various state franchise laws. Each provision of these additional disclosures will not apply unless, with respect to that provision, the jurisdictional requirements of the applicable state franchise registration and disclosure law are met independently without reference to these additional disclosures.

NO WAIVER OR DISCLAIMER OF RELIANCE IN CERTAIN STATES

The following provision applies only to franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

> No statement, questionnaire, or acknowledgement signed or agreed to by you 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 Meineke Franchisor SPV LLC, any franchise seller, or any other person acting on behalf of Meineke Franchisor SPV LLC. This provision supersedes any other term of any document executed in connection with the franchise.

CALIFORNIA

A copy of the unaudited balance sheet of Meineke Franchisor SPV LLC as of March 30, 2024 immediately follows.

MEINEKE FRANCHISOR SPV LLC
BALANCE SHEET
UNAUDITED

(in thousands)	**March 30, 2024**
Assets	
Current assets:	
Cash and cash equivalents	$ 350
Accounts and notes receivable, net	410
Total current assets	760
Intangible assets, net	158,358
Total assets	$ 159,118
Liabilities and members' equity	
Deferred franchise revenue	$ 5,003
Total liabilities	5,003
Members' equity	154,115
Total members' equity	154,115
Total liabilities and members' equity	$ 159,118

HAWAII

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING. THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE. THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

1. The following paragraph is added to the end of Item 17 of the Franchise Disclosure Document:

> No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

2. Exhibit Y (Disclosure Acknowledgment Addendum) to the Franchise Disclosure Document is hereby deleted in its entirety.

MARYLAND

1. The following paragraph is added at the end of Item 5 of the Franchise Disclosure Document:

> The Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees will be deferred until we complete our pre-opening obligations under the Franchise Agreement.

2. The "Summary" sections of Item 17(c) and Item 17(m) of the Franchise Disclosure Document, entitled "Requirements for franchisee to renew or extend" and "Conditions for franchisor approval of transfer," are amended by adding the following:

However, any release required as a condition of renewal, sale and/or assignment/transfer will not apply to claims or liability arising under the Maryland Franchise Registration and Disclosure Law.

3. The "Summary" section of Item 17(h) of the Franchise Disclosure Document, entitled "'Cause' defined – non-curable defaults," is amended by adding the following:

The Franchise Agreement provides for termination upon your insolvency. This provision might not be enforceable under federal bankruptcy law (11 U.S.C.A. Sections 101 *et seq.*), but we will enforce it to the extent enforceable.

4. The first paragraph of the "Summary" section of Item 17(v) of the Franchise Disclosure Document, entitled "Choice of Forum," is amended to read as follows:

Under the Franchise Agreement, subject to arbitration requirements, (i) any court action we bring may be brought in the jurisdiction where we have our principal place of business (currently Charlotte, North Carolina), and (ii) any action you bring may be brought in the jurisdiction where your Center is located, although you may commence a lawsuit against us in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law to the extent required by the Maryland Franchise Registration and Disclosure Law, unless preempted by the United States Arbitration Act.

5. The "Summary" section of Item 17(w) of the Franchise Disclosure Document, entitled "Choice of law," is amended to read as follows:

Except for United States Arbitration Act, and except as otherwise required by the Maryland Franchise Registration and Disclosure Law, North Carolina law applies.

6. The following is added at the end of the chart in Item 17 of the Franchise Disclosure Document:

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

MINNESOTA

1. The following is added at the end of the chart in Item 17 of the Franchise Disclosure Document:

For franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement.

Any release required as a condition of renewal, sale and/or assignment/transfer will not apply to the extent prohibited by applicable law for claims arising under Minn. Rule 2860.4400D.

Minn. Rule Part 2860.4400J might prohibit a franchisee from waiving rights to a jury trial; waiving rights to any procedure, forum or remedies provided by the laws of the jurisdiction; or consenting to liquidated damages, termination penalties or judgment notes. However, we and you will enforce these provisions in our Franchise Agreement to the extent the law allows.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J might prohibit us from requiring litigation to be conducted outside Minnesota. Those provisions also provide that no condition, stipulations or provision in the Franchise Agreement shall in any way abrogate or reduce any rights you have under the Minnesota Franchises Law, including (subject to your arbitration obligation) the right to submit matters to the jurisdiction of the courts of Minnesota and the right to any procedure, forum or remedies that the laws of the jurisdiction provide.

NORTH DAKOTA

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

However, any release required as a condition of renewal, sale and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

2. The following is added to the end of the "Summary" section of Item 17(r) of the Franchise Disclosure Document, entitled "Non-competition covenants after the franchise is terminated or expires":

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we and you will enforce the covenants to the maximum extent the law allows.

3. The "Summary" section of Item 17(u) of the Franchise Disclosure Document, entitled "Dispute resolution by arbitration or mediation," is deleted and replaced with the following:

Under the Franchise Agreement, to the extent required by the North Dakota Franchise Investment Law (unless such requirement is preempted by the United States Arbitration Act), arbitration will be at a site to which we and you mutually agree.

4. The following is added to the end of the first paragraph of the "Summary" section of Item 17(v) of the Franchise Disclosure Document, entitled "Choice of forum":

; however, to the extent required by applicable law, you may bring an action in North Dakota.

5. The following is added to the end of the "Summary" section of Item 17(w) of the Franchise Disclosure Document, entitled "Choice of law":

To the extent required by law, North Dakota law applies.

****

ASSURANCE OF DISCONTINUANCE
STATE OF WASHINGTON

To resolve an investigation by the Washington Attorney General and without admitting any liability, we have entered into an Assurance of Discontinuance ("AOD") with the State of Washington, where we have agreed to remove from our form franchise agreement a provision which restricts a franchisee from soliciting and/or hiring the employees of our other franchisees and/or our employees, which the Attorney General alleges violates Washington state and federal antitrust and unfair practices laws. We have agreed, as part of the AOD, to not enforce any such provisions in any existing franchise agreement, to request that our Washington franchisees amend their existing franchise agreements to remove such provisions, and to notify our franchisees about the entry of the AOD. In addition, the State of Washington did not assess any fines or other monetary penalties against us.

THE FOLLOWING PAGES IN THIS EXHIBIT ARE STATE-SPECIFIC RIDERS TO THE FRANCHISE AGREEMENT

RIDER TO THE MEINEKE FRANCHISE AND TRADEMARK AGREEMENT FOR USE IN MARYLAND

THIS RIDER is made and entered into as of this _____ day of _____, 20__ (the "Effective Date," regardless of the dates of the parties' signatures), between Meineke Franchisor SPV LLC, a Delaware limited liability company with its principal place of business located at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 ("we," "us" or "our"), and _____, a(n) _____ _____ with its principal place of business located at _____ ("you," "your" or "Dealer").

1. **BACKGROUND**. We and you are parties to that certain Franchise and Trademark Agreement dated _____, 20__ (the "Agreement"). This Rider is annexed to and forms part of the Agreement. This Rider is being signed because (a) you are a resident of Maryland, and/or (b) the Meineke Center that you will operate under the Agreement will be located in Maryland.

2. **FEE DEFERRAL**. The following is added as a new Section 3.9 of the Franchise Agreement:

3.9 Fee Deferral

The Maryland Securities Commissioner requires us to defer payment of the initial franchise fee and other initial payments you owe us until we have completed our pre-opening obligations under this Agreement.

3. **RELEASES**. The following sentence is added to the end of Section 12.2 and Article 14 of the Agreement:

However, any release required as a condition of renewal, sale and/or assignment/transfer will not apply to any claims or liability arising under the Maryland Franchise Registration and Disclosure Law.

4. **INSOLVENCY**. The following sentence is added to the end of Section 13.1(c) of the Agreement:

This Section 13.1(c) may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sections 101 *et seq*.).

5. **GOVERNING LAW**. The following sentence is added to the end of Section 17.1 of the Agreement:

However, to the extent required by applicable law, Maryland law will apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

6. **CONSENT TO JURISDICTION**. The following sentence is added to the end of Section 17.5 of the Agreement:

> Subject to the arbitration requirements, you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law to the extent required by the Maryland Franchise Registration and Disclosure Law, unless preempted by the United States Arbitration Act.

7. **LIMITATIONS OF LEGAL CLAIMS**. The following sentence is added to the end of Section 17.7 of the Agreement:

> You must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after we grant you the franchise.

8. **NON-WAIVER**. The following sentence is added to the end of Section 17 of the Agreement:

> All representations requiring you to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first written above.

DEALER:
[_____]

By:_____

Print Name: _____

Title: _____

Date:_____, _____

MEINEKE FRANCHISOR SPV LLC,
a Delaware limited liability company

By:_____
Authorized Representative

Attest: _____

Date: _____, _____

RIDER TO THE MEINEKE FRANCHISE AND TRADEMARK AGREEMENT FOR USE IN MINNESOTA

THIS RIDER is made and entered into as of this _____ day of _____, 20__ (the "Effective Date," regardless of the dates of the parties' signatures), between Meineke Franchisor SPV LLC, a Delaware limited liability company with its principal place of business located at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 ("we," "us" or "our"), and _____, a(n) _____ _____ with its principal place of business located at _____ ("you," "your" or "Dealer").

1. **BACKGROUND**. We and you are parties to that certain Franchise and Trademark Agreement dated _____, 20__ (the "Agreement"). This Rider is annexed to and forms part of the Agreement. This Rider is being signed because (a) the Meineke Center that you will operate under the Agreement will be located in Minnesota; and/or (b) any of the offering or sales activity relating to the Agreement occurred in Minnesota.

2. **RELEASES**. The following is added to the end of Section 12.2 and Article 14 of the Agreement:

> Any release required as a condition of renewal, sale and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

3. **TERMINATION**. The following is added to the end of Sections 2.2 and 4.1, and Article 13 of the Agreement:

> However, with respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of this Agreement.

4. **GOVERNING LAW**. The following statement is added to the end of Section 17.1 of the Agreement:

> Nothing in this Agreement will abrogate or reduce any of your rights under Minnesota Statutes Chapter 80C or your right to any procedure, forum or remedies that the laws of the jurisdiction provide.

5. **CONSENT TO JURISDICTION**. The following language is added to the end of Section 17.5 of the Agreement:

> Notwithstanding the foregoing, Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us, except in certain specified cases, from requiring litigation to be conducted outside of Minnesota. Nothing in this agreement will abrogate or reduce any of your rights under Minnesota statutes Chapter 80C or your rights to any procedure, forum or remedies that the laws of the jurisdiction provide, subject to the arbitration requirements.

6. **LIMITATIONS ON LEGAL CLAIMS**. If and then only to the extent required by the Minnesota Franchises Law, Section 17.7 of the Agreement is deleted in its entirety.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first written above.

DEALER:
[_____]

By:_____

Print Name: _____

Title: _____

Date:_____, _____

MEINEKE FRANCHISOR SPV LLC,
a Delaware limited liability company

By:_____
Authorized Representative

Attest: _____

Date: _____, _____

RIDER TO THE MEINEKE FRANCHISE AND TRADEMARK AGREEMENT FOR USE IN NORTH DAKOTA

THIS RIDER is made and entered into as of this _____ day of _____, 20__ (the "Effective Date," regardless of the dates of the parties' signatures), between Meineke Franchisor SPV LLC, a Delaware limited liability company with its principal place of business located at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 ("we," "us" or "our"), and _____, a(n) _____ _____ with its principal place of business located at _____ ("you," "your" or "Dealer").

1. **BACKGROUND**. We and you are parties to that certain Franchise and Trademark Agreement dated _____, 20__ (the "Agreement"). This Rider is annexed to and forms part of the Agreement. This Rider is being signed because (a) you are a resident of North Dakota and the Meineke Center that you will operate under the Agreement will be located or operated in North Dakota; and/or (b) any of the offering or sales activity relating to the Agreement occurred in North Dakota.

2. **RELEASES**. The following is added to the end of Section 12.2 and Article 14 of the Agreement:

> Any release required as a condition of renewal, sale and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

3. **COVENANT NOT TO COMPETE**. The following is added as a new Section 11.8 of the Agreement:

11.8. North Dakota Franchise Law

> Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we will enforce the covenants to the maximum extent the law allows.

4. **GOVERNING LAW**. The following statement is added to the end of Section 17.1 of the Agreement:

> Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, North Dakota law shall apply.

5. **CONSENT TO JURISDICTION**. The following language is added to the end of Section 17.5 of the Agreement:

> Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, you may bring an action in North Dakota for claims arising under the North Dakota Franchise Investment Law, subject to the arbitration requirements.

6. **ARBITRATION**. The fifth sentence of Section 17.2 of the Agreement is deleted and replaced with the following:

> The arbitration proceedings shall be conducted in the city where we then have our principal place of business in accordance with the then-current commercial arbitration rules of the AAA, except the parties shall be entitled to limited discovery at the discretion of the arbitrator(s) who may, but are not required to, allow depositions; however, to the extent otherwise required by the North Dakota Franchise Investment Law (unless such a requirement is preempted by the Federal Arbitration Act), arbitration proceedings shall be held at a mutually agreeable site in North Dakota.

7. **LIMITATIONS ON LEGAL CLAIMS**. If and then only to the extent required by the North Dakota Franchise Investment Law, Section 17.7 of the Agreement is deleted in its entirety.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first written above.

DEALER: [_____]	**MEINEKE FRANCHISOR SPV LLC**, a Delaware limited liability company
By:_____	By:_____ Authorized Representative
Print Name: _____	
Title: _____	
	Attest: _____
Date:_____, _____	Date: _____, _____

EXHIBIT C

FRANCHISE AND TRADEMARK AGREEMENT

MEINEKE FRANCHISOR SPV LLC
FRANCHISE AND TRADEMARK AGREEMENT

_____

DEALER

_____

CENTER NUMBER

_____

AGREEMENT DATE

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SCHEDULES

MEINEKE®
FRANCHISE AND TRADEMARK AGREEMENT

THIS FRANCHISE AND TRADEMARK AGREEMENT (the "Agreement") between **MEINEKE FRANCHISOR SPV LLC** ("Franchisor" or "we"), a Delaware limited liability company, with its principal place of business located at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 and _____ ("Dealer" or "you"), a(n) _____ _____, with its principal place of business located at _____, is made and entered into as of the date appearing below our signature line at the end of this Agreement (the "Agreement Date").

ARTICLE 1:
INTRODUCTION AND DEFINITIONS

1.1 Meineke Car Care Centers

We and our Affiliates operate, and we grant others ("Meineke Dealers") the right to operate, automotive maintenance and repair businesses known as "Meineke Car Care Centers." As a result of our investment of time, skill, effort and money, we and our Affiliates have developed comprehensive business methods and systems, that we may improve or otherwise change from time to time, for operating Meineke Car Care Centers.

1.2 Acknowledgments

You and we acknowledge our shared commitment to the common goals of enhancing customer goodwill toward the Marks, to strengthening the business of Meineke Car Care Centers and to expanding the chain of Meineke Car Care Centers. You and we further acknowledge that the success of achieving these common goals is dependent on us and Meineke Dealers working together in a spirit of mutual respect and cooperation. In accordance with that spirit, we and our Affiliates have developed this form of franchise agreement with the advice and counsel of the Dealer Association Advisory Council.

The provisions of this Agreement are based on the guiding principles that: (a) we should respect your interest in the going-concern value of your business; and (b) you should respect our ownership of the System, including the Marks, trade secrets, confidential information and the associated goodwill, and our rights to determine the nature and quality of the products and services sold under the Marks, to control the manner in which the Marks are used, to enforce System standards and to manage the System. You understand the terms of this Agreement and accept them as being reasonably necessary for us to maintain the uniformity of our high quality standards at all Meineke Car Care Centers and to protect the goodwill of the Marks and the integrity of the System.

1.3 Definitions

The terms listed below have the meanings which follow them or have the meanings which are set out in the referenced Section and include the plural as well as the singular. Other terms are defined elsewhere in this Agreement in the context in which they arise.

(1) "Adjustment" - See Section 3.4.

(2) "Affiliate" - Any person or entity that directly or indirectly owns or controls the referenced party, that is directly or indirectly owned or controlled by the referenced party, or that is under common control with the referenced party.

(3) "Agreement Date" - See Preamble.

(4) "Annual Administrative Expense" - See Section 8.3.

(5) "Annual Minimum Royalty" - See Section 3.2.

(6) "Authorized Products and Services" - See Section 3.2. Also see Section 7.1.

(7) "Calculated Royalties" - See Section 3.2.

(8) "CPI" - The index number in the table relating to "Consumer Price Index - United States City Average, All Items, for Urban Wage Earners and Clerical Workers" as presently published in the "Monthly Labor Review" of the Bureau of Labor Statistics for the United States Department of Labor (the "Bureau"). In the event the Bureau ceases publishing the Consumer Price Index or materially changes the methods of its computation or other features of it, we may substitute comparable statistics on the purchasing power of the consumer dollar published by the Bureau, another governmental agency or a responsible financial periodical or recognized authority to be chosen by us.

(9) "Competitive Business" - Any enterprise that offers or sells any of the Core Authorized Products and Services, provided that, for purposes of this Agreement, the following will not be deemed a Competitive Business: (a) any other Meineke Center operated under a franchise agreement with us; (b) any other automotive business franchised by Driven Brands Holdings Inc. or its subsidiaries; or (c) an enterprise (i) that offers and sells products and services that we consider to be Core Authorized Products and Services, other than repair and replacement of exhaust system components, brake system components and ride system components, (ii) that you owned and were operating prior to the date that such product or service is designated as an Authorized Product or Service (even if such designation is on a test basis), and (iii) that you fully disclosed to us in writing before the date such product or service is designated an Authorized Product or Service.

(10) "Confidential Information" - See Section 11.1.

(11) "Core Authorized Products and Services" - See Section 7.1.

(12) "DAAC" or "Dealer Association Advisory Council" - See Section 2.5.

(13) "Dealer" or "you" - See Preamble.

(14) "Franchisor" or "we" - See Preamble.

(15) "Gross Revenues" - See Section 3.3.

(16) "Immediate Family" - Spouse, parents, brothers, sisters and children, whether natural or adopted.

(17) "MAF" - See Section 3.4.

(18) "Market Area" - The MSA, PMSA, NECMA, county, parish or other corresponding geographical area used by the U.S. Census Bureau and as described in Schedule A, attached hereto and incorporated herein by reference.

(19) "Marks" - Our current and future trademarks, service marks and trade dress, including the mark Meineke®, that we authorize Meineke Dealers to use.

(20) "Meineke Dealers" - See Section 1.1.

(21) "Meineke Car Care Centers," "Meineke Centers" or "Centers" - Automotive maintenance and repair businesses that we or our Affiliates operate, or that we grant others the right to operate, and which offer and sell the Authorized Products and Services using the Marks and the System.

(22) "Operating Partner" - See Section 6.2.

(23) "Operations Manual" - See Section 5.4.

(24) "Opening Date" - See Section 4.2.

(25) "Owner" - See Section 6.1.

(26) "Preferred Supplier" - A supplier of equipment, parts, supplies or other products who we have approved and whose equipment, parts, supplies or products we use in training programs and the Operations Manual to demonstrate and teach techniques in performing services associated with Authorized Products and Services.

(27) "Premises" - The location of your Center identified in Schedule B, attached hereto and incorporated herein by reference.

(28) "Protected Area" - See Section 2.3.

(29) "System" - The business methods, systems, designs and arrangements for developing and operating Meineke Car Care Centers that include the Marks; the Confidential Information; standards and specifications for equipment; service standards; training and assistance; advertising and promotional programs; and certain operations and business standards and policies.

(30) "Term" - See Section 2.1.

(31) "Transfer the Franchise" - See Section 12.1.

(32) "Weekly Royalties" - See Section 3.2.

(33) "Your Center" - See Section 2.1.

ARTICLE 2:
GRANT OF RIGHTS

2.1 Grant of Franchise/Reservation of Rights

Subject to the terms and conditions of this Agreement, we grant you the right, and you assume the obligation, to operate a Meineke Center ("your Center") at the Premises and to use the System solely in connection therewith, for a term expiring on the expiration date set forth in Schedule A or otherwise expiring on the 15th anniversary of the Opening Date (the "Term"). You may not conduct the business of your Center or use the System anywhere other than the Premises without our consent.

Except as otherwise expressly provided in this Agreement, we and our Affiliates reserve all of our respective rights and discretion with respect to the Marks, the System and Meineke Centers anywhere in the world and the right to engage in any business whatsoever, including: (a) the right to operate, and grant to others the right to operate, Meineke Centers at such locations and on such terms and conditions as we deem appropriate; and (b) the right to acquire, merge or consolidate with, be acquired by, operate and expand businesses.

2.2 Selection of Location for New Center

If this Agreement is for a new Meineke Center, you agree to propose a location for your Center in the Market Area no later than 180 days after the Agreement Date. Your proposed location must conform to our site selection guidelines and requirements and is subject to our approval. You agree to submit to us all information about the proposed location that we request, including a complete site analysis report. We have no obligation to consider a proposed location until we receive all requested information. You agree not to execute any lease or purchase agreement for, nor commit to any other binding obligation to purchase, occupy or improve, any proposed location until we have approved the location in accordance with our standard procedures. In approving or disapproving any proposed location, we will consider the factors we deem relevant, including general location, neighborhood and the distance to any other Meineke Center operating in the Market Area. We will have no liability whatsoever to you or anyone else for approving or disapproving a proposed location. Upon approval of a proposed location, the location will be identified in Schedule B and Schedule B will be signed by both parties and attached to this Agreement. Once Schedule B has been completed and signed, the location identified in Schedule B will be deemed the "Premises".

If you and we are unable to mutually agree on a location for your Center within 180 days after the Agreement Date, either party may terminate this Agreement, effective upon notice.

Neither our site selection guidelines and requirements, our approval of the Premises, nor any information we may impart to you about the Premises, constitutes a warranty or representation of any kind, express or implied, that your Center will be profitable or successful. Our approval of the Premises merely signifies that we authorize you to operate a Meineke Center at that site. You are solely responsible for the selection of an appropriate site for your Center.

2.3 Your Territorial Protection

Once the Premises have been identified in accordance with Section 2.2, we will not during the Term operate, nor grant others the right to operate, (a) a Meineke Center within a radius of 2 miles from the Premises (the "Protected Area"), (b) a Meineke Center outside of the Protected Area but within a radius of 3 miles from the Premises without offering you a right of first refusal, as described in this Section 2.3, or (c) more than 1 Meineke Center for every 50,000 motor vehicles (i.e., automobiles and light trucks that are licensed to operate on public highways) registered in the Market Area at the time each Center is opened.

If, during the Term, we want to operate, or to grant someone else the right to operate, a Meineke Center outside the Protected Area, but at a proposed location within a 3-mile radius from the Premises, we will first offer a franchise to you on our then-standard terms and conditions for new Meineke Car Care Centers, provided that you are Option Eligible (as defined below). If you do not accept our offer within 30 days of written notice thereof, we will be entitled to operate, and to grant to someone else the right to operate, a Meineke Center at the proposed location. Notwithstanding anything to the contrary contained in this Section 2.3, if there is more than one then-existing Meineke Center located within a 3-mile radius from the proposed location of the new Meineke Center, then you will be entitled to the right of first refusal contained in this Section 2.3 only if (a) your Center is closest to the proposed location of the new Meineke

Center, or (b) the owners of all Meineke Car Care Centers that are closer to the proposed location of the new Meineke Center fail to accept any similar right of first refusal contained in their franchise agreements.

For purposes of this Section 2.3, you will be "Option Eligible" if: (1) you are not then in arrears in any payment to us or to any of our Affiliates for 30 days or more and we have not delivered to you a notice of default during the preceding 12 months; (2) you have no outstanding customer warranty matters or customer complaints which are not resolved within 30 days after we notify you of them; and (3) you are at least a "3-Star Dealer" in accordance with the then-current Meineke Star Rating Program for at least the final 2 years of your existing Term. You acknowledge and agree that the foregoing "Option Eligible" standard does not encompass our normal requirements and criteria for issuing a new franchise, approving a transferee or renewing a franchise and, by agreeing to limit our criteria under this Section 2.3, we are not limiting our requirements or criteria for any other types of franchise sales or transactions or acknowledging that being Option Eligible means you are in compliance with this Agreement.

Your rights and our obligations in this Section 2.3 do not apply to any Meineke Center that is open or under development, or as to which the location has been approved, as of the date we notify you of our approval of the Premises.

2.4 Your Right to Associate with Other Meineke Dealers

We agree not to prohibit or restrict you from lawfully associating with other Meineke Dealers, nor from forming, joining or participating in the lawful activities of any independent association of Meineke Dealers. Notwithstanding the foregoing, our exercise and enforcement of rights under this Agreement or under applicable law will not, by itself, constitute a breach of this Section 2.4. You are not required to be a member or participate in the activities of any independent association of Meineke Dealers.

2.5 Consultation with the Dealer Association Advisory Council

We agree to consult with DAAC (or, as applicable, the Advertising Committee) on a periodic basis with respect to the matters specified in Sections 3.3 (Royalty Fee Administration), Section 7.1 (Authorized Products and Services), Section 7.2 (Parts and Supplies), Section 7.8 (Insurance), Section 7.10 (Customer Warranties), Section 8.3 (Meineke Advertising Fund), Section 17.12 (Policy Regarding Meineke Chain Expansion) and Section 17.14 (Ombudsman) and other matters relating to our relationship with Meineke Dealers as to which we may, at our sole discretion, agree to consult with DAAC from time to time. You agree that we may consult with and consider the advice and counsel of DAAC, but that we are not bound by its views.

Provided that Meineke Dealers Association, Inc. (d/b/a "The New Meineke Dealers Association, Inc." and f/k/a "Association of Muffler Dealers, Inc.") ("MDA"), a Delaware non-profit corporation, complies with its obligations under the Meineke/Dealer Association Cooperation Agreement dated on or about May 1, 2000 to amend its organizational documents before July 31, 2000 in accordance with the terms of that agreement, the "Dealer Association Advisory Council" or "DAAC" shall be a representative committee of Meineke Dealers (or officers or directors of Meineke Dealers operating in corporate form) duly elected from time to time by the members of MDA through democratic processes and reflecting reasonable geographical representation, so long as MDA represents the owners of more than 50% of all franchised Meineke Car Care Centers in the United States of America. In the event that MDA does not fulfill its obligations under the above-referenced agreement, or the owners of 50% or less of all franchised Meineke Car Care Centers in the United States of America are members of MDA, and another association of Meineke Dealers which represents the owners of more than 50% of all franchised Meineke Car Care Centers in the United States of America and whose governing documents meet our reasonable requirements from time to time for ensuring democratic processes and representation of the interests of all Meineke

Dealers, including appropriate electoral regions and districts, then the DAAC shall consist of a committee of duly elected representatives of such other association.

We may from time to time require that MDA or any other independent association of Meineke Dealers intending to qualify for a DAAC demonstrate to our reasonable satisfaction that it qualifies to establish a DAAC, and we shall have no obligation to recognize any purported DAAC of any association, including MDA, that has failed or refused to so demonstrate its qualifications.

If, at any time, no association of Meineke Dealers exists or qualifies to establish a DAAC, we may, but are not obligated to, establish an elected or appointed DAAC, and if we determine not to do so, we will have no obligation, notwithstanding anything to the contrary contained in this Agreement, to seek the advice and counsel (or consent under Section 17.13 or otherwise) of any DAAC (or, as applicable, Advertising Committee), unless and until an association of Meineke Dealers qualifies to establish a DAAC.

2.6 Relocation of Center

If your lease or sublease for the Premises terminates or expires prior to the end of the Term, or if you otherwise lose control of the location, then you shall make commercially reasonable efforts to relocate your Center in accordance with this Section 2.6, subject to our approval; provided, that if you or one of your Affiliates, or a related individual, terminates your lease or sublease or allows it to expire before the end of the Term, or if you or such Affiliate or related individual otherwise causes you to lose control of the location, then you shall relocate your Center in accordance with this Section 2.6. Any exceptions to this requirement to relocate shall be subject to review in our sole discretion. Any such relocation shall be at your sole expense. The relocation of your Center is subject to all of the provisions of Section 2.2, Section 2.3, Section 3.3, Section 4.1, Section 4.2, Section 4.3 and Section 4.4 as if you were establishing a new Meineke Center, provided, however: (a) your rights under Section 2.3 terminate effective immediately upon closing of the old Premises and become operative again only when the new Premises are approved by us; (b) your Center at the new Premises must open no later than 12 months after the date of closing of the old Premises; (c) your initial franchise fee is not refundable; and (d) you agree to pay us a relocation fee in the amount of $1,000 for our costs and expenses incurred in connection with your relocation.

ARTICLE 3:
FEES

3.1 Initial Franchise Fee

You agree to pay us an initial franchise fee in the amount set forth in Schedule A (less any creditable deposit), payable on the Agreement Date. The initial franchise fee is fully earned by us on the Agreement Date and is non-refundable.

3.2 Royalty Fees

During the term of this Agreement and any extensions or renewals thereof you agree to pay us royalties at the greater of the percentages set forth below for the identified categories of Authorized Products and Services derived from the sale of these products or services ("Calculated Royalties") or annual minimum royalties in the amount of $20,800 subject to adjustment as provided for in Article 3.3 of this Agreement ("Annual Minimum Royalties"). While these royalties will be computed and, in the case of Calculated Royalties, aggregated on an annual basis you are to make individual royalty payments to us on a weekly basis as stated below.

Before the day of each week that we periodically specify ("Payment Day"), you agree to pay us weekly royalties ("Weekly Royalties") that are defined as the greater of $400 subject to adjustment as

provided for in Article 3.3 of this Agreement ("Weekly Minimum Royalties"), or the Calculated Royalties for the immediately preceding week (i.e., Sunday through Saturday period). For the avoidance of doubt, we may modify the Payment Day and corresponding reporting period at any time in our sole discretion.

At the end of each calendar year during the term of your Agreement and any extensions or renewals thereof we will rebate to you the difference between the aggregate of the Weekly Royalties from the operation of your Center for that year and the Yearly Royalties (which are defined as the greater of the aggregated Calculated Royalties and the Annual Minimum Royalties). In other words, if your Yearly Royalties paid to us are more than the greater of your Calculated Royalties or your Annual Minimum Royalties for that year then you will be rebated the difference. Under no circumstances will you pay less than the Annual Minimum Royalties in any one year of this Agreement. To the extent that your Center opens at a time other than the first week of the fiscal year your Annual Minimum Royalties for that year will be prorated based on a 52-week year.

Notwithstanding anything stated to the contrary, if you are signing this Agreement as a new franchisee for a new Meineke Center that has never been opened for business then the calculation and payment of the Annual Minimum Royalties and the payment of the Weekly Minimum Royalties shall not commence until the expiration of 6 months from the first Monday that you open your Center for business. At the end of the 6-month period you will begin to pay your Weekly Minimum Royalties as required by this Agreement, but your Annual Minimum Royalties, which are calculated on a calendar-year basis, shall be prorated for that year on a 52-week basis.

Authorized Product or Service	Royalty rate as a percentage of Gross Revenues
Exhaust systems (incl. catalytic converters)	7%
Replacement of Engines or Transmissions	5.5%
Engine Diagnostics	5.5%
Engine Seals, Gaskets, Mounts	5.5%
Transmission Mounts	5.5%
Scheduled Maintenance	5.5%
Batteries	4%
Government regulated Inspections	3%
Tires	3%
Towing services	3%
All Other Authorized Products and Services	5%

Unauthorized Product or Service	Royalty rate as a percentage of Gross Revenues
Engine Rebuilding	7%
Transmission Rebuilding	7%
Other unauthorized Services	
Listed in your Operations Manual	7%
Non-automotive services	7%

Except for the unauthorized services noted above and listed in your Operations Manual from time to time, authorized products and services are defined as the installation, repair and maintenance of and all parts relating to the mechanical and electrical systems on cars and light vehicles and the sale of any such parts ("Authorized Products and Services"). Additionally, from time to time we may authorize additional products and/or services that may be sold at your Center that may or may not fit the current definition of Authorized Products and Services. Any additional products and services that are authorized by us will be posted in your Operations Manual together with their applicable royalty rates.

In addition to the foregoing, for parts that are purchased from a new car dealership and sold to a Meineke customer, you are eligible to receive a rebate on royalty fees required to be paid pursuant to the terms of the Agreement down to a royalty rate of not lower than 3% (the rebate will be calculated on the cost of the part as the difference between the actual fees paid and 3% for royalties) ("Royalties") and Meineke Advertising Contributions not to be lower than 1.5% (the rebate will be calculated on the cost of the part as the difference between the actual contributions paid and 1.5%) ("MAF"). The rebate is based on part costs to you (that rebate is based on the COST of the part to you, and not your selling price of such part). The rebate is for the cost of parts only and does not include the cost of labor associated with the installation of such parts for the customer. The maximum annual sales per year subject to the payment of a rebate is limited to 1% of the total gross sales of such center for that year as defined this Agreement.

3.3 Royalty Fee Administration

Notwithstanding the provisions of Section 3.2, royalty fees payable pursuant thereto and MAF Contributions payable pursuant to Section 3.4 on work performed for commercial customers who do not pay for those services at the time they are performed, i.e., trade accounts, shall be paid by the earlier of: (a) 7 days after the date of payment from the customer; or (b) 90 days after the services are performed. If you can demonstrate, within one year after the services have been performed for a particular trade account, that such account is uncollectible, you may assign such account to us and we will credit you for the amount of royalty and MAF Contribution that you have paid on such account.

Notwithstanding anything to the contrary contained in Section 3.2: (a) subject to what is stated in Section 3.1 of this Agreement the royalty fee will be 7% of all revenues derived from products sold and services rendered at or in connection with your Center that are not Authorized Products and Services; (b) the royalty fee will be 7% of all Gross Revenues, if you fail to provide us required reports and information using computer systems in accordance with Section 9.2; (c) the royalty fee will be 8% of all unreported Gross Revenues, including those uncovered by an audit conducted pursuant to Section 9.6; and (d) we have the right to establish the amount of the royalty fee for any new products or services that become part of the Authorized Products and Services after the Agreement Date. We agree to consult with DAAC on the amount of the royalty fee for any such new products or services and to consider, among other things, the potential profitability of such new products and services in determining the amount of the royalty fee.

"Gross Revenues" are all the revenues derived from or in connection with the operation of your Center, whether from sales for cash or credit, and irrespective of their collection, including charges for Authorized Products and Services and applicable proceeds from any business interruption insurance for your Center, but excluding: (a) sales taxes, use taxes, gross receipts taxes, and other similar taxes added to the sale price, collected from the customer and remitted to the appropriate tax authorities; (b) credit card fees on credit card sales; and (c) check guaranty fees. Gross Revenues also include revenues derived from any products or services sold and/or performed from or in connection with your Center that are not Authorized Products and Services, without such inclusion in this definition or the related collection of royalty fees constituting an acknowledgment or admission by us that such products or services are Authorized Products and Services or constituting in any manner a waiver of our right to assert that any such sale breaches this Agreement or otherwise violates our rights.

Both the Annual Minimum Royalties and the Weekly Minimum Royalties referred to in Article 3.2 together with any required services fees shall be subject to adjustment not more than once per calendar year to reflect any increase in the Consumer Price Index, All Urban Consumers, All Items, All U.S. Cities (revised 1982-84:100) published by the United States Department of Labor, Bureau of Statistics (the "Adjustment") from the base period. For the purpose of the Royalty Fees and service fees, if any, the base period shall refer to October 2010. We may at our election, in order to facilitate the computation of the Adjustment, use the CPI published three months prior to the effective date of each Adjustment to determine

the amount of the Adjustment. The first such adjustment shall be on October 1, 2011, and each subsequent adjustment shall be made effective as of each succeeding anniversary.

3.4 Initial Advertising Contribution and Contributions to Meineke Advertising Fund

You must pay to us an initial advertising contribution in the amount of $20,000 payable before you attend the initial training program, or, if you are an existing franchisee and will not attend the initial training program, 60 days before opening (the "Initial Advertising Contribution"). If you are signing this Agreement in connection with the renewal of your franchise rights, no Initial Advertising Contribution shall be due and payable to Franchisor. We will spend the Initial Advertising Contribution on pre-opening, grand opening and post-opening promotion, including, but not limited to, promotional materials, initial advertising (traditional and/or online) of the Center and other activities related to the opening of the Center as we determine.

In addition, you will contribute weekly to the Meineke Advertising Fund ("MAF") 8% of your Gross Revenues. If, however, your Center is a new Meineke Center, during the 12-week period following the opening of your Center, your weekly MAF contribution will be the greater of 8% of your Gross Revenues or $250. You acknowledge and agree that we may enforce your obligation to contribute to the MAF.

Notwithstanding the foregoing: (a) we may from time to time reduce the percentage amount of your contributions to the MAF on Gross Revenues from the sale of any products and services that are not Core Authorized Products and Services and determine the manner in which such reduced percentage amounts are allocated under Section 8.3; and (b) the percentage amount of your contributions to the MAF on Gross Revenues derived from the sale of tires, towing services and government-regulated inspections shall be 1.5%, of which 0.5% will be allocated to Creative and 1% will be allocated to National Advertising in accordance with Section 8.3.

Your contributions to the MAF are due and payable weekly together with the royalty fees due under Section 3.2. Meineke Car Care Centers owned by us and any of our Affiliates will contribute to the advertising programs funded by the MAF on the same basis as you are required to hereunder. Without waiving any rights or constituting any election of remedies, we have the right to notify DAAC or other regionally elected Dealer representatives of any delinquencies in your payment of contributions to the MAF.

3.5 Technology Administrative Fee

If you fail to keep your computer system updated or you fail to promptly install all additions, changes, modifications, substitutions or replacements to the computer hardware, computer software, internet connections, telephone and power lines, and other data transmission facilities we direct, as required in Section 9.2, you must pay us an administrative fee of $100 per month to cover our costs related to your delayed installation.

3.6 Interest on Late Payments

All amounts which you owe us or any of our Affiliates, including MAF contributions, will bear interest from and after 10 days after their due date at the highest contract rate of interest permitted by law, not to exceed 3% above the prime rate announced from time to time by The Chase Manhattan Bank or any other national bank we select. In addition, we have the right to assess service charges for any checks that are returned for insufficient funds and late charges if permitted by applicable law. Notwithstanding the imposition of interest or charges, your failure to pay all amounts, when due, constitutes grounds for termination of this Agreement as provided in Article 13.

3.7 Method of Payment

All initial franchise fees, royalty fees, MAF contributions and any other payments hereunder shall be paid by electronic debit/credit transfer of funds or credit/debit card. You agree to sign such documents, pay such bank fees and do such things as we deem necessary to facilitate electronic transfers of funds or other approved methods of payment, provided that so long as we require you to send us hard copies of invoices for work performed pursuant to Section 9.3, we will pay for bank transfer fees, if we require electronic transfer of funds. No restrictive endorsement on any check or in any letter or other communication accompanying any payment will bind us, and our acceptance of any such payment will not constitute an accord and satisfaction.

3.8 Application of Payments and Franchisor Right of Set-Off

We may apply any of your payments to us to any of your past due indebtedness for royalty fees, MAF contributions, purchases of products or supplies or any other past due indebtedness to us or any of our Affiliates, notwithstanding any contrary designation by you, provided that any payments that are designated as MAF contributions will be applied first to any currently due or past due MAF contributions. You agree that you will make all such payments as and when due without any setoff, deduction or prior demand therefore. We may set-off any amounts that you or your owners (direct and indirect) owe us or our Affiliates against any amounts that we or our Affiliates might owe you or your owners (direct and indirect), whether in connection with this Agreement or otherwise.

ARTICLE 4:
DEVELOPMENT OF YOUR CENTER

4.1 Purchase or Lease of Premises

If your Center is a new Meineke Center, you agree to lease, sublease or purchase the Premises within 1 year after the Agreement Date. We have the right to approve the terms of any lease, sublease or purchase contract for the Premises, which approval will not be unreasonably withheld. You agree to deliver a copy of such lease, sublease or purchase contract to us for our approval before you sign it. You agree that any lease or sublease for the Premises shall, in form and substance satisfactory to us: (a) provide for notice to us of your default under the lease or sublease and an opportunity for us to cure such default; (b) require the lessor or sublessor to disclose to us, on our request, sales and other information furnished by you; (c) give us the right on any termination or expiration of this Agreement to assume the lease or sublease or to enter into a further sublease for a period of not less than 12 months and not more than 18 months (the "Interim Sublease"), without the lessor's or sublessor's consent; (d) give us the right to enter the Premises to make any modifications to your Center to protect our rights to the Marks; (e) provide that the lessor and/or sublessor relinquish to us, on any such termination or expiration of this Agreement, any lien or other ownership interest, whether by operation of law or otherwise, in and to any tangible property that embodies any of the Marks; (f) give us the right to assign the lease or sublease to a successor Meineke Dealer, in which event the Interim Sublease (if any) shall terminate and be of no further force or effect; and (g) include an acknowledgment by the lessor and/or sublessor that we have no liability or obligation whatsoever under the lease or sublease until and unless we assume the lease or sublease on termination or expiration of this Agreement or enter into the Interim Sublease.

You may not execute a lease, sublease or purchase contract for the Premises or any modification, amendment or assignment thereof before we have approved it. Our approval of the lease, sublease or purchase contract does not constitute a warranty or representation of any kind, express or implied, as to its fairness or suitability or as to your ability to comply with its terms. We do not, by virtue of approving the lease, sublease or purchase contact, assume any liability or responsibility to you or to any third parties. You

agree to deliver a copy of the fully signed lease, sublease or purchase contract to us within 5 days after its execution.

If for any reason you fail to lease or purchase the Premises within 1 year after the Agreement Date, we may terminate this Agreement, effective upon delivery of notice thereof.

4.2 Development and Opening of Your Center

You are solely responsible for developing and operating your Center and for all associated expenses. You agree to submit plans and specifications to us for our approval before starting to develop the Premises. All development must be in accordance with the plans and specifications we have approved and must comply with all applicable laws, ordinances and local rules and regulations (including the Americans with Disabilities Act and the Occupational Safety and Health Act). We may periodically inspect the Premises during its development. Your Center may not be opened for business until we notify you that all our requirements for opening have been met. The date of our formal notification to you that such requirements have been met shall be deemed the "Opening Date" for purposes of this Agreement. You agree to open your Center within 18 months after the Agreement Date. However, if a failure to open your Center within such 18-month period is due to reasons beyond your control (such as acts of God, unavoidable delays in obtaining zoning permits or unavoidable construction delays), we agree to grant a reasonable extension of time for you to open your Center.

4.3 Equipment, Fixtures and Signs

You agree that all signs that you purchase or lease for your Center shall be of the types, brands and models that meet our standards and specifications. You agree that all fixtures and equipment that you purchase or lease for your Center shall be of the types, brands and models that we reasonably determine meet industry standards as to quality, performance and safety. You may purchase or lease such equipment, fixtures and signs from any suppliers.

4.4 Use and Ownership of Telephone Numbers

Certain advertising placed for a Meineke Center is placed using a Remote Call Forward (RCF) telephone number, or other such tracking mechanism, online or otherwise, that we may use from time to time. This/these number(s) are established by us and will be directed to the primary local telephone number secured for your Center or other call answering services as we determine, from time to time. You are not to publish, print, or otherwise use the RCF number(s), or other tracking mechanism used or sponsored by us, and such RCF number(s) and other tracking mechanisms are not to be published, printed or used by you or your Center in connection with any other business or any Meineke business related forms such as business cards, invoices, letterhead, etc. At no time does the franchisee have rights to or control of a Meineke Advertising RCF number. Only at such time when the Meineke franchise license associated with the location using the particular RCF number, or other tracking mechanism that may be used from time to time, is terminated, will the franchisee lose the use of the RCF number or such tracking mechanism.

You will be required to obtain local telephone service and establish it according to the guidelines set forth by Meineke. For your advertising RCF number(s) to be established and for your Center to be included in Meineke coordinated advertising programs, you will be required to provide Meineke with the documentation showing the primary local telephone number and showing that it was established in the required manner. The primary local telephone number that you obtain will be the number used on business cards, letterhead, invoices and other business forms. This will also be the number to which your advertising RCF number(s) will be primarily directed. It is understood and agreed by you that the RCF program at some time may be replaced with other telephone tracking mechanisms that we believe is more advanced

than the current tracking mechanism and in that event you agree to comply with the same or similar requirements that may be necessary to provide the same type of benefits that are now provided through the RCF number. Franchisor reserves the right to redirect calls from RCF numbers to Meineke's call center.

In addition, you agree to sign such release and transfer documents as we may require authorizing us or our Affiliate to obtain the telephone numbers of your Center at the time you procure such telephone number(s). If, during the Term, the telephone numbers for your Center should be transferred to someone other than us or our Affiliate, you will cooperate with us, at your cost, to ensure that they are returned to us.

You agree not to place any restrictive codes on the telephone numbers for your Center without our consent. You agree not to terminate any such telephone numbers during or after the Term or do anything else that may directly or indirectly impede our ability to transfer or use those numbers upon any termination or expiration (without renewal) of this Agreement.

All telephone numbers and directory listings for your Center are our property, and we have the right to transfer, terminate or amend such telephone numbers and directory listings only on termination or expiration (without renewal) of this Agreement. If we take any action pursuant to this Section 4.4, the telephone company and all listing agencies may accept this Agreement as conclusive evidence of our exclusive rights to such telephone numbers and directory listings and as conclusive evidence of our authority to direct their amendment, termination or transfer, without any liability to you.

ARTICLE 5:
TRAINING AND GUIDANCE

5.1 Training Programs

If you (or, if applicable, your Operating Partner) have not previously attended and successfully completed (as determined by us in our sole discretion) our initial training program, then prior to opening or operating your Center, you (or your Operating Partner) must attend and successfully complete an initial training program on the operation of a Meineke Center at such time(s) and place(s) as we designate. If you have paid in full the initial franchise fee in accordance with Section 3.1 and you (or your Operating Partner) attend the initial training program prior to the opening of your Center, then we will not charge you any separate fees for the training program for you (or your Operating Partner). At any time during the Term, you (or your Operating Partner) may attend, subject to availability, the initial training program for retraining. We will not charge you a fee for such retraining.

In addition, your manager must successfully complete (as determined by us in our sole discretion) our Internet training program prior to opening or operating your Center. We will not charge any fees for such training.

In connection with Core Products and Services added after the Agreement Date, we will make available, if reasonably appropriate, training to you (or your Operating Partner) with respect to general aspects of such Core Products or Services, such training to be made available at such time(s) and place(s) as we may determine. We will not charge any fees for training for additional Core Products and Services.

On your request, we will endeavor to provide special training on various aspects of operating a Meineke Center for which you will be required to pay the training fees and charges we may establish from time to time. If we determine that there are significant deficiencies in the operations of your Center, we may require you (or your Operating Partner) and your managers and key employees to attend and successfully complete periodic or additional training programs for which we may charge reasonable training fees.

You will be responsible for all expenses you incur in connection with attending all training programs, including compensation, travel, lodging and meals.

5.2 On-Going Guidance

We will furnish you on-going guidance with respect to the System, including improvements and changes to it. Such guidance, at our discretion, will be furnished in the form of the Operations Manual, bulletins (such as our periodic newsletter) and other written or electronic communications, consultations by telephone or in person at our offices or at your Center, and by any other means of communications. You acknowledge and agree that various means of communication (e.g., electronic communication) may require you to incur expenses for communication technology, including hardware, software and access fees.

5.3 Periodic Inspections

We ourselves and/or our agents may conduct both on-site and virtual inspections of your Center to evaluate your Center's operations and compliance with the System when and as frequently as we deem appropriate.

5.4 Operations Manual

We will provide you access to the Operations Manual during the Term. "Operations Manual" means our confidential operations manual, as amended from time to time, that may consist of one or more written manuals (including training manuals), containing our mandatory and suggested standards, specifications and operating procedures relating to the development and operation of Meineke Car Care Centers and other information relating to your obligations under this Agreement. "Operations Manual" also includes alternative or supplemental means of communicating such information by other media which specifically reference that they are to be considered to be part of the Operations Manual, including bulletins, e-mails, video and audio recordings, websites and other electronic media. You agree to keep your copy of the Operations Manual current. If there is a dispute relating to the contents of the Operations Manual, our master copy will be controlling. The Operations Manual contains Confidential Information, and you agree not to copy any part of it.

ARTICLE 6:
YOUR ORGANIZATION AND MANAGEMENT

6.1 Disclosure of Ownership Interests

You and each Owner (as defined below) represent, warrant and agree that Schedule C, attached hereto and incorporated herein by reference, is current, complete and accurate. You agree to promptly update Schedule C so that Schedule C (as so revised and signed by you) is at all times current, complete and accurate. Each person who is or becomes an Owner must execute an Owner's Personal Guaranty, in the form of Schedule D, attached hereto and incorporated herein by reference, undertaking to be bound jointly and severally by the terms of this Agreement. Each Owner must be an individual acting in his personal capacity, unless we waive this requirement.

The term "Owner" is defined as a person or entity that has a 10% or greater direct or indirect legal or beneficial ownership interest in you, if you are a business corporation, partnership, limited liability company or other legal entity. You must designate to us at least one officer, or if you operate in any other capacity, at least one general partner or other individual who has signed the Agreement as the person who may act for and on behalf of the Franchise.

6.2 Management of Center

We may require you (or your Operating Partner, as defined below) to actively participate in, and exert your best efforts with respect to, the direction and management of your Center's business and the business of other Meineke Car Care Centers you own (if applicable). You shall designate a manager who has satisfactorily completed (as determined by us in our sole discretion) our Internet training program to serve as the Center's manager. Such manager must devote substantially all of his or her business time and attention to the on-premises management and operation of the Center.

If you are, or at any time during the Term become, a business corporation, partnership, limited liability company or other legal entity, you agree to designate as the "Operating Partner" an individual approved by us who: (a) owns and controls not less than 10% of your equity and voting rights; (b) has completed our training program to our satisfaction; and (c) has the power and authority to bind you in all dealings with us, unless you designate in writing another Owner reasonably acceptable to us who has the power and authority to so bind you.

ARTICLE 7:
OPERATING STANDARDS

7.1 Authorized Products and Services

You agree that your Center will offer for sale only those automotive maintenance and repair products and services we authorize Meineke Car Care Centers to offer and sell to the public from time to time pursuant to the Operations Manual. You agree to offer for sale, and to exert your best efforts to aggressively market and sell, all Core Authorized Products and Services. "Core Authorized Products and Services" shall mean repair and replacement of exhaust system components, brake system components, shocks and struts, and any other Authorized Products and Services that we designate from time to time to be products or services central to the operation of Meineke Car Care Centers. All other Authorized Products and Services (i.e., those which are not Core Authorized Products and Services) shall be optional, and you are not required to offer them for sale at your Center.

We have the right to add or delete Authorized Products and Services (including those identified in Section 3.2), and to conditionally approve Authorized Products and Services. We agree to consult with DAAC with respect to decisions to add or delete Authorized Products and Services. You acknowledge and agree that additional Authorized Products and Services may require you to incur additional costs for equipment, inventory, additional personnel, personnel training and leasehold improvements.

We have the right to add Core Authorized Products and Services once the Gross Revenues of such product or service category reaches 10% or more of system-wide sales (i.e., the aggregate Gross Revenues of all Meineke Car Care Centers located in the U.S.) for one year. We have the right to delete Core Authorized Products and Services once the Gross Revenues of such product or service category reaches less than 10% of system-wide sales for one year, provided we agree not to delete any products or services that are designated as Core Authorized Products and Services as of August 1, 1999.

Your Center may not be used for any purpose other than the operation of a Meineke Center in compliance with this Agreement, or a co-branded automotive center as we may permit from time to time. You agree that your Center will offer courteous and efficient service in accordance with our standards.

7.2 Parts and Supplies

You acknowledge that the reputation and goodwill of Meineke Car Care Centers is based at least in part on the sale of high quality products and services. Therefore, you agree that your Center will use

only parts, uniforms, forms, labels, and other inventory and supplies that conform to our specifications and standards as to quality, performance, and safety and/or are purchased from suppliers (which may include us and/or our Affiliates) we approve. For exhaust system parts, standards meeting the most stringent noise regulations of all the states in the United States of America, which the parties acknowledge currently is California, shall be deemed approved. All other parts that meet the original equipment manufacturer's standards shall be deemed approved, unless we reasonably determine otherwise. If we lower standards for any part, those standards will apply to all suppliers of the particular part.

We (or a designated supplier) will be the only supplier of customer receipts, which will be sold to you at reasonable prices. We and our Affiliates may be suppliers of any other items, including equipment, signs, parts, uniforms, forms and labels. If we require you to purchase any such other items exclusively from us, we agree to sell such items at our cost; otherwise, any such other items may be sold at a profit.

We agree to subject any Preferred Supplier arrangement to a periodic competitive bidding process, the timing of which we will determine with the advice of DAAC. From time to time, we may, with the advice of DAAC, modify our specifications and standards and the list of approved suppliers. After notice of such modification, you may not reorder any parts, uniforms, forms, labels or other inventory and supplies that do not meet our then-current specifications and standards or reorder any such items from any supplier who is no longer approved. At the request of DAAC, we will make available to members of DAAC relevant information in order to verify the financial arrangements we may have with approved third-party suppliers from whom we require you to purchase exclusively from us, provided we shall have received reasonable assurances in writing that such information will be treated confidentially and will not be misused.

If you propose to order on a regular basis any parts, uniforms, forms, labels and other inventory and supplies from any supplier who is not then approved by us, you must first submit to us sufficient information, specifications and samples concerning the supplier so that we can decide whether the supplier meets our approved supplier criteria. If we do not disapprove such supplier within 30 days after we have received all requested information, then such supplier shall be deemed approved. If the part offered by a supplier for which you seek approval has not been tested by an independent certified laboratory, we have the right to charge reasonable fees to cover our costs of evaluating such supplier. We may prescribe procedures for the submission of requests for approval and impose obligations on suppliers that we may require to be incorporated in written agreements.

We agree not to solicit or accept any rebates from any approved supplier of equipment, signs, parts or other supplies based on the amount of your purchases from such supplier, but we may solicit and accept rebates based on the amount of purchases by us and our Affiliates. We may solicit and accept other benefits from suppliers, such as promotional allowances, provided we use them solely for the benefit of the chain of Meineke Car Care Centers, such as defraying the cost of training programs, dealer conventions or other meetings. Otherwise, you and we mutually agree not to solicit or accept any benefits from any Preferred Supplier that such supplier does not offer on a comparable basis to all owners of Meineke Car Care Centers. Notwithstanding anything to the contrary contained herein, we may solicit and accept royalty fees and other payments from suppliers for authorization to use the Marks, provided we do not require you to purchase any such items exclusively from such suppliers.

7.3 Maintenance and Repair of Equipment

You agree to use, operate and maintain all equipment and fixtures in a careful and proper manner in accordance with all applicable laws and regulations, all manufacturers' guidelines and our standards and operating procedures. You agree to undertake all required inspections and, to the extent required by applicable law, post appropriate certificates of inspection or other evidence of governmental approval. You agree to maintain and/or install all safety features as originally installed and as required by applicable safety

codes and regulations and to not alter any safety features. You agree to periodically repair and, if reasonably necessary, replace any worn-out or obsolete equipment or fixtures.

7.4 Condition of Center/Center Upgrades

You agree to maintain the condition and appearance of your Center so that it is clean and attractive. If at any time the general state of repair, appearance or cleanliness of your Center, or its fixtures, equipment, furnishings or signs, does not meet our standards, we may notify you of the action you must take to correct such deficiency. If, within 30 days after receiving such notice, you fail or refuse to initiate and continue with due diligence a bona fide program to complete such required repair or maintenance, we have the right (in addition to our rights under Article 13), but not the obligation, to enter the Premises and perform such repair or maintenance on your behalf and at your expense. You must promptly reimburse us for the expenses we incur in performing such repair or maintenance.

7.5 Periodic Upgrades

You agree to periodically upgrade and/or remodel your Center as we may reasonably require, including replacing and/or upgrading exterior and interior signs and décor, provided no such upgrading or remodeling during the Term will require any increase in the square footage of the Premises. We agree that substantial upgrades or remodeling shall not be required more than once every 5 years during the Term or involve a capital cost of more than $20,000 per occurrence during the Term. You may not make any alterations to your Center, nor any replacements, relocations or alterations of fixtures, equipment or signs that do not meet our then current standards and specifications. If you should make any improvements in your Center prior to this 5-year period you may receive credit against the $20,000 spending requirement stated in this section of the Agreement, provided that you notify us in writing and provide us with a copy of the invoice showing the cost you paid for the improvement. We will advise you within 30 days from our receipt of these items as to whether improvements satisfy our upgrade requirements.

7.6 Specifications and Standards

You acknowledge that each and every aspect of the operation of your Center is important to us and is subject to our specifications and standards. You agree to comply with all mandatory specifications, standards and operating procedures and other obligations that are contained in the Operations Manual relating to the development and operation of a Meineke Center, including: (a) all aspects (other than prices) of Authorized Products and Services offered by your Center and the manner in which they are promoted and sold; (b) sales procedures and customer warranties and services; (c) advertising and promotional programs; (d) appearance and dress of employees; (e) safety, appearance, cleanliness and standards of service and operation of your Center; (f) days and hours of operation; and (g) accounting and recordkeeping systems and forms. Mandatory specifications, standards and operating procedures and other obligations set forth in the Operations Manual constitute provisions of this Agreement.

7.7 Changes to Specifications and Standards/Days and Hours of Operation

We may modify the Operations Manual to reflect changes in standards, specifications and operating procedures and other obligations, provided no addition or modification may alter your rights, and fundamental status, under this Agreement. We agree to consult with DAAC with respect to any material changes to mandatory standards in the Operations Manual. If DAAC recommends that we not make any material change to required days and hours of operation for Meineke Car Care Centers, we agree not to make such change unless: (a) at the time we propose such change, all Meineke Car Care Centers located in the U.S. owned by us and our Affiliates operate during such days and hours (except to the extent prohibited by applicable law) and at least 33.3% of all Meineke Car Care Centers in the U.S. (other than

those owned by us or any of our Affiliates) operate during such days and hours; and (b) we give at least 6 months' prior notice to any such change.

7.8 Compliance With Laws

You agree to maintain in force in your name all required licenses, permits and certificates relating to your Center. You agree to operate your Center in full compliance with all applicable laws, ordinances and regulations, including the Occupational Safety and Health Act (OSHA); the Americans with Disabilities Act (ADA); the CAN-SPAM Act; the Telephone Consumer Protection Act (TCPA), the Telemarketing Sales Rule (TSR), and other federal and state anti-solicitation laws regulating phone calls, spamming, and faxing; and federal and state laws that regulate data security and privacy (including, but not limited to the use, storage, transmission, and disposal of data regardless of media type). You must take reasonably prompt action to cure any noncompliance with such laws. You agree to notify us in writing within 5 days after the commencement of any legal or administrative action, the issuance of any order of any court, agency or other governmental instrumentality, or the delivery of any notice of violation or alleged violation of any law, ordinance or regulation that may adversely affect the operation of your Center or your financial condition. You agree to adhere to our standards of honesty, integrity, fair dealing and ethical conduct in all dealings with your customers. You must comply with all laws and regulations relating to privacy and data protection, and must comply with any privacy policies or data protection and breach response policies we may periodically establish. You must notify us immediately of any suspected data breach at or in connection with your Center.

7.9 Personnel

You agree that your Center at all times will be staffed by a sufficient number of competent and properly trained employees. You are responsible for hiring all employees of your Center and are exclusively responsible for the terms of their employment, including their compensation and training. You are solely responsible for all employment decisions for your Center, including those related to hiring, firing, remuneration, personnel policies, benefits, record keeping, supervision and discipline, and regardless of whether you received advice from us on these subjects.

At least one employee of your Center must obtain (within a reasonable period of time, not to exceed 1 year after the Agreement Date or Opening Date, if your Center is a new Meineke Center) and maintain certification by Automotive Service Excellence ("ASE") (or any successor or similar organization we designate) for each of the areas of service comprising Authorized Products and Services performed at your Center for which certification is provided. In the event of changes in personnel at your Center in functions that require ASE certification, you will have a reasonable period of time, not to exceed 1 year, to obtain appropriate certification of any replacement personnel. If in the future ASE certification is offered on Authorized Products and Services that is not offered as of the Agreement Date, or if in the future you perform Authorized Products or Services for which ASE certification is offered, you agree to obtain such certification within a reasonable period of time, not to exceed 1 year.

7.10 Insurance

You agree to maintain in force: (a) comprehensive, commercial, general, product, garage keeper and automobile liability insurance; (b) general casualty insurance, including fire and extended coverage, vandalism and malicious mischief insurance, for the replacement value of your Center and its contents; and (c) such other insurance policies, such as business interruption insurance, as we may reasonably determine from time to time. All insurance policies shall be issued by carriers with at least an A- rating with A.M. Best Company, Inc. (or a similar rating by a comparable rating service acceptable to us), shall contain such types and minimum amounts of coverage, exclusions and maximum deductibles as we reasonably

determine from time to time, shall name us and our Affiliates as additional insureds, shall provide for 30 days' prior written notice to us of any material modification, cancellation or expiration of such policy and shall include such other provisions as we may require. We agree to consult with DAAC on any material changes in the types and minimum amounts of coverage, exclusions and maximum deductibles.

At our request, you shall furnish us with such evidence of insurance coverage and payment of premiums as we require. If you fail or refuse to maintain any required insurance coverage, or to furnish satisfactory evidence thereof, we, at our option and in addition to our other rights and remedies hereunder, may obtain such insurance coverage on your behalf. If we do so, you agree to fully cooperate with us in our effort to obtain such insurance policies and agree to pay us any costs and premiums we incur. Your obligation to maintain insurance coverage is not diminished in any manner by reason of any separate insurance we may choose to maintain, nor does it relieve you of your obligations under Section 16.02. Our approval of the insurance you obtain shall not constitute a representation or warranty as to the adequacy of the limits of coverage of such insurance.

7.11 Conformity to the Discount Price Program

You agree to conform to the discount price program that is the foundation of the marketing concept of Meineke Car Care Centers, i.e., services performed at prices measurably less than those charged by authorized new car dealers. You acknowledge that the foregoing pricing commitment is necessary to maintain the marketing concept of Meineke Car Care Centers and does not, in any manner, mandate or attempt to mandate the retail prices you charge customers. You agree not to enter into any agreement, understanding or arrangement, or engage in any concerted practice, with other Meineke Dealers or others relating to the prices at which Authorized Products and Services are offered or sold by you or any other Meineke Center.

7.12 Customer Warranties

You recognize the importance of standardization of customer warranties offered by Meineke Car Care Centers and agree to deliver warranties to your customers with respect to Authorized Products or Services on terms and conditions we determine from time to time and using such product and service warranty forms as we may furnish to you. We agree, unless prohibited by applicable law, that all Meineke Car Care Centers owned by us and our Affiliates will offer and perform all such customer warranties. You agree, unless prohibited by applicable law, to offer and perform all such customer warranties at your Center. You will have sole responsibility for all such warranties that you issue and for performing any other authorized warranties you issue to customers. We agree to consult with DAAC if we propose to require a new warranty, or change an existing warranty requirement, on terms that are materially more favorable to consumers than are generally granted by major competitors in the automotive maintenance and repair industry.

You agree to comply with all policies and procedures on warranty programs set forth in the Operations Manual, including performing warranty service on customer warranties issued by other Meineke Car Care Centers and keeping records with respect to your reimbursement claims. You agree that all warranty services are performed by you as an independent contractor and not as our agent.

We agree to establish and maintain a national customer warranty program containing such policies and procedures as we deem appropriate from time to time. You authorize us to charge you for warranty services performed by another Meineke Center on customer warranties issued by you, and to credit you for warranty services you perform on customer warranties issued by another Meineke Center, in such amounts as we may determine to be appropriate from time to time for the national customer warranty program. You agree to pay us any net debit balances, and we agree to pay you any net credit balances, with respect to the

national customer warranty program at such times and on such conditions as we determine from time to time.

WE MAKE NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY OR SUITABILITY OF ANY PRODUCTS SOLD OR SERVICES PERFORMED BY YOU. You have no authority to make any kind of warranty or representation to others on our behalf. You agree not to make or give to any customer any warranty or representation as to the quality or fitness for use for any purpose, either express or implied, with respect to any Authorized Products or Services, unless we have approved the warranty or representation.

Your obligations and liabilities under this Section 7.12 shall survive any termination or expiration of this Agreement.

7.13 Customer Complaints

You agree to promptly address all customer complaints in accordance with the procedures contained in the Operations Manual. If you are unable or unwilling to resolve a customer complaint within 30 days and it becomes necessary for us to reimburse a customer in settlement of his or her complaint about work performed at your Center, you agree to promptly reimburse us for amounts expended on account of any such complaint. Your obligations and liabilities under this Section 7.13 shall survive any termination or expiration of this Agreement.

ARTICLE 8:
MARKETING AND ADVERTISING

8.1 Marketing and Advertising Programs

Recognizing the value of advertising, and the importance of the standardization of advertising to enhancing the goodwill associated with the Marks, to promoting the sale of Authorized Products and Services and to developing and maintaining a favorable public image of Meineke Car Care Centers, you agree that we have the right to determine, conduct and administer all national, regional, local and other marketing, advertising, promotions, market research and other related activities for Meineke Car Care Centers as may be instituted from time to time, including advertising and marketing funded by the MAF, and the right to direct all such advertising and marketing with sole authority and discretion (exercised in accordance with the terms, and subject to the conditions, contained in this Article 8) over all aspects thereof, including concepts, materials, media, nature, type, scope, frequency, place, form, copy, layout and content.

8.2 Initial Advertising Contribution

We will spend the Initial Advertising Contribution on pre-opening, grand opening and post-opening promotion, including, but not limited to, promotional materials, initial advertising (traditional and/or online) of the Center and other activities related to the opening of the Center as we determine.

8.3 Meineke Advertising Fund

We agree to administer the MAF for the creation, development and implementation of marketing, advertising and related programs and materials to enhance the goodwill associated with the Marks, to promote the sale of any or all Authorized Products and Services and to develop and maintain a favorable public image of Meineke Car Care Centers. We will have sole discretion over all aspects of the materials and programs funded by MAF, including concepts, materials, media, nature, type, scope, frequency, place, form, copy, layout and context, provided we will periodically (not more frequently than once every 6 months) seek the advice of the Advertising Committee (as defined below) with respect to the creative

concepts and media used for programs funded by the MAF. The "Advertising Committee" will consist of a committee of not more than 7 Meineke Dealers appointed from time to time by DAAC.

We may use funds from the MAF to pay for all costs and expenses associated with such programs and materials, including the costs of preparing, producing and distributing marketing, advertising and related programs and materials, employing advertising agencies and media buying agencies, supporting market research activities, administering the MAF and all other related costs and expenses. Although the MAF is intended to enhance the goodwill associated with the Marks, to promote the sale of any or all Authorized Products and Services and to develop and maintain a favorable public image of Meineke Car Care Centers for the benefit of all Meineke Car Care Centers, we cannot assure you that any particular Meineke Center, or that Meineke Centers in any particular local market area, will benefit directly or pro-rata from any marketing, advertising or related program.

Your contributions to the MAF will be held and disbursed by a national bank or trust company or other financial institution (the "MAF Trustee") we appoint from time to time, with the advice of DAAC, with the MAF Trustee being obligated to receive, hold and disburse funds in the MAF in accordance with an agreement that: (a) is consistent with the parties' rights and obligations hereunder; (b) includes reasonable provisions regarding limitations on the scope of MAF Trustee's fiduciary duties to Meineke Dealers and us; and (c) is mutually acceptable to the MAF Trustee and us. We agree to remit promptly all of your MAF contributions to the MAF Trustee and to periodically monitor the performance of the MAF Trustee under its trust agreement. We may direct the MAF Trustee to make payments directly to third parties or to make such payments to us for remittance to such third parties. All fees, compensation, charges and expenses of the MAF Trustee ("MAF Trustee Fees") shall be paid from MAF, and we will have no liability or responsibility for paying MAF Trustee Fees.

Subject to Section 3.4, we agree to allocate your weekly contributions to the MAF as follows:

Creative (as defined below)	Not more than 0.5% of your Gross Revenues
National Advertising (as defined below)	Not more than 3% of your Gross Revenues
Local Directory Advertising and Local Advertising (as defined below)	Not less than 4.5% of your Gross Revenues

Notwithstanding the foregoing allocation of the weekly MAF contribution, if your Center is a new Meineke Center, and you must pay the minimum of $250 to the MAF during any week in the 12-week period following the opening of your Center, we will allocate your contribution as follows: not more than 6% to Creative, not more than 38% to National Advertising, and not less than 56% to Local Directory Advertising and Local Advertising.

You agree that we may, with the advice of the Advertising Committee, from time to time change the foregoing allocations of your contributions to MAF among Creative, National Advertising and Local Directory Advertising and Local Advertising in order to enhance the effectiveness of advertising and promotional efforts.

The term "Creative" includes the costs associated with creating, developing and distributing national or general advertising, marketing, promotions, public relations and market research programs and related activities, including, but not limited to, costs relating to preparing television, radio, newspaper, point of sales, digital, social media, smart phone applications, call center scripts, reputation management, and other media programs and materials (such as websites for the Internet) and all related fees, charges and commissions, including fees charged by national spokespersons and commissions charged for creative works. In addition, up to 30% of your contributions to Creative may be used from time to time to offset any deficits in media placement costs incurred as part of the Local Advertising portion of the MAF in any

local market area on such terms and conditions as we may determine from time to time. As part of the Creative portion of the MAF, we may furnish you with marketing, advertising and promotional materials at cost, plus any related administrative, shipping, handling and storage charges. The term "National Advertising" includes all costs associated with placing and purchasing national media advertising (e.g., national television, print media and electronic media) and related activities and associated fees and commissions, including commissions charged by media buying companies. The term "Local Directory Advertising" includes all costs associated with placing and purchasing advertising in classified advertising directories through various media, including print and electronic media, and related activities and associated fees and commissions, including commissions charged by media buying companies. The term "Local Advertising" includes all costs associated with regional and local advertising and promotional programs and related activities and associated fees and commissions, including commissions charged by advertising agencies and media buying companies. To the extent any costs can be allocated to more than one of the above categories or to the extent that any costs appropriately charged to the MAF do not fall within a particular category, we may, in our sole discretion, allocate such costs to one or more of such categories.

We agree to maintain an adequately staffed advertising and marketing department to perform the services we customarily provide in administering the advertising and other programs funded by the MAF. Subject to the provisions stated in Section 3.4, we are entitled to be paid each year from the MAF for such services in an amount equal to 2.75% of all contributions by all Meineke Car Care Centers to the MAF ("the Annual Administrative Expense"). We may pay ourselves the Annual Administrative Expense in advance in quarterly installments each year. We will allocate the Annual Administrative Expense, MAF Trustee Fees and the costs relating to the annual audit of the revenues and expenses of the MAF proportionately to the Creative, National Advertising, Local Directory Advertising and Local Advertising portions of the MAF, notwithstanding anything to the contrary contained in this Agreement.

The MAF will be accounted for separately from our other funds and will not, except for the Annual Administrative Expense, be used to defray any of our or any Affiliate's general operating expenses. Except for the Annual Administrative Expense and the repayment of any advances or loans we may make to the MAF, neither we nor any of our Affiliates will be entitled to derive any income from the MAF, including commissions, rebates or discounts for media purchases from the MAF. Any advertising agency commissions and discounts granted to us or any of our Affiliates for media purchases from the MAF will be contributed to the MAF or netted against the invoice for such purchases.

All disbursements from the MAF shall be made first from income and then from contributions. We may compromise any claim for past due contributions to the MAF from any Meineke Dealer, provided any compromise of contributions to the MAF shall be proportionate to any contemporaneous compromise of other amounts such Meineke Dealer owes us and our Affiliates, and we have the right to charge a proportionate amount of the collection costs against contributions we recover. In any fiscal year, we may spend amounts that are more or less than the aggregate contributions of all Meineke Car Care Centers to the MAF in that year, and we may fund any deficits with contributions from future years. The MAF may borrow from us (on commercially reasonable terms and rates) or other lenders to cover deficits or cause the MAF to invest any surplus for future use. We will cause to be prepared an annual audit of the revenues and expenses incurred by the MAF and will furnish you a copy upon your written request. The costs of such audits shall be charged against the MAF. On request, the Advertising Committee may periodically review the books and records of the MAF.

Except as otherwise expressly provided in this Section 8.3, we assume no direct or indirect liability or obligation with respect to the maintenance, direction or administration of the MAF. We do not act as trustee or in any other fiduciary capacity with respect to the MAF.

8.4 Allocation Between Local Advertising and Local Directories

The allocation of your MAF contributions (as well as those of other Meineke Car Care Centers in your Market Area) that are designated to be used for Local Directory and Local Advertising shall be allocated between Local Directory and Local Advertising on an annual basis by the owners of all of the Meineke Car Care Centers located in your Market Area in accordance with the provisions of this Section 8.4, provided however that under no circumstances will more than 1% be allocated to Local Directory without our prior consent. The allocation shall be determined annually by a majority vote (on a one-vote-per-Center basis) of all owners of Meineke Car Care Centers in the Market Area (including us and our Affiliates, as to any Meineke Car Care Centers owned in the Market Area) who shall vote on such allocation. If no vote shall take place, then the allocation shall be determined by us. Notwithstanding anything to the contrary in this Agreement, we may, but we are not obligated to, re-allocate part of the Local Advertising portion of your contribution to the MAF to the advertising and marketing of your specific Meineke Center, which may include varied programs that we believe contribute to the overall marketing, advertising, and recognition of the Meineke brand and Meineke system.

The parties acknowledge that the foregoing allocation is based on projected revenues for the following year in the Market Area and that the actual amounts expended will deviate from the projected percentage allocation.

8.5 Local Advertising

In addition to your weekly MAF contribution, we strongly recommend that you spend 2% of your Gross Revenues on local advertising, but you are not required to do so and your failure to do so does not constitute a breach of this Agreement. Any local advertising purchased pursuant to this Section shall be subject to approval in accordance with Section 8.7.

8.6 Dealer Websites and Online Listings

All advertising by you in any medium must be approved by us in writing prior to development or use, and must conform to our standards and specifications, including, but not limited to, websites and online listings. You may not create and maintain your own websites for the Center or that advertise the Center or other Meineke Centers you own and operate. We will create and maintain these properties for you to ensure they are consistent with Meineke standards and adhere to best practices. You must submit to us, for prior approval, samples of all advertising and promotional plans and materials that have not been prepared or previously approved by us. We reserve all rights to directory or online listings, which include any online presence or accounts that use the Marks. You must cooperate in any attempts by Franchisor to gain access to and control of such listings. You may be provided the right to gain access to online listings created by Franchisor and/or post content on online listings for your Center, but all content posted must be approved by Franchisor, such approval not to be unreasonably withheld. We reserve the right to revoke access to online listings if brand standards are violated or our consent is either not solicited or withheld.

8.7 Approval of Advertising Content

You agree to submit to us no later than 60 days in advance samples of all advertising and promotional materials not prepared by us, and use of such advertising and promotional materials shall be subject to our prior written approval. You may not use any advertising or promotional materials (including, but not limited to, on websites and in print materials and other advertisements) that we have not approved in writing or that we have disapproved. All of your advertising and promotion shall comply with all applicable laws, and shall be completely factual and shall conform to the highest standards of ethical

advertising. You agree to refrain from any business or advertising practice which may be injurious to our business, to the business of other Meineke Car Care Centers or to the goodwill associated with the Marks.

ARTICLE 9:
REPORTS AND INSPECTIONS

9.1 Records

You agree to prepare and maintain for 5 years complete and accurate books, records (including invoices and records relating to your Gross Revenues) and accounts (using our standard chart of accounts specified in the Operations Manual) for your Center, copies of your sales tax returns, bank statements, and such portions of your state and federal income tax returns as relate to your Center. All such books and records shall be kept at the Premises, unless we otherwise approve. Alternatively, you may keep such books and records at the premises of the accountant who maintains your financial records and/or prepares your tax returns, provided you notify us in advance and such accountant agrees to give us unrestricted access to such books and records. You agree to cause such accountant to fully cooperate with us in connection with any review or audit of such books and records.

You may not commingle any of your funds derived from the operation of your Center with any other funds. If you commingle any of the funds derived from the operation of your Center with other funds, such as your personal funds or funds from your operation of any other business, then, in addition to our other rights hereunder and under applicable law, we will have the right to review and photocopy all of the records and accounts relating to such other funds, including your personal records and accounts, and you will be required to pay us $2,500, plus $250 for each month thereafter until the funds are separately accounted for, as determined by us in our sole discretion.

9.2 Computer System

We may require you to purchase or lease, at your expense, such computer hardware and software, required dedicated telephone and power lines, internet connections and other data transmission facilities, modems, printers, and other computer-related accessories or peripheral equipment as we may specify from time to time for management information functions, such as recording and reporting Gross Revenues. You may use any computer hardware you consider to be appropriate, provided it meets our specifications and provided further that it functions properly with the computer software we require. You agree not to use any point of sale software in the operation of your Center that we have not approved.

You agree to provide such assistance as may be required to connect your computer system with our computer system or the computer system of a third-party data collection service we designate. You agree to transmit electronically to us such data from your computer system as we, in our sole discretion, deem desirable, with the cost of such telephonic transmission to be borne by you if we mandate electronic submission of such data and we no longer require you to furnish hard copy of such data pursuant to Section 9.3.

You agree, at your expense, to keep your computer systems in good condition and to promptly install such additions, changes, modifications, substitutions or replacements to the computer hardware, computer software, internet connections, telephone and power lines, and other data transmission facilities as we direct to ensure full operational efficiency and optimum communication capability between and among computer systems. In view of the contemplated interconnection of computer systems and the necessity that such systems be compatible with each other, you agree to use computer software that complies with our specifications.

We and our Affiliates may condition any license of required or recommended proprietary software to you, and/or your use of technology developed or maintained by or for us, on your signing a software license agreement or similar document, or otherwise agreeing to the terms (for example, by acknowledging your consent to and accepting the terms of a click-through license agreement), that we and our Affiliates periodically prescribe to regulate your use of, and our (or our Affiliates') and your respective rights and responsibilities with respect to, such software or technology. We and our Affiliates may charge you upfront and ongoing fees for any required or recommended proprietary software or technology that we or our Affiliates license to you and for other required or recommended computer system maintenance and support services that we provide you during the Term. The aggregate ongoing fees for such software, technology, and services, however, shall not exceed $750 per month (the "Monthly Technology Cap"), which Monthly Technology Cap we may increase on January 30, 2026 and every 5 years thereafter to reflect any increase in the CPI for the preceding 60-month period or, if we elected not to increase the Monthly Technology Cap on any applicable January 30, the aggregate increase in the CPI from the date of the last increase. For the avoidance of doubt, and notwithstanding anything to the contrary in this Agreement, the following will not be subject to the Monthly Technology Cap: (a) any initial or upfront fees or similar one-time fees; (b) any optional software, technology, or services that we have not expressly recommended; (c) any computer hardware; (d) any front office software or applications; and (e) any software, products, applications, services, or equipment that you are required to purchase or lease in order to offer and provide Authorized Products and Services and/or otherwise operate the Center.

9.3 Periodic Reports

You agree to furnish us: (a) no later than the Payment Day of each week, a report of Gross Revenues for the immediately preceding week, along with copies of invoices for work performed; (b) no later than the 15th day of each month during the first 3 months of the operation of your Center, an income statement and statement of cash flow for your Center for the preceding month and for the year-to-date and a balance sheet as of the end of such month; (c) within 120 days after the end of each calendar year, a year-end balance sheet and income statement and statement of cash flow of your Center for such year, reflecting all year-end adjustments and accruals, provided we will not unreasonably withhold our consent to a request for an extension of time to provide such statements; and (d) such other information as we may require from time to time, including reports on marketing activities, customer warranty work, cost of goods sold and labor costs, sales and your income tax statements (provided, however, that if you are an individual, only the parts of income tax statements that disclose information about your Center need be furnished). You agree that the information in each such report and financial statement shall be complete and accurate. Notwithstanding the requirement to provide the reports listed above, you also agree to provide within 10 days of our request any of the foregoing information, upon our request.

9.4 Use of Customer Information

We have the right to use or disclose information from all reports, statements and electronic data transmissions from you in such manner as we deem reasonably appropriate, provided we will not identify you by name unless required to do so by law or in connection with any legal proceeding, and provided further that, during the Term, we agree not to (a) use the identity of customers of your Center for soliciting Authorized Products and Services by Meineke Car Care Centers owned by us or any of our Affiliates, or (b) disclose such information to any Affiliate that offers or sells any of the Core Products and Services under trademarks or service marks that are not the Marks.

9.5 Inspections

We and our agents have the right at any time during business hours and without prior notice to: (a) inspect your Center; (b) observe, photograph, audio-tape and/or video tape the operations of your

Center; (c) interview personnel and customers of your Center; and (d) listen to and record phone calls with your Center's customers, provided we will not interfere unduly with the operation of your Center. You agree to cooperate fully with such activities.

9.6 Audits

We have the right at any time to inspect, photocopy and audit the books, records, bank statements, tax returns and documents relating to the development, ownership, lease, occupancy or operation of your Center for the sole purpose of determining your compliance with the provisions of this Agreement. An audit may be conducted pursuant to this Section 9.6 either in person or by an electronic request for books, records, bank statements, tax returns, and other relevant documents. We agree to provide reasonable prior notice to you of any audit being conducted in the ordinary course, but we are not required to provide notice if, in our sole discretion, we are conducting an audit for cause. You must cooperate fully with our representatives and independent accountants conducting such audits. If any audit discloses an understatement of Gross Revenues, we agree to provide you with a copy of the audit report, and you agree to pay us, within 7 days after receipt of the audit report, the royalties and MAF payments due on the amount of such understatement, plus interest (as provided in Section 3.6) from the date originally due until the date of payment. Our acceptance of any such payment does not constitute a waiver of any rights, including our rights under Article 13, an estoppel or an election of remedies. If you dispute the findings of the audit, you may, at your expense, invoke the Ombudsman procedures of Section 17.15 hereof, without affecting the rights and obligations of the parties hereto.

In addition, you agree to pay us the costs of any audits performed as a result of: (a) your failure to submit statements of Gross Revenues; (b) your failure to maintain books and records or computer systems as required by Section 9.1 and Section 9.2, including point of sale records; (c) your reporting Gross Revenues for any period of twelve consecutive months that are more than 2% percent below your actual Gross Revenues for such period, as determined by any such audit; or (d) your failure to produce all of your books and records as required by us or our authorized agents within 15 days after we request any such items. Such audit costs include the charges of any independent accountant and/or third-party vendor and attorneys' fees, and per diem fees and costs of our employees, including, but not limited to, travel and lodging and other out-of-pocket costs, plus interest.

ARTICLE 10:
TRADEMARKS

10.1 Ownership of the Marks

You acknowledge that the Marks are valid and that we own the Marks. Your right to use the Marks is derived solely from this Agreement and is limited to conducting business pursuant to and in compliance with this Agreement. Your unauthorized use of any of the Marks constitutes a breach of this Agreement and an infringement of our rights to the Marks. This Agreement does not confer on you any goodwill or other interests in the Marks. Your use of the Marks and any goodwill established thereby inures to our exclusive benefit. All provisions of this Agreement applicable to the Marks apply to any additional or substitute trademarks, service marks and trade dress we authorize you to use. You may not at any time during or after the Term contest, or assist any other person in contesting, the validity or ownership of any of the Marks.

10.2 Use of the Marks

You agree to use the latest Marks approved by us as current, as the sole identification of your Center, provided you identify yourself as the independent owner in the manner we prescribe. You agree to

use the Marks as we prescribe in connection with the sale of Authorized Products and Services. You may not use any Mark (or any abbreviation, modification or colorable imitation) as part of any corporate or legal business name, or individual title, or in any other manner (including as an electronic media identifier, such as websites, web pages or domain names) not expressly authorized by us in writing.

10.3 Discontinuance of Use of Marks

If we determine it is advisable at any time for us and/or you to modify or discontinue use of any Mark and/or use one or more additional or substitute trademarks, service marks or trade dress, you agree to comply with our directions within a reasonable time after notice. We will have no liability or obligation to you whatsoever with respect to any such required modification or discontinuance of any Mark, or the promotion of a substitute trademark, service mark or trade dress, that is a result of our determination of a risk of conflicting rights with others.

10.4 Notification of Infringements and Claims

You agree to notify us immediately of any apparent infringement of or challenge to your use of any Mark, or any claim by another person of any rights in any Mark. You may not communicate with any person, other than us, our counsel and your counsel, in connection with any such infringement, challenge or claim. We will have sole discretion to take such action as we deem appropriate and will have the right to control exclusively any litigation or U.S. Patent and Trademark Office proceeding arising out of any such infringement, challenge or claim or otherwise relating to any Mark. You must sign any and all documents, render such assistance and do such things as may be advisable in the opinion of our counsel to protect our interests in any litigation or U.S. Patent and Trademark Office proceeding or otherwise to protect our interests in the Marks.

10.5 Indemnification of Dealer

We agree to indemnify you against, and to reimburse you for, all damages for which you are held liable in any action for trademark infringement arising out of your authorized use of any Mark pursuant to and in compliance with this Agreement and, except as provided herein, for all costs you reasonably incur in defending any such claim brought against you, provided you have timely notified us of such claim and provided further that you and your Owners are in compliance with this Agreement and all other agreements entered into with us or any of our Affiliates. We, at our sole discretion, are entitled to prosecute, defend and/or settle any such action arising out of your use of any Mark, and if we undertake to prosecute, defend and/or settle any such matter, we have no obligation to indemnify or reimburse you for any fees or disbursements of any legal counsel retained by you.

ARTICLE 11:
RESTRICTIVE COVENANTS

11.1 Confidential Information

We own proprietary and confidential information ("Confidential Information") relating to the development and operation of Meineke Car Care Centers, including: (1) technical information and expertise relating to Authorized Products and Services and the equipment used in connection therewith; (2) site selection criteria for Meineke Car Care Centers; (3) sales, marketing and advertising programs, algorithm and techniques for Meineke Car Care Centers; (4) knowledge of operating results and financial performance of Meineke Car Care Centers, other than your Center and other Meineke Car Care Centers that you own; (5) comprehensive methods of operating Meineke Car Care Centers, including pricing information, royalty and advertising contribution rates, and inventory mix; (6) computer software programs; and (7) Internet training modules.

We agree to disclose relevant parts of the Confidential Information to you solely for your use in the operation of your Center. The Confidential Information is proprietary and includes trade secrets. During the Term and thereafter: (a) you may not use the Confidential Information in any other business or capacity (and you acknowledge that such use is an unfair method of competition); (b) you agree to maintain the confidentiality of the Confidential Information; (c) you may not make unauthorized copies of any portion of the Confidential Information disclosed in written, electronic or other form; and (d) you agree to implement all reasonable procedures we prescribe from time to time to prevent unauthorized use or disclosure of the Confidential Information, including the use of nondisclosure agreements with your officers, directors, and managers and the delivery of such agreements to us. Your restrictions on disclosure and use of Confidential Information do not apply to information or techniques which are or become generally known in the automotive service industry (other than through your own disclosure), provided you obtain our prior written consent to such disclosure or use. We agree to consent to such disclosure or use if we believe such information is in the public domain.

11.2 Dealer's In-Term Covenants

During the Term, neither you nor any of your Owners may:

(a) directly or indirectly (such as through corporations or other entities owned or controlled by you or your Owners) own any legal or beneficial interest in, manage, operate or consult with: (1) any Competitive Business located anywhere; or (2) any entity located anywhere which grants franchises, licenses or other rights to others to operate any Competitive Business; or

(b) divert or attempt to divert any business or customer of any Meineke Center to any Competitive Business or do anything injurious or prejudicial to the goodwill associated with the Marks or the System.

Notwithstanding anything to the contrary contained in this Agreement, you are not restricted from owning shares of a class of securities of a Competitive Business that are listed on a stock exchange or traded on the over-the-counter market and that represent less than 5% of that class of securities.

11.3 Information Exchange

The value of the System is maximized by our evaluating and, if we deem appropriate, incorporating into the System innovations suggested by Meineke Dealers. If such innovations from other Meineke Dealers are incorporated in the System, you will be entitled to use them as part of the System. You agree to a reciprocal obligation and to disclose to us all ideas, concepts, methods, techniques and products relating to the development, marketing and/or operation of a Meineke Center that you conceive or develop, other than patentable inventions. If we adopt any of them as part of the System, you agree to grant us a perpetual, royalty-free, world-wide license to incorporate same into the System and to use, and sublicense the use, of same in connection with Meineke Car Care Centers. You agree to execute documents and do such other things as we may reasonably request for you to secure intellectual property rights in such ideas, concepts, methods, techniques or products.

11.4 Dealer's Post-Term Covenants

For a period of one year, starting the later of the effective date of termination or expiration (without you exercising your rights pursuant to, and in accordance with, Article 14) of this Agreement or at such time that you stop operating a Competitive Business, neither you nor any of your Owners may directly or indirectly (such as through corporations or other entities owned or controlled by you or your Owners) own a legal or beneficial interest in, manage, operate or consult with: (a) any Competitive Business located at the Premises; (b) any Competitive Business located within a radius of 6 miles of your Center; or (c) any

Competitive Business located within a radius of 6 miles of any Meineke Center in operation at the time that you execute this Agreement.

You and each of your Owners acknowledge that we have a protectable legal interest in the System and that these non-competition covenants contained in Section 11.2 and Section 11.4 are necessary elements to its protection and are an integral part of this Agreement.

11.5 Meineke's Non-Competition Covenant

If we or any subsidiary of ours (and specifically excluding all other Affiliates of ours) acquires a business, then to the extent any retail outlet of such business at the time of the acquisition is located in the Protected Area and 15% or more of such outlet's revenues during the 12 months prior to the acquisition are derived from Core Authorized Products and Services, we agree to exert reasonable efforts to sell such outlet, or to discontinue any franchise or other licensing arrangement with such outlet, within 12 months after the acquisition ("Divestiture Period"). If, despite such efforts, we are unable to effect such sale or discontinuance within the Divestiture Period, we will not be in breach of this Agreement as a result of such failure, but you may, at your election, invoke "Meineke's Encroachment Insurance Policy" referenced in Section 17.13 with respect to any adverse impact caused by such outlet or exercise your right to sell the assets of your Center to us in accordance with Section 11.6.

11.6 Competition by Meineke's Affiliates

If: (a) you have the right to sell your Center to us pursuant to Section 11.5; or

(b)(i) any of our Affiliates (including any subsidiary of ours) acquires a business, and such business, after the acquisition and while it is an Affiliate of ours, opens a new retail outlet (and specifically excluding any existing retail outlets) in your Protected Area; and (ii) 15% or more of such new outlet's revenues during the 12 months after its opening ("1-Year Opening Period") are derived from the sale of Core Authorized Products and Services; or

(c) any of our Affiliates (including any subsidiary of ours) acquires a business with an existing retail outlet located in your Protected Area, and such retail outlet, prior to the acquisition, did not derive 15% or more of its revenues from the sale of Core Authorized Products and Services in your Protected Area during the 12 months prior to its acquisition but during the 12 months after its acquisition ("1-Year Opening Period") it derives 15% or more of its revenues from the sale of Core Authorized Products and Services in your Protected Territory;

then you have the option ("Put Option") exercisable by giving us written notice ("Put Option Notice") 120 days after the expiration of the Divestiture Period or the 1-Year Opening Period, as applicable, to sell to us at Fair Market Value (as determined below) all of the tangible assets of your Center that you own ("the Purchased Assets" for purposes of this Section 11.6), including signs, equipment, inventories of saleable parts, products, materials and supplies, and to assign to us the lease for the Premises of your Center and any equipment lease for equipment used to perform Authorized Products and Services at your Center. If you exercise your Put Option and you or any of your Affiliates or Owners directly or indirectly own the land and/or building of your Center, you agree to lease, or cause such Affiliate or Owner to lease, such land and/or building to us or our designee at reasonable and customary rental rates and other terms prevailing in the community where your Center is located.

Upon delivery of the Put Option Notice, you agree (a) to continue to operate your Center in the ordinary course of business in accordance with the terms of this Agreement, and (b) not to sell or remove any of the Purchased Assets from the Premises (other than the sale of inventory in the ordinary course of business), and (c) to give us, our designated agents and the Appraiser (as defined below) full access to your

Center and all of your books and records at any time during customary business hours in order to conduct inventories and determine the purchase price for the Purchased Assets. Upon delivery of the Put Option Notice and pending the closing of the purchase, we may require that the operation of your Center be subject to the supervision and control of one or more managers appointed by us.

The Fair Market Value shall be determined by consultation between you and us to establish the amount which an arm's length purchaser would be willing to pay for the Purchased Assets, assuming that the Purchased Assets would be used for the operation of a Meineke Center at the Premises under a valid franchise agreement reflecting the then-current (or if we are not offering franchises at that time, then the most recent) standard terms upon which we offer franchises for Meineke Car Care Centers. The Fair Market Value may reflect the going concern value of the operation of your Center at the Premises, but under no circumstances will any value be attributed to any goodwill associated with any Mark. If you and we are unable to agree on the Fair Market Value of the Purchased Assets within 30 days after the Put Option Notice, then Fair Market Value will be determined by a mutually agreeable member of a nationally recognized accounting firm (other than a firm which conducts audits of our or your financial statements) who has experience in the valuation of retail businesses (the "Appraiser"). The Appraiser will make his or her determination and submit a written report ("Appraisal Report") to you and us as soon as practicable, but in no event more than 60 days after his or her appointment. Each party may submit in writing to the Appraiser its judgment of Fair Market Value (together with its reasons therefor). The Appraiser's fees and costs shall be borne equally by the parties hereto.

Within 10 days after delivery of the Appraisal Report or the date we mutually agree to the Purchase Price, whichever is applicable, we, you and your Owners will enter into a purchase agreement in form and substance reasonably satisfactory to us, containing such agreements, representations, warranties, covenants, indemnities and customer warranty reserve funds, and requiring such documents at closing, as we deem reasonably necessary to fully protect our interests, including representations, warranties and other closing documents and post-closing indemnifications and covenants as we reasonably require, including: (a) instruments transferring good and merchantable title to the Purchased Assets, free and clear of all liens, encumbrances, and liabilities, to us or our designee, with all sales and other transfer taxes paid by you; (b) a mutual termination of this Agreement, with you and your Owners continuing to be bound by all post-term covenants and obligations contained herein; and (c) an assignment of all leases of tangible assets and real property used in the operation of your Center, including land, building and/or equipment (or if an assignment is prohibited, a sublease to us or our designee for the full remaining term and on the same terms and conditions as your lease, including renewal and/or purchase options). In addition, if you or any of your Owners or Affiliates directly or indirectly own the land and/or building of your Center, you agree to lease, or to cause such Owner or Affiliate to lease, such land and/or building to us or our designee at reasonable and customary rental rates and other terms prevailing in the community where your Center is located. Any dispute concerning the rental rates and terms of such lease shall be resolved by the Appraiser.

The consummation of the purchase of the Purchased Assets ("closing" for purposes of this Section 11.6) shall occur at such place, time and date we designate in the purchase agreement, but not later than 90 days after the date the Appraisal Report is delivered or the date we and you have mutually agreed to the Purchase Price, whichever is applicable. In accordance with the terms and conditions of the purchase agreement: (a) 50% of the purchase price for the Purchased Assets will be paid in cash at the closing; (b) 25% of the purchase price (plus accrued and unpaid interest on the unpaid balance, at the Prime Rate, as defined below, from and after the closing date) shall be payable on the first anniversary of the closing date; and (c) the remaining 25% of the purchase price (plus accrued and unpaid interest on the unpaid balance, at the Prime Rate, from and after the closing date) shall be payable on the second anniversary of the closing date. The "Prime Rate" for purposes of this Section 11.6 shall be the published prime rate as of the date of the closing of The Chase Manhattan Bank or any other national bank we select.

If you cannot deliver clear title to all of the Purchased Assets, or if there are other unresolved issues, the closing of the sale may, at our option, be accomplished through an escrow on such terms and conditions as we deem reasonably appropriate, including the making of payments, to be deducted from the purchase price, directly to third parties in order to obtain clear title to all of the Purchased Assets. Further, you and we shall comply with any applicable Bulk Sales provisions of the Uniform Commercial Code as enacted in the state where your Center is located and all applicable state and local sales and income tax notification and/or escrow procedures. In accordance with Section 3.8, we have the right to set-off against and reduce the Purchase Price by any and all amounts owed by you or any of your owners (direct or indirect) or Affiliates to us or any of our Affiliates.

11.7 Meineke's Management Commitment

We agree not to authorize our executive officers who perform line management functions (specifically excluding any such officers who are also members of our Board of Managers, except for any Chief Operating Officer or Vice President of Marketing) to be employed by or to have management responsibility for an Affiliate of ours that is a Competitor. For the avoidance of doubt, the foregoing restriction shall not apply to our executive officers who perform staff functions, such as a General Counsel or Chief Financial Officer. For purposes of this Section 11.7, a "Competitor" shall mean a business enterprise that: (a) does not use any of the Marks; and (b) has annual revenues from the sale of Core Authorized Products and Services that exceed 15% of its total annual revenues.

ARTICLE 12:
TRANSFER OF AGREEMENT

12.1 Transfer by You Subject to Our Approval

You and/or your Owners may Transfer the Franchise (as defined below) subject to our approval and subject to your complying with all of the applicable provisions of this Article 12. You agree to submit to us all information we require in order to determine whether to approve a proposed Transfer of the Franchise, and we agree to notify you of our approval or disapproval within a reasonable period of time, not to exceed 10 business days, after we have received all requested information relating to the proposed Transfer of the Franchise.

The term "Transfer the Franchise" or "Transfer of the Franchise" means the voluntary or involuntary, direct or indirect, sale, assignment, transfer, pledge, grant of a security interest in, or other disposition of this Agreement, any right or obligation under this Agreement, or any form of ownership interest (direct or indirect) in Dealer or the assets, revenues or income of your Center, including: (1) any issuance or redemption of a legal or beneficial ownership interest in the capital stock of Dealer; (2) any merger or consolidation of Dealer, whether or not Dealer is the surviving corporation; (3) any transfer as a result of a divorce, insolvency or dissolution proceeding or otherwise by operation of law; (4) any transfer on the death of Dealer or any Owner of Dealer by will, declaration of trust or under the laws of intestate succession; or (5) any foreclosure of your Center or your transfer, surrender or loss of possession, control or management of your Center. A marketing list, customer list or potential customer list may be transferred only to a transferee to whom your rights and obligations under this Agreement are simultaneously being transferred in accordance with the terms hereof.

12.2 Conditions for Approval

If we have not exercised our rights under Section 12.6 or Section 12.7, we will not unreasonably withhold our approval of a Transfer of the Franchise that meets all of the reasonable restrictions,

requirements and conditions that we may impose on the transfer, the transferor(s) and/or the transferee(s), including the following:

(a) you and your Owners and Affiliates must be in compliance with the provisions of this Agreement and all other agreements with us or any of our Affiliates that relate to your Center;

(b) the transferee (or its owners) must meet our then-applicable standards for Meineke Dealers, and if the transferee is an existing Meineke Dealer, such transferee must be in compliance with its agreements with us and our Affiliates for at least 6 months prior to the proposed date of transfer;

(c) the transferee (or its Operating Partner) must complete our initial training program to our satisfaction;

(d) your Center must be open and operating, unless we otherwise agree in writing;

(e) the transferee (and its owners) must execute, at our option, (i) an assignment and assumption agreement in form and substance satisfactory to us, pursuant to which the transferee (and its owners) assume your obligations hereunder and you will remain responsible for future performance of the obligations under this Agreement for the longer of a period of time of one (1) year after the effective date of the transfer or the period of time during which the transferee or any of its Affiliates has any financial obligations to you or any of your Affiliates in connection with the transfer; or (ii) our then current standard form of franchise agreement and related documents offered to new Meineke Dealers in the state in which your Center is located (which may provide for different royalties, advertising contributions and expenditures, term and other rights and obligations than those provided in this Agreement) in conjunction with you and us mutually terminating this Agreement;

(f) you or the transferee must pay us a standard transfer fee of $7,500, which fee may be increased to reflect any increase in the CPI as of the date of transfer over the CPI as of January 1, 2020; except that, if the transferee executes our then current standard form of franchise agreement and related documents in connection with the Transfer of the Franchise, then, at our option, the transfer fee shall be equal to our then current initial franchise fee for Meineke Centers;

(g) the transferee must execute an agreement, in form and substance satisfactory to us, to remodel your Center, add or replace fixtures, furnishings, equipment and signs and otherwise modify your Center so it meets the specifications and standards then applicable for new Meineke Car Care Centers, provided the transferee shall not be required to replace equipment or increase the square footage of the Premises if the transferee executes an assignment and assumption agreement pursuant to Section 12.2(e)(i) hereof;

(h) you and your Owners and Affiliates must, except to the extent limited or prohibited by applicable law, execute a mutual general release, in form and substance satisfactory to us, of any and all claims against us and our Affiliates, stockholders, officers, directors, employees, agents, successors and assigns (unless such claims have been filed in accordance with this Agreement and are then pending and not finally resolved or are filed in accordance with this Agreement within 12 months after the effective date of transfer), and an affidavit stating that you have not offered any unauthorized warranties to customers of your Center;

(i) the terms of the proposed Transfer of the Franchise must not, in our reasonable judgment, place an unreasonable financial or operational burden on the transferee;

(j) any financing you (or any of your Owners or Affiliates) offer the transferee must be subordinate to any current or future obligations of the transferee to us;

(k) you and your Owners must execute a noncompetition covenant, in form and substance satisfactory to us, in favor of us and the transferee, agreeing that, for a period of not less than 1 year, starting on the effective date of the transfer, you and your Owners will not directly or indirectly own any legal or beneficial interest in, manage, operate or consult with: (1) any Competitive Business that is located within a 6-mile radius of your Center; (2) any Competitive Business that is located within a 6-mile radius of any other Meineke Center in operation as of the effective date of such transfer; or (3) any entity which grants franchises, licenses or other interests to others to operate any Competitive Business;

(l) to the extent any third party broker is retained by you or transferee or if a third party broker assists in the Transfer of the Franchise, you or the transferee must remit any and all applicable third party broker fees and costs to the third party broker, or pay us our then current initial franchise fee for single Meineke Center franchises, at our option;

(m) you and your Owners must execute such other documents and do such other things as we may reasonably require to protect our interests under this Agreement; and

(n) the transferee must pay us an Initial Advertising Contribution equal to $20,000 for re-opening promotion, including, but not limited to, promotional materials, advertising (traditional and/or online) of the Center and related activities for the Center as we determine.

12.3 Transfer to a Corporation

Notwithstanding Section 12.1 and Section 12.2, on 30 days' prior notice to us, you (if you are an individual or partnership) may transfer this Agreement, in conjunction with a transfer of all of the assets of your Center, by an agreement in form and substance satisfactory to us, to a corporation or limited liability company of which you own and control all of the equity and voting power of all issued and outstanding capital stock. No such assignment will relieve you or your Owners of your obligations hereunder, and you and your Owners will remain jointly and severally liable for all obligations hereunder.

12.4 Special Transfers

Neither Section 12.2(b) nor Section 12.2(d) shall apply to any Transfer of the Franchise among any of your then current Owners disclosed in Schedule C. Section 12.6 shall not apply to a Transfer of the Franchise to a member of the Immediate Family of Dealer (if an individual) or to a member of the Immediate Family of a then current Owner of Dealer (if a corporation, limited liability company or partnership).

12.5 Death or Disability of Dealer

Upon your death or permanent disability, or the death or permanent disability of your Operating Partner, the executor, administrator or other personal representative of such person must transfer his interest in this Agreement or his interest in Dealer to a third party approved by us in accordance with all of the applicable provisions of Article 12 within a reasonable period of time, not to exceed 12 months from the date of death or permanent disability.

12.6 Your Right to Offer Your Franchise to Us

If you or any of your Owners desires to Transfer the Franchise for legal consideration before obtaining an offer from a buyer, you may send us an offer in writing ("Offer Notice") containing the exact terms and conditions on which you desire to Transfer the Franchise and including (a) financial statements of your Center (including balance sheets and income statements) for the last 3 fiscal years and the year-to-date; (b) federal income tax returns and all applicable schedules for your Center for the last 3 fiscal years;

and (c) a complete and accurate copy of your then current lease for the Premises of your Center. Upon receipt of the Offer Notice we will have the option, exercisable by notice ("Response Notice") delivered to you within 15 business days thereafter, to indicate our intention to accept your offer to sell such interest in this Agreement, your Center or in Dealer for the price and terms contained in the Offer Notice. We have the right to investigate and analyze the business, assets and liabilities and all other matters we deem necessary or desirable in order to make an informed investment decision with respect to the fairness of the terms described in the Offer Notice. We may conduct such investigation and analysis in any manner we deem reasonably appropriate, and you and your Owners agree to provide us with all information we request and to cooperate fully with us in connection therewith.

If we deliver a Response Notice, we and you and/or your Owners will enter into a purchase agreement reasonably satisfactory to both you and us, containing such agreements, representations, warranties, covenants, indemnities and customer warranty reserve funds, and requiring such documents at closing, as is reasonably necessary to protect each party's interests. The closing shall occur not more than 90 days after the date of the Response Notice, unless the closing is delayed for reasons beyond our reasonable control.

If we do not deliver a Response Notice, as provided above, you and/or your Owners may solicit offers to Transfer the Franchise from other parties at the exact same price and on the exact same terms as presented in the Offer Notice for a period of time expiring 365 days after the Offer Notice is delivered to us. You must immediately deliver to us a complete and accurate copy of any offer that you receive within such 365-day period from any such third party that you and/or your Owners are willing to accept ("Third Party Offer").

If the terms of the Third Party Offer are the same as those contained in the Offer Notice, then you or your Owners may accept such offer and complete the sale to such offeror pursuant to and on the exact terms of such offer, subject to our approval of the transfer as provided in Section 12.1 and Section 12.2, provided that if the sale to such offeror is not completed within 90 days after delivery of such Third Party Offer to us, or if there is any change in the terms of the offer, you must promptly notify us and we will have an additional option to purchase (on the terms of the revised offer, if any, and otherwise as set forth herein) during the 30-day period following your notification of the expiration of the 90-day period or the change to the terms of the offer.

12.7 Our Right of First Refusal

If the terms of the Third Party Offer pursuant to Section 12.6 are different in any material respect (including price and/or payment terms) from those contained in the Offer Notice pursuant to Section 12.6, we will have the option, exercisable by notice delivered to you within 15 business days from the date of delivery to us of a complete and accurate copy of the Third Party Offer, to purchase such interest in this Agreement, your Center or in Dealer for the price and on the terms and conditions contained in such Third Party Offer.

In addition, if you or any of your Owners desire to transfer the Franchise for legal consideration to a prospective buyer without first giving us an Offer Notice pursuant to Section 12.6, you or such Owner must obtain a bona fide, executed written offer and earnest money deposit in the amount of at least 5% of the offering price from a responsible and full disclosed purchaser and must deliver immediately to us a complete and accurate copy of such offer ("Right of First Refusal Offer"), including: (a) financial statements of your Center (including balance sheets and income statements) for the last 3 fiscal years and the year-to-date; (b) federal income tax returns and all applicable schedules for your Center for the last 3 fiscal years; and (c) a complete and accurate copy of your then-current lease for the Premises of your Center. If the offeror proposes to buy any other property or rights from you or any of your Owners or Affiliates

(other than rights under other franchise agreements for Meineke Car Care Centers) as part of the bona fide offer, the proposal for such property or rights must be set forth in a separate, contemporaneous offer that is disclosed to us, and the price and terms of purchase offered to you or your Owners for the Transfer of the Franchise must reflect the bona fide price offered therefore and may not reflect any value for any other property or rights. We have the option, exercisable by notice delivered to you or your Owners within 15 business days from the date of delivery of the Right of First Refusal Offer, to purchase such interest for the price and on the terms and conditions contained in such offer. We have the right to investigate and analyze the business, assets and liabilities and all other matters we deem necessary or desirable in order to make an informed investment decision with respect to the fairness of the terms of our right of first refusal. We may conduct such investigation and analysis in any manner we deem reasonably appropriate and you and your Owners must cooperate fully with us in connection therewith.

If we exercise our option to purchase pursuant to the terms of the Third Party Offer or the Right of First Refusal Offer, as provided in this Section 12.7, we and you and/or your Owners will enter into a purchase agreement reasonably satisfactory to you and us, containing such agreements, representations, warranties, covenants, indemnities and customer warranty reserve funds, and requiring such documents at closing, as are reasonably necessary to protect each party's interests. The closing shall occur not more than 90 days after the date of our response to the Third Party Offer or Right of First Refusal Offer, as applicable, unless the closing is delayed for reasons beyond our reasonable control. In the event the consideration, terms and/or conditions offered by a third party are such that we may not reasonably be able to furnish the same consideration, terms and/or conditions, then we may purchase the interest proposed to be sold for the reasonable equivalent in cash. If the parties cannot agree within a reasonable time on the reasonable equivalent in cash of the consideration, terms and/or conditions offered by the third party, we at our own expense may designate an independent appraiser and the appraiser's determination shall be binding.

If we do not exercise our option to purchase pursuant to the terms of the Third Party Offer or the Right of First Refusal Offer, as provided in this Section 12.7, you or your Owners may complete the sale to such offeror pursuant to and on the exact terms of such offer, subject to our approval of the transfer as provided in Section 12.1 and Section 12.2, provided that if the sale to such offeror is not completed within 90 days after delivery of such offer to us, or if there is any change in the terms of the offer, you must promptly notify us and we will have an additional option to purchase (on the terms of the revised offer, if any, and otherwise as set forth herein) during the 30-day period following your notification of the expiration of the 90-day period or the change to the terms of the offer.

12.8 Transfer by Us

We have the right to transfer or assign all or any part of our rights or obligations under this Agreement to any person or legal entity. If the assignee expressly assumes and agrees to perform all of our obligations under this Agreement accruing after the date of assignment, then the assignee will become solely responsible for all of our obligations under this Agreement from and after one (1) year after the effective date of assignment. In addition, and without limiting the foregoing, we may sell our assets; may sell our securities in a public offering or in a private placement; may merge with or acquire other corporations, or be acquired by another corporation; and may undertake any refinancing, recapitalization, leveraged buy-out, or other economic or financial restructuring.

ARTICLE 13:
TERMINATION OF AGREEMENT

13.1 Termination Upon Notice

In addition to our right to terminate pursuant to other provisions of this Agreement and under applicable law, we have the right to terminate this Agreement, effective upon delivery of notice of termination to you, if:

(a) you become insolvent by reason of your inability to pay your debts as they mature;

(b) you are adjudicated bankrupt or insolvent;

(c) you file a petition in bankruptcy, reorganization or similar proceedings under the bankruptcy laws of the United States or have such a petition filed against you which is not discharged within 30 days;

(d) a receiver or other custodian, permanent or temporary, is appointed for your business, assets or property (other than in connection with your death and for reasons other than financial concerns or irregularities);

(e) you request the appointment of a receiver or make a general assignment for the benefit of creditors;

(f) final judgment against you in the amount of $25,000 or more remains unsatisfied of record for 30 days or longer (unless and until such judgment is appealed in accordance with applicable law and is affirmed);

(g) your bank accounts, property or accounts receivable relating to your Center are attached and such attachment is not lifted within 30 days;

(h) execution is levied against any property or assets used in connection with your Center;

(i) you voluntarily dissolve or liquidate or have a petition filed for dissolution and such petition is not dismissed within 30 days;

(j) you fail to have your Center open for business for any 6 consecutive days after you open your Center (other than in connection with a relocation pursuant to Section 2.6 or due to force majeure);

(k) you fail to open your Center and start business, as provided in Section 4.2 or fail to operate your Center as a Meineke Center;

(l) you or any of your Owners or Affiliates make any material misstatement or omission in an application for a Meineke Center franchise or in any other information provided to us, including reports of Gross Revenues;

(m) you suffer cancellation or termination of the lease or sublease for your Center as a result of a default there under;

(n) you or any of your Owners or Affiliates are convicted of, or plead no contest to, a felony or other crime or offense that we reasonably believe may adversely affect the goodwill associated with the Marks;

(o) you or any of your Owners or Affiliates make an unauthorized Transfer of the Franchise;

(p) you or any of your Owners or Affiliates make any unauthorized use or disclosure of any Confidential Information or use, duplicate or disclose any portion of the Operations Manual in violation of this Agreement;

(q) you or any of your Owners or Affiliates fail, on 3 or more separate occasions within any period of 12 consecutive months, to make payment of any amount due us or any of our Affiliates, when due, or otherwise fail to comply with this Agreement (including the Operations Manual), which failures are brought to your attention by delivery of formal notices of default, regardless whether such defaults are timely cured;

(r) you or any of your Owners or Affiliates fail, on 7 or more separate occasions during the Term, to make payment of any amount due us or any of our Affiliates, when due, or otherwise fail to comply with this Agreement (including the Operations Manual), which failures are brought to your attention by delivery of notices of default, regardless whether such defaults are timely cured, provided however, any notice of default which you timely cure to our satisfaction shall be disregarded for purposes of determining the foregoing number of defaults if you are not thereafter sent any further notices of default in any successive 12-month period (provided no such 12-month period can be used to disregard more than one notice of default); or

(s) you or any of your Owners or Affiliates default under any other agreement between you or any of your Owners or Affiliates and us and fail to cure the default within the applicable cure period, if any.

13.2 Termination After Opportunity to Cure

In addition to our right to terminate pursuant to other provisions of this Agreement and under applicable law, we have the right to terminate this Agreement, effective upon delivery of notice of termination to you, if you or any of your Owners or Affiliates:

(a) offer or sell any products or services from your Center that are not Authorized Products and Services and fail to discontinue such practice within 30 days after a formal notice of default is delivered to you; or

(b) fail to make payment of any amount due us or any of our Affiliates, when due, or otherwise fail to comply with any provision of this Agreement (including the Operations Manual) not otherwise mentioned in Section 13.1 or this Section 13.2, and do not correct such failure within 30 days after a formal notice of default is delivered to you.

ARTICLE 14:
RENEWAL RIGHTS

You have the right, subject to the conditions contained in this Article 14, to acquire a successor franchise for your Center on the terms and conditions of our then-current form of franchise agreement, if upon expiration of the Term: (a) you and your Owners and Affiliates are in compliance with this Agreement and all other agreements with us or any of our Affiliates, and you and your Owners have been in substantial

compliance with this Agreement throughout the Term; and (b) you maintain the right to possession of the Premises for the term of the successor franchise agreement and enter into an agreement with us whereby you agree within a specified time period, starting on the date of signing of a successor franchise agreement, to remodel your Center, add or replace fixtures, furnishings, equipment and signs and otherwise upgrade your Center to the specifications and standards then applicable for new Meineke Car Care Centers (provided we will not require any increase in square footage of your Center that would be impractical or uneconomical as a result of property lines, zoning restrictions or unreasonable cost of demolition and reconstruction).

You agree to give us notice of your desire to acquire a successor franchise at least 180 days prior to the expiration of the Term in order to provide us sufficient time to conduct a renewal inspection of your Center and complete the renewal process. We agree to give you notice, not later than 60 days after receipt of your notice, of our decision whether you have the right to acquire a successor franchise pursuant to this Article 14. Notwithstanding that our notice may state that you have the right to acquire a successor franchise for your Center and that you and we may have executed a successor franchise agreement, your right to a successor franchise will be subject to your continued compliance with all the provisions of this Agreement up to the date of its expiration. If you so request in writing, we will give you the estimated costs or range of costs for upgrading your Center to the specifications and standards for new Meineke Car Care Centers and you will have two weeks following receipt of this information to evaluate it and notify us as to whether you will exercise your right to a successor franchise.

If you have the right to acquire a successor franchise, and state you intent to exercise that right, all in accordance with this Article 14, then: (a) we and you (and your Owners) will execute a Successor Franchise Agreement (as defined below); (b) you will be obligated to pay a successor franchise fee of $5,000, which fee may be increased to reflect any increase in the CPI as of the end of the Term over the CPI as of January 1, 2020; and (c) you and your Owners will be obligated to execute release agreements, in form and substance satisfactory to us, releasing us and our Affiliates, stockholders, officers, directors, employees, agents, successors and assigns from any and all claims relating to this Agreement, unless such claims have been filed in accordance with this Agreement and are then pending and not finally resolved, or are filed in accordance with this Agreement within 12 months after execution of the successor franchise agreement. Failure by you (and your Owners) to sign such agreements and releases, or to pay the successor franchise fee, within 30 days after such documents are delivered to you will be deemed an election by you not to acquire a successor franchise for your Center. Your right to a successor franchise will be subject to your ability to obtain a lease for the location in form and substance satisfactory to us.

The term "Successor Franchise Agreement" shall mean our then-current form of franchise agreement, which may contain provisions materially different from those contained herein, except: (i) that we agree not to materially change the provisions of Section 2.3, Section 3.2, Section 3.4 or Section 17.13; and (ii) at your option, the term of the successor franchise may be for 15 years (in which case the Unilateral Right to Independence Rider, attached hereto, shall be executed by both parties), 8 years or 5 years (in which case the Unilateral Right to Independence Rider shall not be executed and instead, at your option, the Reciprocal Right to Independence Rider, attached hereto, may be executed by both parties). The term "Successor Franchise Agreement" shall also include all ancillary agreements (including personal guarantees by your Owners and a remodeling agreement in form and substance satisfactory to us) which we then customarily use in granting successor franchises for the operation of Meineke Car Care Centers. The parties hereto explicitly acknowledge and agree that the Unilateral Right to Independence and Reciprocal Right to Independence Riders are not part of this Agreement and are attached hereto solely for purposes of establishing such rights in connection with any successor franchise agreement.

ARTICLE 15:
EFFECT OF TERMINATION OR EXPIRATION

15.1 Payment of Amounts Owed to Us

You agree to pay us and our Affiliates immediately upon termination or expiration (without grant of a successor franchise) of this Agreement, all royalties, MAF payments, amounts owed for purchases from us or our Affiliates, interest due on any of the foregoing and all other amounts owed to us or our Affiliates which are then unpaid.

15.2 Discontinue Use of Marks and Confidential Information

Upon any termination or expiration (without the grant of a successor franchise) of this Agreement, you will:

(a) not directly or indirectly at any time or in any manner use any Mark, any colorable imitation of any Mark or any other indicia of a Meineke Center;

(b) take such action as may be required to cancel all fictitious or assumed name registrations relating to your use of any Mark;

(c) notify the telephone company and all telephone directory publishers of the termination or expiration of any rights you may have to use any telephone number and any regular, classified or other telephone directory listings associated with any Mark and to authorize transfer of the number to us or at our direction. You must immediately execute such instruments and take such steps as we deem necessary or appropriate to transfer and assign each such telephone number. You irrevocably appoint our then-President as your duly authorized agent and attorney-in-fact to execute all instruments and take all steps to transfer and assign each such telephone number;

(d) if we do not exercise our right to take possession of the Premises of your Center pursuant to Section 15.4, promptly remove from the Premises, and discontinue using for any purpose, all signs, fixtures, posters, décor items, advertising materials, forms and other materials and supplies which display any of the Marks or any distinctive features, images, or designs associated with Meineke Car Care Centers and, at your expense, make such alterations as may be necessary to distinguish the Premises so clearly from its former appearance as a Meineke Center as to prevent any possibility of confusion by the public;

(e) on our request, promptly sell to us (free and clear of any and all liens, encumbrances, liabilities and restrictions) all of your inventory of parts and supplies at a mutually agreeable reasonable price. In accordance with Section 3.8, we will have the right to set-off against and reduce the purchase price by any and all amounts you or any of your Owners owe us or any of our Affiliates. If we do not purchase all of your inventory of parts and supplies which contain any of the Marks, you will promptly remove all such labels and markings from any such remaining inventory;

(f) immediately cease to use all Confidential Information and return to us all copies of the Operations Manual and any other confidential materials which we have loaned to you;

(g) immediately cease to use all computer software incorporating any of the Marks or any of our Confidential Information;

(h) comply with the post-term covenants as provided in Section 11.4; and

(i) within 30 days after the effective date of termination or expiration, furnish us evidence satisfactory to us of your compliance with the foregoing obligations.

15.3 Customers

Upon any termination or expiration (without the grant of a successor franchise) of this Agreement, we have the unrestricted right, without paying you any legal consideration, to offer and sell, and to permit other Meineke Dealers to offer and sell, any products or services, to any and all customers of your Center. We have the right to use information from your computer system or related reports submitted to us for such purposes, notwithstanding anything to the contrary contained in this Agreement.

15.4 Possession of Premises

(a) Upon any termination or expiration (without the grant of a successor franchise) of this Agreement, we may require you:

(i) to promptly assign to us the lease or sublease for the Premises of your Center (or, at our option, sublease to us the Premises of your Center as an Interim Sublease in accordance with Section 4.1 and otherwise on the same terms and conditions as your lease) and promptly grant us possession to the Premises of your Center; or

(ii) if this Agreement is for a new Meineke Center and you or one of your Affiliates or Owners owns the Premises, to promptly enter into a lease with us on commercially reasonable terms for an initial term of 18 months, with 2 additional 18-month options to renew.

(b) You will not be obligated to lease or sublease to us the Premises of your Center if you have notified us at least 18 months prior to expiration of the Term that you do not intend to exercise your right to a successor franchise under Article 14, and that neither you nor any Affiliate or Owner of yours intends to own, operate, manage, lease, lend funds to or otherwise assist a Competitive Business at the Premises after expiration of the Term, and you and your Affiliates and Owners in fact do not engage in any such activities with respect to the Premises for one year after expiration of the Term.

(c) For the avoidance of doubt, if this Agreement is for a Meineke Center that operated as a Meineke Center prior to the date hereof, and you or one of your Affiliates owns the Premises as of the Effective Date, then you will not be obligated to lease the Premises to us in accordance with the terms of this Agreement upon termination or expiration of this Agreement, provided that neither you nor any Affiliate or Owner of yours owns, operates, manages, leases, lends funds to or otherwise assists a Competitive Business at the Premises for a 1 year term after the termination or expiration.

15.5 Continuing Obligations

All obligations under this Agreement which expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect until they are satisfied in full or by their nature expire.

ARTICLE 16:
RELATIONSHIP OF THE PARTIES

16.1 Independent Contractors

You are an independent contractor. Nothing in this Agreement, or arising from the conduct of the parties hereunder, is intended to or does in fact or law make either party a general or special agent, joint

venturer, partner, or employee of the other for any purpose. Neither this Agreement, the nature of the relationship of the parties nor the dealings of the parties pursuant to this Agreement creates a fiduciary relationship between the parties. Further, we and you are not and do not intend to be partners, associates, or joint employers in any way, and we shall not be construed to be jointly liable for any of your acts or omissions under any circumstances. Although we retain the right to establish and modify the System that you must follow, you retain the responsibility for the day-to-day management and operation of your Center and implementing and maintaining standards at the Center. To the extent that the Operations Manual or our guidelines or standards contain employee-related policies or procedures that might apply to your employees, those policies and procedures are provided for informational purposes only and do not represent mandatory policies and procedures to be implemented by you. You must determine to what extent, if any, these policies and procedures may be applicable to your operations at the Center. We and you recognize that we neither dictate nor control labor or employment matters for franchisees and that you, and not us, are solely responsible for dictating the terms and conditions of employment for your employees including, but not limited to, training, wages, benefits, promotions, hirings and firings, vacations, safety, work schedules, and specific tasks. We have no relationship with your employees, and you have no relationship with our employees.

You agree to conspicuously identify yourself in all dealings with customers, lessors, contractors, suppliers, public officials, employees and others as the owner of your Center and agree to place such other notices of independent ownership at your Center and on forms, business cards, stationery, advertising and other materials as we may require from time to time.

You may not make any express or implied agreements, warranties, guarantees or representations or incur any debt in our name or on our behalf or represent that the relationship of the parties hereto is anything other than that of independent contractors. We will not be obligated by or have any liability under any agreements made by you with any third party or for any representations made by you to any third party. We will not be obligated for any damages to any person or property arising directly or indirectly out of the operation of your business hereunder.

16.2 Indemnification

You agree to indemnify us, our Affiliates and our respective directors, officers, employees, shareholders, agents, successors and assigns (collectively "indemnitees"), and to hold the indemnitees harmless to the fullest extent permitted by law, from any and all losses and expenses (as defined below) incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether it is reduced to judgment) or any settlement thereof which arises directly or indirectly from, or as a result of, a claim of a third party in connection with the selection, development, ownership, operation or closing of your Center (collectively "event"), and regardless of whether it resulted from any strict or vicarious liability imposed by law on the indemnitees, provided, however, that this indemnity will not apply to any liability arising from a breach of this Agreement by the indemnitees or the gross negligence or willful acts of indemnitees (except to the extent that joint liability is involved, in which event the indemnification provided herein will extend to any finding of comparative or contributory negligence attributable to you). The term "losses and expenses" includes compensatory, exemplary, and punitive damages; fines and penalties; attorneys' fees; experts' fees; court costs; costs associated with investigating and defending against claims; settlement amounts; judgments; compensation for damages to our reputation and goodwill; and all other costs associated with any of the foregoing losses and expenses. You agree to give us prompt notice of any event of which you are aware for which indemnification is required, and, at your expense and risk, we may elect to assume (but under no circumstance obligated to undertake) the defense and/or settlement thereof, provided that we will seek your advice and counsel. Our assumption of the defense does not modify your indemnification obligation. We may, in our reasonable discretion, take such actions as we deem necessary and appropriate

to investigate, defend, or settle any event or take other remedial or corrective actions with respect thereof as may be, in our reasonable discretion, necessary for the protection of the indemnitees or Meineke Car Care Centers generally.

You acknowledge and agree that except as provided under an applicable guarantee of performance, or express statutory liability for such conduct, none of our past, present or future directors, officers, employees, incorporators, members, partners, stockholders, subsidiaries, affiliates, controlling parties, entities under common control, ownership or management, vendors, service providers, agents, attorneys or representatives will have any liability for (i) any of our obligations or liabilities relating to or arising from this Agreement, (ii) any claim against us based on, in respect of, or by reason of, the relationship between you and us, or (iii) any claim against us based on any of our alleged unlawful act or omission. For the avoidance of doubt, this provision constitutes an express waiver of any claims based on a theory of vicarious liability, unless such vicarious claims are authorized by a guarantee of performance or statutory obligation. It is not meant to bar any direct contractual, statutory or common law claim that would otherwise exist.

This Section 16.2 will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

16.3 Taxes

You agree to promptly pay to us an amount equal to all taxes levied or assessed, including unemployment taxes, sales taxes, use taxes, withholding taxes, excise taxes, personal property taxes, intangible property taxes, gross receipt taxes, taxes on royalties, any similar taxes or levies, imposed upon or required to be collected or paid by us by reason of the furnishing of products, intangible property (including trademarks) or services to you. In the event of a bona fide dispute as to your liability for taxes, you may contest your liability in accordance with applicable law.

ARTICLE 17:
MISCELLANEOUS

17.1 Governing Law

Except as otherwise provided in Section 17.2 with respect to the United States Arbitration Act (9 U.S.C. § 1, et seq.), this Agreement and all issues arising from or relating to this Agreement will be governed by and construed under the laws of the State of North Carolina, provided the foregoing does not constitute a waiver of your rights under any applicable franchise registration and disclosure or franchise relationship law of another state. Otherwise, in the event of any conflict of law, North Carolina law will prevail, without regard to the application of North Carolina conflict of law principles.

17.2 Arbitration

Subject to Section 17.3 and Section 17.4, any controversies, disputes, or claims between the parties, including their respective Affiliates, owners, officers, directors, agents, and employees, arising from or relating to this Agreement may be submitted on demand, by either party at the time of the filing of a claim if you are the claimant, or before the expiration of 10 days after receipt of service of process of the claim by the respondent, for arbitration to the American Arbitration Association ("AAA"). The arbitration shall be governed exclusively by the United States Arbitration Act (9 U.S.C. § 1, et seq.), without reference to any state arbitration statutes. The parties agree that, in connection with any such arbitration proceeding, each shall submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedures) within the same proceeding as the claim to which it relates. Any such claim which is not submitted or filed in such proceeding shall be barred. The arbitration proceedings shall be conducted in the city where we then have our principal place of business in accordance

with the then-current commercial arbitration rules of the AAA, except the parties shall be entitled to limited discovery at the discretion of the arbitrator(s) who may, but are not required to, allow depositions. The parties acknowledge that the arbitrators' subpoena power is not subject to geographic limitations. The parties agree to be bound by the provisions of any limitation on the period of time by which claims must be brought under North Carolina law or any applicable federal law.

The arbitration proceedings may, at the discretion of the arbitrator(s), also include claims under other Meineke Franchise and Trademark Agreements that permit arbitration on substantially similar terms as those contained in this Section 17.2, provided that the parties to all such agreements are identical to the parties to this Agreement (or their successors and assigns in accordance with their respective provisions) or are Affiliates of such parties. Otherwise, the arbitration proceedings shall be conducted on an individual basis and not on a multi-plaintiff, consolidated or class-wide basis.

The arbitrator(s) shall have the right to award the relief which he or she deems proper, consistent with the terms of this Agreement, including compensatory damages (with interest on unpaid amounts from date due), specific performance, injunctive relief, legal fees and costs. The award and decision of the arbitrator(s) shall be conclusive and binding on all parties, and judgment upon the award may be entered in any court of competent jurisdiction. Any right to contest the validity or enforceability of the award shall be governed exclusively by the United States Arbitration Act. The provisions of this Section 17.2 shall continue in full force and effect subsequent to and notwithstanding expiration or termination of this Agreement.

17.3 Preliminary Injunctive Relief

Either party hereto may obtain in any court of competent jurisdiction temporary restraining orders and preliminary injunctions in accordance with applicable law, whether or not the case has been referred to arbitration pursuant to Section 17.2. The parties agree that any violation of Article 10, Article 11, Section 12.2(k), Section 15.2 or Section 15.4 would result in irreparable harm for which no adequate remedy at law may be available. The provisions of this Section 17.3 shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

17.4 Multi-Plaintiff and Class Action Claims

Subject to and in accordance with applicable law, you may institute a multi-plaintiff claim (involving more than one plaintiff that is not one of your Owners or Affiliates) or a class action claim in a court of competent jurisdiction against us for the sole purpose of seeking: (a) preliminary and permanent injunctive relief or specific performance as a result of a breach of this Agreement; (b) restitution to the MAF as a result of a breach of Article 8 hereof; or (c) restitution as a result of a breach of our obligation under Section 7.2 not to take rebates, benefits and promotional allowances from suppliers, other than in accordance with the terms of Section 7.2. You agree that multi-plaintiff or class action claims may not be instituted for any claims or purposes other than those listed above in this Section 17.4. You further agree that any such action shall be brought exclusively in the jurisdiction where we then have our principal place of business, notwithstanding the provisions of Section 17.5. The provisions of this Section 17.4 shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

17.5 Venue

Any judicial proceeding we may bring against you or any of your Owners in accordance with the terms of this Agreement may be brought in the jurisdiction where we then have our principal place of business and, if brought in that jurisdiction, may not be transferred to another jurisdiction on the basis that

the other jurisdiction is more convenient for the parties and witnesses. Any judicial proceedings you may bring against us in accordance with the terms of this Agreement may be brought in the jurisdiction where your Center is located and, if brought in that jurisdiction, may not be transferred to another jurisdiction on the basis that the other jurisdiction is more convenient to the parties and witnesses.

17.6 Costs and Attorneys' Fees

The party who prevails in any arbitration or judicial proceeding will be awarded its costs and expenses incurred in connection with such proceedings, including reasonable attorneys' fees.

17.7 Limitations on Legal Claims

Except with respect to any of your obligations herein regarding the Confidential Information and the Marks, we and you (and your Owners) each agrees, to the fullest extent permitted by law, not to assert any right to or claim for any punitive, exemplary or special damages against the other directly or indirectly arising from or relating to this Agreement.

17.8 Severability and Substitution of Provisions

Every part of this Agreement will be considered severable. If for any reason any part of this Agreement is held to be invalid, that determination will not impair the other parts of this Agreement. If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of geographical area, type of business activity prohibited and/or length of time, but could be rendered enforceable by reducing any part or all of it, you and we agree that it will be enforced to the fullest extent permissible under applicable law and public policy.

If any applicable law requires a greater prior notice of termination of or refusal to renew this Agreement than is required hereunder, a different standard of "good cause" to terminate or not renew this Agreement, or the taking of some other action not required hereunder, then the prior notice, "good cause" standard and/or other action required by such law will be substituted for the comparable provisions hereof. However, the foregoing shall not be deemed a waiver of our right to contest the validity, enforceability or application of any such law. If any provision of this Agreement or any specification, standard or operating procedure prescribed by us is invalid or unenforceable under applicable law, we have the right, in our sole discretion, to modify such invalid or unenforceable provision, specification, standard or operating procedure to the extent required to make it valid and enforceable.

17.9 Waiver of Obligations

We and you may by written instrument unilaterally waive or reduce any obligation of the other under this Agreement. You and we will not be deemed to have waived any right reserved by this Agreement by virtue of any custom or practice of the parties at variance with it; any failure, refusal or neglect by you or us to exercise any right under this Agreement or to insist upon exact compliance by the other with its obligations hereunder; any waiver, forbearance, delay, failure or omission by us to exercise any right, whether of the same, similar or different nature, with respect to other Meineke Centers or dealers; or the acceptance by us of any payments due from you after any breach of this Agreement.

17.10 Exercise of Rights

Except as otherwise expressly provided herein, the rights of the parties hereto are cumulative and no exercise or enforcement by either party of any right or remedy hereunder will preclude the exercise or enforcement of any other right or remedy which such party is entitled to enforce by law.

17.11 Construction

The language of this Agreement will be construed according to its fair meaning and not strictly against or for any party. The introduction, personal guarantees, Schedules and addenda (if any) to this Agreement, as well as the Operations Manual, are a part of this Agreement and constitute the entire agreement of the parties with respect to the subject matters hereof and supersede all prior oral or written agreements, commitments or understandings with respect to the matters provided for herein. If there is an inconsistency between the terms of this Agreement and the Operations Manual, the terms of this Agreement will prevail. Nothing in this Agreement or in any related agreement, however, is intended to disclaim the representations we made in the Franchise Disclosure Document that we furnished to you. This Agreement is binding on the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest. Nothing in this Agreement will be deemed to confer any rights or remedies on any person or legal entity not a party hereto (including any independent association of Meineke Dealers or DAAC), other than successors and assigns of any party to this Agreement whose interests are assigned in accordance with its terms.

The headings of articles and sections are for convenience only and do not limit or construe their contents. The word "including" will be construed to include the words "without limitation." The term "Dealer" or "you" is applicable to one or more persons, a corporation, limited liability company or a partnership and its owners, as the case may be. If two or more persons are at any time Dealer hereunder, whether as partners, joint venturers or otherwise, their obligations and liabilities to us will be joint and several. The parties hereto acknowledge and agree that the franchise relationship contemplated by this Agreement, as well as other similar agreements with other Meineke Dealers, confers on us discretion to make decisions and to take certain actions and that we will exercise our business judgment honestly in doing so.

Whenever this Agreement requires the approval or consent of either party, the other party must make written request therefore, and such approval or consent must be obtained in writing. This Agreement may be executed in multiple copies, each of which will be deemed an original. Time is of the essence in this Agreement.

17.12 Modification

This Agreement may not be amended except: (a) as noted below; (b) by written agreement signed by both parties; and (c) as otherwise provided herein with respect to the Operations Manual.

This Agreement may be amended at any time whenever we and a super-majority (as hereinafter defined) of Meineke Dealers agree to any such amendment. We agree to provide you, at least 90 days prior to the date such amendment is to be effective, a copy of the proposed amendment, together with a brief statement explaining the reasons therefore. A "super-majority" of Meineke Dealers shall consist of the owners of at least 75% of all franchised Meineke Car Care Centers in the United States of America. Whenever a super-majority of Meineke Dealers approve an amendment in the manner provided for herein, such amendment shall be binding on all Meineke Dealers, including you, to the same extent and in the same manner as if the amendment was unanimously approved by all Meineke Dealers, and regardless whether you may or may not desire to be bound by the amendment. By signing this Agreement, you appoint any of our officers as your attorney in fact with irrevocable power and authority to execute any such amendment so approved.

17.13 Policy Regarding Meineke Chain Expansion

We and our affiliates have developed certain policies to determine the potential loss of sales incurred by existing Meineke Car Care Centers as a result of the addition of new Meineke Car Care Centers in a local market area. These policies are embodied in a written document entitled "Meineke's Encroachment Insurance Policy" ("the Policy"), which is not part of this Agreement and which we may change from time to time. We agree to seek the advice of DAAC with respect to any material changes to the Policy and not to make any material changes to the Policy before January 1, 2006 without the consent of DAAC.

You may invoke the procedures set forth in the Policy at your option. However, if you choose not to invoke the Policy and instead you pursue legal action against us in connection with the opening of new Meineke Car Care Centers in the vicinity of your Center, your legal rights with respect to our actions in opening new Meineke Car Care Centers will be limited solely and exclusively to those contained in Section 2.3, and we shall have no liability whatsoever with respect to the opening or operation of additional Meineke Car Care Centers, provided we do not breach our express obligations under Section 2.3. You acknowledge and agree that, if you institute any legal action relating directly or indirectly to the opening of additional Meineke Car Care Centers, the Policy does not confer on you any legal rights whatsoever (whether as a matter of contract, any implied covenant of good faith and fair dealing or otherwise), and that the Policy, and our practices and communications there under, are not relevant or material to the issues in such proceedings and therefore are inadmissible as evidence in such proceedings.

17.14 Notices and Payments

All notices, requests and reports permitted or required to be delivered by this Agreement will be deemed delivered: (a) at the time delivered by hand to the recipient party (or to an officer, director or partner of the recipient party); (b) on the same day of the transmission by facsimile, telegraph or other reasonably reliable electronic communication system; (c) one business day after being placed in the hands of a commercial courier service for guaranteed overnight delivery; or (d) 5 business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to the party to be notified at its most current principal business address of which the notifying party has been notified in writing. All payments and reports required by this Agreement must be sent to us at the address identified in this Agreement unless and until a different address has been designated by written notice.

17.15 Ombudsman

We agree to appoint, with the advice of DAAC, a neutral person with experience in resolving franchise disputes ("Ombudsman") who will be available to you in attempting to resolve any disputes, in accordance with the provisions set forth below, in the event (a) we exercise our rights under Section 13; or (b) a dispute arises as to the findings of an audit conducted pursuant to Section 9.6.

If we have delivered to you a formal notice of default or a notice of termination, then you have the right to seek the assistance of the Ombudsman within 10 days thereafter, if you believe we are not entitled to terminate this Agreement. We agree to consider the views of the Ombudsman, but are not bound by his or her views. If the matter for which you seek the Ombudsman to assist you involves termination for reasons that include monetary defaults, then you agree to pay for the fees and costs of the Ombudsman, except that if the Ombudsman notifies us that he or she believes that you are not in default of your monetary obligations or that our notice of termination is defective, we agree to reimburse you for such fees and costs. Otherwise, in all other circumstances, you and we agree to share equally the fees and costs of the Ombudsman.

If: (a) we have delivered to you a formal notice of default or notice of termination as a result of one or more non-monetary defaults (regardless whether we also assert monetary defaults); and (b) the Ombudsman notifies us that he or she believes that we have no right to terminate this Agreement on any basis set forth in the default letter; then, we agree that we will not invoke our rights under Section 15.2(c) or Section 15.2(d) without obtaining an order or declaration from a court or arbitrator that we may invoke such rights.

The exercise of your right to seek the assistance of the Ombudsman hereunder shall not negate our right to terminate this Agreement and, except as otherwise explicitly provided in this Section 17.15, to enforce your post-termination obligations hereunder or under applicable law.

You and we agree that all information received by the Ombudsman while serving in that capacity shall be kept confidential. Accordingly, the parties agree not to serve the Ombudsman with any subpoena or discovery request (or otherwise compel the Ombudsman's attendance or testimony) in connection with any legal or administrative action between the parties. Each party agrees to maintain the confidentiality of all communications it receives relating to the Ombudsman, and not to use it for any purpose other than resolution of the dispute in the Ombudsman process. Nothing contained in this Section 17.15, nor our participation in the Ombudsman process, shall constitute a waiver of our right to terminate this Agreement at any time in accordance with its terms or in accordance with applicable law.

17.16 No Waiver or Disclaimer of Reliance in Certain States

The following provision applies only to franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

> No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

[Signatures follow on next page]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the Agreement Date.

DEALER:
[_____]

By:_____

Print Name: _____

Title: _____

Date:_____, _____

MEINEKE FRANCHISOR SPV LLC,
a Delaware limited liability company

By:_____
Authorized Representative

Attest: _____

Date: _____, _____

SCHEDULE A - FRANCHISE INFORMATION

MEINEKE®
FRANCHISE AND TRADEMARK AGREEMENT
WITH
_____

1. **Initial Franchise Fee.** The initial franchise fee payable under Section 3.1 of this Agreement is $_____.

2. **Expiration Date.** The expiration date of the Agreement is _____.

3. **Market Area.** The "Market Area" is:

4. **MSA Market Area.** The "MSA Market Area" is:

5. **DMA Advertising Market Area.** The "DMA Advertising Market Area" is:

DEALER:
[_____]

By:_____

Print Name: _____

Title: _____

Date:_____, _____

MEINEKE FRANCHISOR SPV LLC,
a Delaware limited liability company

By:_____
Authorized Representative

Attest: _____

Date: _____, _____

SCHEDULE B - PREMISES

MEINEKE®
FRANCHISE AND TRADEMARK AGREEMENT
WITH
_____

The "Premises" of your Center shall be as follows:

_____
_____
_____

DEALER:
[_____]

By:_____

Print Name: _____

Title: _____

Date:_____, _____

MEINEKE FRANCHISOR SPV LLC,
a Delaware limited liability company

By:_____
Authorized Representative

Attest: _____

Date: _____, _____

SCHEDULE C - DISCLOSURE OF OWNERSHIP INTERESTS

MEINEKE®
FRANCHISE AND TRADEMARK AGREEMENT
WITH
_____

1. Operating Partner. The name and home address of the Operating Partner is as follows:

2. Form of Entity of Dealer.

(a) Corporation or Limited Liability Company. Dealer was incorporated/organized on _____,____, 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 Dealer's Directors/Members and Officers/Manager as of _____,____.

Name of Each Director/Officer	Position(s) Held
N/A	N/A

(b) Partnership. Dealer is a [general] [limited] partnership formed on _____, _____ 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 Dealer's general partners as of _____, _____.

Name of General Partner
N/A

3. Direct and Indirect Owners. Dealer, and each Owner (but only as to such Owner's ownership interest in Dealer and the direct and indirect owners of such Owner), represent and warrant that the following is a complete and accurate list of all holders of a direct or indirect ownership interest in Dealer, including the full name and mailing address of each such owner, and fully describes the nature and extent of each such owner's interest in Dealer. Dealer, and each Owner (but only as to such Owner and such Owner's direct and indirect owners), represent and warrant that each direct and indirect owner of Dealer identified below is the sole and exclusive legal and beneficial owner of such owner's ownership interest in Dealer, free and clear of all liens, restrictions, agreements and encumbrances of any kind or nature, other than those required or permitted by this Agreement.

Direct or Indirect Owner's Name and Address	Description of Interest

[Signatures follow on next page]

DEALER:
[_____]

By:_____

Print Name: _____

Title: _____

Date:_____, _____

MEINEKE FRANCHISOR SPV LLC,
a Delaware limited liability company

By:_____
Authorized Representative

Attest: _____

Date: _____, _____

SCHEDULE D - OWNERS' PERSONAL GUARANTY

MEINEKE®
FRANCHISE AND TRADEMARK AGREEMENT
WITH

_____
(insert Dealer name)

In consideration of, and as an inducement to, the execution of the Meineke® Franchise and Trademark Agreement dated as of _____, _____ (the "Agreement") by and between MEINEKE FRANCHISOR SPV LLC ("Franchisor"), and _____("Dealer") and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the undersigned, each of whom is an owner of an interest in Dealer as of the date of this document, hereby personally and unconditionally: (1) guarantees to Franchisor and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that Dealer shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement and that each and every representation of Dealer made in connection with the Agreement is true, correct and complete in all respects at and as of the time given; and (2) agrees personally to be bound by, and personally liable for the breach of, each and every provision in the Agreement.

Each of the undersigned waives: (a) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (d) any right he may have to require that an action be brought against Dealer or any other person as a condition of liability; and (e) any and all other notices and legal or equitable defenses to which he may be entitled relating to the validity or enforceability of this guaranty.

Each of the undersigned consents and agrees that: (i) his direct and immediate liability under this guaranty shall be joint and several; (ii) he shall render any payment or performance required under the Agreement upon demand if Dealer fails or refuses punctually to do so; (iii) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Dealer or any other person; and (iv) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to Dealer or to any other person including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable during the term of the Agreement and thereafter and shall continue until any and all indebtednesses and obligations there under are satisfied in full.

[Signatures follow on next page]

IN WITNESS THEREOF, each of the undersigned has hereunto affixed his signature, under seal, on the same day and year as the Agreement was executed.

PERCENTAGE OF OWNERSHIP INTERESTS IN DEALER	**GUARANTOR(S)**
_____	_____ (Signature) _____ (Print Name)
_____	_____ (Signature) _____ (Print Name)
_____	_____ (Signature) _____ (Print Name)
_____	_____ (Signature) _____ (Print Name)
_____	_____ (Signature) _____ (Print Name)

DATE: _____, _____

"APPLIES ONLY TO THE RENEWAL OF THIS FRANCHISE AND TRADEMARK AGREEMENT."

RECIPROCAL RIGHT TO INDEPENDENCE RIDER

This Rider, effective upon signature by both parties, amends the Meineke Franchise and Trademark Agreement to which it is attached ("the Franchise Agreement").

1. RIGHT TO INDEPENDENCE

Notwithstanding anything to the contrary contained in the Franchise Agreement, if you give us written notice, not more than 21 months and not less than 18 months prior to the expiration of the term of the Franchise Agreement, that you desire to operate an automobile repair and maintenance business independent of us after expiration ("Independence Notice"), then we will not have any right under the Franchise Agreement to take possession of the Premises of your Center and you will not be subject to any post-termination non-competition covenant contained in the Franchise Agreement on expiration of its term. After delivery of the Independence Notice, you will have the right to establish an additional telephone number under a different name for your Center (which is not a colorable imitation of any of the Marks), so long as you continue to operate your Center as a Meineke Center and continue to promote the Marks throughout the remainder of the term of the Franchise Agreement. Your delivery of an Independence Notice constitutes an irrevocable waiver of any exclusive rights or territorial protection, whether derived from the Franchise Agreement, any of our internal policies regarding encroachment or applicable law (statutory or otherwise), and we will have the right at any time thereafter to accelerate the expiration of the term of the Franchise Agreement, without cause, effective 60 days after delivery of notice thereof ("Acceleration Notice") to you. You agree that, upon your Independence Notice, we may open a new Meineke Center anywhere within your immediate market area and solicit (or cause the dealer of the new Meineke Center to solicit) the customers of your Center without incurring any liability to you whatsoever. You further agree that upon delivery of an Acceleration Notice, you shall immediately take all appropriate action to comply with all of your post-termination obligations under the Franchise Agreement (other than any obligation to grant us possession to the Premises of your Center or to refrain from engaging in any Competitive Business), so that you will be in full compliance with those obligations immediately upon expiration of the 60-day period after delivery of the Acceleration Notice. Notwithstanding anything to the contrary herein, this Rider shall not constitute a waiver of our right to terminate the Franchise Agreement in accordance with its terms or otherwise after your Independence Notice, and if we so terminate the Franchise Agreement, we will have all of our rights upon termination, including any right to take possession of the Premises of your Center, and you will be subject to all of your obligations upon termination, including any post-termination non-competition covenants. For example, if after your Independence Notice, but before expiration of the term (or the accelerated expiration of the term), you discontinue operating your Center as a Meineke Center, we have the right to terminate the Franchise Agreement and to take possession of the Premises of your Center and you will be subject to any post-termination non-competition covenant and liable for all actual and consequential damages caused by your breach of the Franchise Agreement.

2. WAIVER OF RENEWAL RIGHTS

Notwithstanding anything to the contrary contained in the Franchise Agreement or under applicable law, including, without limitation, any franchise relationship statute in effect in the state where your Center is located, you agree, in consideration of your right to independence as set forth in Section 1 of this Rider, that on expiration of the term of the Franchise Agreement you will have no right whatsoever to renew or extend the term of the Franchise Agreement, to enter into a successor franchise agreement or to otherwise continue your relationship with us, and you hereby irrevocably waive all rights thereto. The parties agree that the foregoing waiver is an integral part of this Rider and if for any reason, notwithstanding such waiver, you continue to have any right to renew the franchise, whether as a matter of contract or applicable law (statutory or otherwise), then the provisions of Section 1 of this Rider shall be void and of no effect.

3. EFFECT OF RIDER

This Rider shall be deemed to be part of the Franchise Agreement. All defined terms used but not defined in this Rider shall have the same meanings as ascribed to them in the Franchise Agreement. If there is any inconsistency between the terms of this Rider and the Franchise Agreement, the terms of this Rider will prevail.

IN WITNESS WHEREOF, each party has executed and delivered this Rider as of the date below.

DEALER: [_____]	**MEINEKE FRANCHISOR SPV LLC**, a Delaware limited liability company
By: _____	By: _____
Print Name: _____	Print Name: _____
Title: _____	Title: _____
Date: _____, _____	Date: _____, _____

"APPLIES ONLY TO THE RENEWAL OF THIS FRANCHISE AND TRADEMARK AGREEMENT."

UNILATERAL RIGHT TO INDEPENDENCE RIDER

This Rider, effective upon signature by both parties, amends the Meineke Franchise and Trademark Agreement to which it is attached ("the Franchise Agreement").

1. RIGHT TO INDEPENDENCE

Notwithstanding anything to the contrary contained in the Franchise Agreement, if you give us written notice, not more than 21 months and not less than 18 months prior to the expiration of the term of the Franchise Agreement, that you desire to operate an automobile repair and maintenance business independent of us after expiration ("Independence Notice"), then we will not have any right under the Franchise Agreement to take possession of the Premises of your Center and you will not be subject to any post-termination non-competition covenant contained in the Franchise Agreement on expiration of its term. After delivery of the Independence Notice, you will have the right to establish an additional telephone number under a different name for your Center (which is not a colorable imitation of any of the Marks), so long as you continue to operate your Center as a Meineke Center and continue to promote the Marks throughout the remainder of the term of the Franchise Agreement. Your delivery of an Independence Notice constitutes an irrevocable waiver of any exclusive rights or territorial protection, whether derived from the Franchise Agreement, any of our internal policies regarding encroachment or applicable law (statutory or otherwise), and we will have the right at any time thereafter to accelerate the expiration of the term of the Franchise Agreement, without cause, effective 60 days after delivery of notice thereof ("Acceleration Notice") to you. You agree that, upon your Independence Notice, we may open a new Meineke Center anywhere within your immediate market area and solicit (or cause the dealer of the new Meineke Center to solicit) the customers of your Center without incurring any liability to you whatsoever. You further agree that upon delivery of an Acceleration Notice, you shall immediately take all appropriate action to comply with all of your post-termination obligations under the Franchise Agreement (other than any obligation to grant us possession to the Premises of your Center or to refrain from engaging in any Competitive Business), so that you will be in full compliance with those obligations immediately upon expiration of the 60-day period after delivery of the Acceleration Notice. Notwithstanding anything to the contrary herein, this Rider shall not constitute a waiver of our right to terminate the Franchise Agreement in accordance with its terms or otherwise after your Independence Notice, and if we so terminate the Franchise Agreement, we will have all of our rights upon termination, including any right to take possession of the Premises of your Center, and you will be subject to all of your obligations upon termination, including any post-termination non-competition covenants. For example, if after your Independence Notice, but before expiration of the term (or the accelerated expiration of the term), you discontinue operating your Center as a Meineke Center, we have the right to terminate the Franchise Agreement and to take possession of the Premises of your Center and you will be subject to any post-termination non-competition covenant and liable for all actual and consequential damages caused by your breach of the Franchise Agreement.

2. EARLY ELECTION OF SUCCESSOR FRANCHISE

If you so request in writing not more than 21 months and not less than 18 months prior to expiration of the term of the Franchise Agreement ("Early Election Period"), we will give you a copy of our then-current form of franchise agreement (and all related agreements and documents used for renewal) and, if applicable, our then-current franchise disclosure document. You have the right to a successor franchise on the terms and conditions of such franchise agreement (and such related agreements and documents) by giving us notice thereof before the expiration of the Early Election Period, subject to all of the terms and conditions contained in the Franchise Agreement, provided we will give you notice of our decision whether you have the right to acquire a successor franchise not later than 30 days after your notice and provided further that you execute such franchise agreement (and such related agreements and documents) before the expiration of the Early Election Period. Any such

successor franchise agreement shall be effective as of the expiration date of the Franchise Agreement and shall be subject to your compliance with the Franchise Agreement throughout the remainder of its term.

3. EFFECT OF RIDER

This Rider shall be deemed to be part of the Franchise Agreement. All defined terms used but not defined in this Rider shall have the same meanings as ascribed to them in the Franchise Agreement. If there is any inconsistency between the terms of this Rider and the Franchise Agreement, the terms of this Rider will prevail.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider as of the _____ day of _____, _____.

DEALER: [_____]	**MEINEKE FRANCHISOR SPV LLC**, a Delaware limited liability company
By: _____	By: _____
Print Name: _____	Print Name: _____
Title: _____	Title: _____
Date: _____, _____	Date: _____, _____

EXHIBIT D

MEINEKE CAR CARE CENTERS FRANCHISE APPLICATION

MEINEKE CAR CARE CENTERS
FRANCHISE APPLICATION

The undersigned ("Applicant") does hereby apply for a franchise for the operation of a Meineke Car Care Center to be located in the following general area: _____ (the "Market Area").

Applicant acknowledges and agrees that Meineke Franchisor SPV LLC ("Meineke") has granted no rights whatsoever to the Applicant with respect to the Market Area and that Meineke now or in the future may open and operate, and grant to others the right to own and operate, Meineke Car Care Centers within the Market Area, subject to any contrary provisions contained in any now existing or future franchise agreements entered into with Applicant.

Applicant represents and warrants that the information contained in the attached Franchise Application Form is true and correct and fairly reflects Applicant's financial position as of the date hereof.

Applicant may withdraw this application at any time upon written notice to Meineke. Applicant understands that Meineke has the right to deny this application for any reason whatsoever, including without limitation:

1. Meineke determines that the information in the Financial Qualification Form is not true and correct or does not fairly reflect the financial condition of the Applicant, or that the Applicant is not qualified to purchase a Meineke Car Care Center franchise; or

2. Meineke determines for whatever reason that the awarding of a Meineke Car Care Center franchise would not be in the best interest of the Applicant or Meineke.

Applicant agrees Meineke will have no liability for any denial of the application.

If and when Meineke approves the Applicant, Meineke will offer Applicant a franchise to operate a Meineke Car Care Center by delivering its then-current form of standard franchise agreement, together with all standard ancillary documents (including exhibits, riders, guarantees and other related documents) that it then customarily uses in granting franchises for the operation of Meineke Car Care Centers in the state in which the Market Area is located. The franchise agreement and ancillary documents must be duly executed and returned not earlier than 5 business days and not later than 15 business days after they are delivered, with payment of the initial fees required thereunder. If Meineke does not receive, on a timely basis, the fully executed franchise agreement and ancillary documents and payment of the required initial fees, Meineke may revoke its offer to grant a franchise to operate a Meineke Car Care Center.

This application does not confer any rights relating to Meineke's trademarks or service marks. Any proprietary or confidential information provided by Meineke to the Applicant is solely for the purpose of Applicant's evaluating a Meineke Car Care Center franchise. Applicant acknowledges that any rights to use such proprietary or confidential information may be derived

only pursuant to an executed franchise agreement, and that unauthorized disclosure, transfer or use, either direct or indirect, of such information by the Applicant would constitute an infringement of Meineke's rights thereto and result in irreparable injury to Meineke for which there is no adequate remedy at law.

Franchise License to be completed/executed on _____, _____.

This Application was signed and delivered to Meineke on _____, _____.

APPLICANT(S):

X_____ X_____

_____ _____
Print Name Print Name

X_____ X_____

_____ _____
Print Name Print Name

EXHIBIT E

SUBLEASE AGREEMENT

SUBLEASE AGREEMENT

REAL PROPERTY SUBLEASE

THIS SUBLEASE is made and entered into by and between _____, a _____, hereinafter called "Sublessor" and _____, a _____ hereinafter called "Sublessee."

DEMISE AND DESCRIPTION OF PROPERTY

Sublessor hereby leases to Sublessee, and Sublessee hereby hires from Sublessor, on the terms and subject to the conditions and covenants set forth, the Subleased Premises. The term "Subleased Premises" shall mean that certain real property described as Center #_____ located at _____ including all land, improvements and fixtures.

TERM

The term of this Sublease shall be for that period, commencing on the date of execution by both parties to this Sublease, but not later than the date of possession of the Premises by the Sublessees, and terminating upon the sooner of (i) _____ (the "Initial Term"), (ii) the termination or expiration of that certain lease, hereinafter called the "Master Lease", wherein Sublessor is the Lessee of the Subleased Premises, a copy of which is annexed hereto as **Exhibit "A"**, or (iii) the termination for any cause whatsoever of that certain Franchise Agreement between Sublessor and Sublessee for the operation at the Subleased Premises of a Franchised Business, as herein defined (hereinafter called the "Franchise Agreement").

At the expiration of the Initial Term of this Sublease, provided that the Sublessee has not received a written notice of default from the Sublessor for the non-payment of rent, taxes, or common area maintenance charges, then the Sublessee shall have the right to renew this Sublease for an additional period of time up to and through _____ (the "Renewal Term").

At the expiration of the Renewal Term of this Sublease, provided that the Sublessee has not received a written notice of default from the Sublessor for the non-payment of rent, taxes, or common area maintenance charges, then the Sublessee shall have the right to renew this Sublease for an additional period of time up to and through _____. The term of any Renewal Term and the renewal term of the Franchise Agreement will be co-terminus.

The base rent ("Base Rent") under Paragraph IV.A.1. of the renewal Sublease (or corresponding provision of the form of agreement then in use) for the first year of such Renewal Term, beginning the first month tendered of Renewal Term shall be the amount then in effect pursuant to Paragraph IV.A.1. below, as cumulatively adjusted pursuant to Paragraph IV.A.6. Under the Renewal Sublease, Sublessee shall also be required to pay the amounts described in Paragraphs IV.A.2. through IV.A.5. below, and the Base Rent shall continue to be subject to adjustment in a manner similar to that provided in Paragraph IV.A.6. hereof. Notwithstanding anything herein to the contrary, it is the intention of the parties that Sublessee's monthly rent in effect at any time (including the Renewal Term) shall in no event be less than the sum of 110% of

the rent then payable by Sublessor under its Master Lease, plus an amount equal to 1.25% of the aggregate contribution made by Sublessor to fund the construction and improvement of the Subleased Premises above the contributions, if any, funded by its Lessor under the Master Lease (and adjusted to reflect increases in the "CPI," as defined and calculated under Paragraph IV.A.6.), and Sublessor shall have the absolute right to adjust Sublessee's rent as and when necessary to effect such intention.

USE OF PREMISES

The Subleased Premises shall be used by Sublessee only for the purpose of conducting thereon a Meineke Car Care automotive center (hereinafter called the "Franchised Business") pursuant to the terms and conditions of the Franchise Agreement and for no other purpose whatsoever.

RENT

Commencing on the date of the mutual execution of this Sublease, but in no event later than the date upon which the Sub-lessee takes possession of the Premises, and, and on the first day of each calendar month thereafter during the term hereof, Sublessee shall pay to Sublessor:

A minimum rental of _____ ___/100 Dollars ($_____), subject to annual adjustment pursuant to Paragraph IVA.6 below, based upon increases in the Consumer Price Index. Rent for any partial month shall be payable on a prorata basis. First month's rent shall be payable upon execution hereof. If the lease commences after the first day of the calendar month any prorations shall occur on the second month of the sublease and any invoice provided to the Sublessee for rent payment shall reflect such proration. Any proration shall be based on a 30 day month.

In addition to the foregoing minimum rental, an amount equal to the percentage rent payable by Sublessor, as Lessee, to its Landlord under the Master Lease, if applicable.

Subject to Paragraph IV.C. below, all taxes of whatever nature, including taxes and assessments relating to the Subleased Premises as may be required to be paid by Sublessor under the Master Lease. At the option of Sublessor, it may collect from Sublessee upon the commencement of the sublease an amount equal to the combined monthly taxes and common area maintenance charges estimated for the Premises. This amount will be in addition to the base rent paid by Sublessee to Sublessor at such time.

Subject to Paragraph IV.C. below, all taxes that now or may in the future be levied, assessed or imposed upon the rent reserved hereunder by any governmental authority acting under any present or future law.

Subject to Paragraph IV.C. below, such fees, charges, costs, dues, contributions or other costs as Sublessor may be required to pay as Lessee under the Master Lease, including, but not limited to, costs or charges for energy, heating and air conditioning, maintenance, whether for

parking areas or other common areas, merchants' association dues, and premiums for insurance on the improvements on the Subleased Premises.

The minimum rental described in Paragraph IV.A.1 above shall be subject to annual increase, but never a decrease, from the prior period's rent, effective as of the first (1st) day of January of each year, (the first increase to be JANUARY 1, _____), by a percentage equal to the greater of (a) the percentage increase from the base period, if any, in the Consumer Price Index, All Urban Consumers, All Items, (revised 1982-84=100) published by the United States Department of Labor, or the highest similar future index if these figures become unavailable (the "CPI"), or (b) that percentage of the rental increase imposed upon Sublessor under the Master Lease. For the purpose of this Agreement the "base period" shall refer to the date for which said index is published which is closest to January 1, _____; provided, however, that Sublessor may, at its election, in order to facilitate the computation of the adjustments hereunder, use the CPI published two (2) months prior to the effective date of each rental increase and the base date to determine the amount of such rental increase. However, in no event will such annual increase be less than three percent (3%).

Sublessee hereby acknowledges that late payment by Sublessee to Sublessor of rent and other sums due hereunder will cause Sublessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed on Sublessor by the terms of any lease or trust deed covering the Subleased Premises. Accordingly, if any installment of rent or any other sum due from Sublessee shall not be received by Sublessor or Sublessor's designee within five (5) days after such amount shall be due, then, without any requirement for notice (including, without limitation, billing) to Sublessee, Sublessee shall pay to Sublessor a late charge equal to ten percent (10%) of such overdue amount. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Sublessor will incur by reason of late payment by Sublessee. Acceptance of such late charge by Sublessor shall in no event constitute a waiver of Sublessee's default with respect to such overdue amount, nor prevent Sublessor from exercising any other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for three (3) consecutive installments of rent, then rent shall automatically become due and payable quarterly, in advance, rather than monthly, notwithstanding any other provision of this Lease to the contrary.

ALL RENT PAYMENT AND OTHER FEES THAT ARE REQUIRED TO BE PAID BY THE SUBLESSEE TO THE SUBLESSOR SHALL BE BY ELECTRONIC TRANSFER OF FUNDS ("EFT"), AND SUBLESSEE SHALL COOPERATE WITH SUBLESSOR IN SIGNING ALL DOCUMENTS NECESSARY TO PROVIDE SUBLESSOR WITH THE POWER AND AUTHORITY TO EFFECTUATE THE PAYMENT OF SUCH PAYMENTS THROUGH EFT. ANY FAILURE BY SUBLESSEE TO HAVE THE NECESSARY FUNDS AVAILABLE FOR EFT, OR ANY REVERSAL OF AN EFT TRANSFER THAT WOULD OTHERWISE BE DUE SUBLESSOR SHALL CONSITUTE A MATERIAL DEFAULT OF THIS SUBLEASE. IN ADDITION TO ALL REMEDIES THAT SUBLESSOR SHALL HAVE AVAILABLE TO IT RELATING TO SUCH DEFAULT, FOR EACH FAILURE BY SUBLESSEE TO PAY THE AMOUNT OF RENT BECAUSE OF THEIR FAILURE TO HAVE THE NECESSARY EFT FUNDS AVAILABLE ON THE

DUE DATE OF SUCH TRANSFER SHALL PAY TO SUBLESSOR AN ADMINISTRATIVE FEE IN THE AMOUNT OF ONE HUNDRED DOLLARS ($100) TO REIMBURSE SUBLESSOR FOR ITS ADMINISTRATIVE EXPENSES IN HAVING TO ADMINISTER SUCH FAILURE. NOTHING IN THIS PARAGRAPH SHALL PRECLUDE OR LIMIT SUBLESSOR FROM UNDERTAKING ANY REMEDIES AVAILABLE TO IT FOR SUCH DEFAULT OF THE SUBLEASE TERMS BY SUBLESSEE.

Upon execution hereof, and on an annual basis thereafter, Sublessor shall estimate the amount of payments to be made pursuant to Paragraphs IV.A.3., IV.A.4. and IV.A.5. hereof (collectively, the "Additional Payments") which shall be paid during the upcoming calendar year, and such amount shall be divided by the number of months remaining in such calendar year (the "Monthly Estimated Payment"). Pursuant to Paragraph IV.A. above, Sublessee shall pay to Sublessor the Monthly Estimated Payment on the same day as the rent is due hereunder. The Monthly Estimated Payment for any period during the term hereof which is less than one month shall be a pro-rata portion of the monthly installment. Within sixty (60) days after the expiration of each calendar year, Sublessor shall send to Sublessee a reasonably detailed statement showing the actual amount of Additional Payments incurred during the preceding year. If the total of Sublessee's Monthly Estimated Payments during said preceding calendar year exceed the actual amount of Additional Payments as indicated on said statement, Sublessee shall be entitled to credit the amount of such overpayment against the Monthly Estimated Payment to be paid by Sublessee next falling due. If the total of Sublessee's Monthly Estimated Payments during said preceding calendar year were less than the actual amount of Additional Payments, Sublessee shall pay to Sublessor the amount of the deficiency within ten (10) days after delivery by Sublessor to Sublessee of said statement. All money paid to Sublessor under this Paragraph may be intermingled with other moneys of Sublessor and shall not bear interest. In the event of a default in the obligations of Sublessee to perform under this Sublease, then any balance remaining from funds paid to Sublessor under the provisions of this Paragraph may at the option of Sublessor, be applied to the payment of any monetary default of Sublessee in lieu of being applied to the payment of Additional Payments.

Attached to this Sublease as **Exhibit "B"** is a schedule of the first month's base rent, taxes and common area maintenance expenses that Sublessee shall be required to pay to Sublessor together with the subsequent mode of calculation of escalations for rent, taxes, and common area maintenance costs, and if applicable and computed rent credits thereon ("Schedule of Base and Additional Rents"). The Schedule of Rents shall be incorporated by reference to the Sublease.

MAINTENANCE AND REPAIR

Sublessee, by taking possession of the Subleased Premises agrees that such Subleased Premises are in good and tenantable condition, and Sublessee agrees that it shall, at its sole cost and expense maintain the Subleased Premises, the Franchised Business, and all of the appurtenances thereto in good condition and repair. The Subleased Premises may not be altered or changed by Sublessee without the prior written consent of Sublessor, said Sublessee hereby waiving all rights to make repairs at Sublessor's expense. Sublessor may as a condition to Sublessor's giving such consent, require Sublessee to provide Sublessor, at Sublessee's sole cost

and expense, a lien and completion bond in an amount equal to one and one-half times the estimated cost of such alterations, repairs or changes, to insure Sublessor against any liability for mechanics' and materialmens' liens and to insure completion of any work. Unless otherwise provided by written agreement, all alterations, improvements and changes that may be undertaken at the cost of Sublessee, shall be the property of Sublessor and shall remain upon and be surrendered with the Subleased Premises.

The parties hereby expressly agree that Sublessor shall not have any duty or responsibility to repair or replace any part or portion of the Subleased Premises or in any way to provide any maintenance or repairs whatsoever, but, on the contrary, same shall be the sole cost and responsibility of Sublessee. Failure by Sublessee to maintain or repair said Subleased Premises shall constitute a material breach of this Agreement and Sublessor shall have the sole right to terminate this Sublease if Sublessee fails to maintain or repair said Subleased Premises within five (5) days (ten (10) days if the Subleased Premises is located in Illinois, or if Sublessee is a resident of Illinois) after receipt of written notice by Sublessor.

Without in any way limiting the generality of the foregoing, Sublessee shall be responsible for any replacement, repair or maintenance that may be necessary as to any part or portion of the Subleased Premises, expressly including the roof, store front, signage, floors, ceilings, sidewalks, drive and parking areas, interior and exterior lighting, landscaping, doors, plate glass, window casements, glazing, sewer, water connections, pipes and plumbing facilities, gas mains, electrical wiring and conduits, heating and air conditioning systems (if any), and each and every other part or portion thereof. The parties further recognize that the Sublessee is at the time of the execution of this Sublease fully aware of the condition of the said demised premises and the probable condition thereof as of the date of the commencement of the term hereof, and takes the Subleased Premises, the parties hereby expressly acknowledging that Sublessor has not made and does not hereby make any representations or warranties whatsoever concerning the use to which they may be put.

Sublessee shall pay, when due, all claims for labor or materials furnished to or for Sublessee at or for use in the Subleased Premises, which claims are or may be secured by a mechanics' or materialmens' liens against the Subleased Premises, or any interest therein. Sublessor shall have the right to post notices of non-responsibility at or on the Subleased Premises as provided by law.

Sublessee shall, upon the expiration or sooner termination of the Lease, surrender the Subleased Premises to the Sublessor in good condition, broom clean, ordinary wear and tear excepted.

INDEMNITY AND INSURANCE

Sublessor shall not be liable at any time for any loss, damage or injury to any person or the property of any person whomsoever at any time occasioned by or arising out of any act or omission of the Sublessee, or of anyone holding under Sublessee or the Subleased Premises or any part

thereof or the parking lot by or under the Sublessee, or directly or indirectly from any state of condition of the Subleased Premises or any part during the term of this Sublease.

Notwithstanding anything to the contrary in this Sublease and irrespective of any insurance carried by Sublessee for the benefit of Sublessor, Sublessee shall protect, indemnify, defend (with counsel acceptable to Sublessor), and hold the Subleased Premises and Sublessor and its officers, directors, and employees harmless from any and all damages, liabilities, claims, costs, and expenses (including without limitation, attorneys' fees) of whatsoever nature arising under the terms of this Sublease or arising out of or in connection with the operation carried on by Sublessee on, or the use or occupancy of, the Subleased Premises.

Sublessee shall carry and maintain during the entire term of the Sublease, at Sublessee's sole cost and expense, the following types of insurance in the amounts specified and in the form provided for in this Section:

Sublessee shall maintain and keep enforced during the term of this Sublease, either Commercial Comprehensive General Liability Insurance or Commercial General Liability Insurance applying to the Subleased Premises, and the Building, or any part of either, or any areas adjacent thereto, and the business operated by Sublessee on the Subleased Premises. The insurance shall include Broad Form Contractual Liability Insurance coverage insuring all of the Sublessee's indemnity obligations under this Lease. Such coverage shall have a minimum combined single limit of liability of at least One Million Dollars ($1,000,000), and a general aggregate limit of Two Million Dollars ($2,000,000). All policies shall be written to apply to all bodily injury, property damage, personal injury and other covered loss, however occasioned, occurring during the policy term, shall be endorsed to add Sublessor as an additional insured, to provide that such coverage shall be primary and that any insurance maintained by Sublessor shall be excess insurance only. The insurance shall contain the "Amendment of the Pollution Exclusion" for damages caused by heat, smoke or fumes from a hostile fire. The limits of this insurance required by Lease or as carried by Lessee shall not, however, limit the liability of Sublessee or relieve Sublessee of any obligation under this Lease. The limits of the liability insurance may be increased upon the reasonable request of Sublessor, but not more frequently than once every three (3) years.

Sublessee shall also maintain Workers' Compensation Insurance in accordance with the law or laws of the state in which the Subleased Premises is located, and Employers' Liability Insurance with a limit of not less than One Million Dollars ($1,000,000) per employee and One Million Dollars ($1,000,000) per occurrence. This coverage shall be endorsed to waive the insurer's rights of subrogation against Sublessor.

Sublessee shall obtain and keep in force during the Sublease term a policy or policies in the name of Sublessor, with loss payable to Sublessor and to the holders of any mortgages, deeds of trust or ground leases on the Subleased Premises ("Lenders"), insuring loss or damage to the Subleased Premises. The amount of such insurance shall be equal to the full replacement costs of the Subleased Premise, as the same shall exist from time to time, or the amount required by the Lenders and shall also cover all of Sublessee's improvements, fixtures, equipment and merchandise, which may from time to time be located in the Subleased Premises, and any and all

trade fixtures and equipment of others which are in the Sublessee's possession and which are located within the Subleased Premises. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake, unless required by a Lender), including coverage for any additional costs resulting from debris removal and reasonable amounts of coverage for the enforcement of any ordinance or law regulating the reconstruction or replacement of any undamaged sections of the Subleased Premises required to be demolished or removed by reason of the enforcement of any building, zoning, safety or land use laws as a result of a covered cause of loss. The policy or polices shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection against an increase in annual property insurance coverage amount by a factor of not less than the adjusted U.S. department of Labor Consumer Price Index for all Urban Consumers for the city nearest to where the Subleased Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed One Thousand Dollars ($1,000) per occurrence, and Sublessee shall be liable for such deductible amount in the event of a loss covered by such insurance.

If the Subleased Premises is damaged or destroyed by means which are not covered by said insurance, then Sublessee shall pay the cost of repairs to restore the same. If the damage is beyond repair, the Sublessee shall pay Sublessor the reasonable market value of the Subleased Premises before such damage or destruction and said sum shall become immediately due and payable to Sublessor.

All policies of insurance to be provided for in this Article VII shall be issued by companies having not less than Best's A: Triple A rating and shall be issued in the names of the Sublessor, the Lessor under the Master Lease and Sublessee for the mutual and joint protection and benefit of the parties. All public liability and property damage policies shall contain a provision that the Sublessor, although named as an insured, shall nevertheless be entitled to recovery under said policies for any loss, injury or damage to Sublessor, its servants, agents, and employees by reason for the negligence of the Sublessee.

Sublessee shall deliver to Sublessor policies evidencing the insurance procured by Sublessee, or deliver in lieu thereof certificates of coverage from the insurance company or companies writing the policy or policies of insurance, which certificates shall, among other things, designate the company writing the same, the number, amount and provisions thereof. Upon Sublessor's written request, duplicate copies of such certificates of insurance shall be delivered to the Lessor under the Master Lease.

All insurance policies shall contain a provision that such policy shall not be canceled or terminated without thirty (30) days' prior written notice from the insurance company to Sublessor. Sublessee agrees that on or before ten (10) days prior to the expiration of any insurance policy, Sublessee will deliver to Sublessor written notification in the form of a receipt or other similar document from the applicable insurance company that said policy or policies have been renewed, or deliver certificates of coverage from other good and solvent insurance companies for such coverage as identified in Section E, above.

Sublessee shall procure an appropriate clause in, or an endorsement on, any policy of fire extended coverage insurance covering the fixtures and equipment located in or on the Subleased Premises, pursuant to which the insurance companies waive subrogation or consents to waive of right of recovery against Sublessor to recover from the Sublessor any loss or damage to its property or the property of others resulting from fire or other hazards covered by such fire and extended coverage insurance.

Notwithstanding anything to the contrary contained herein, in no event shall the amounts of insurance or types of insurance required hereunder be less than that required to be maintained by Sublessor as the Lessee under the terms of the Master Lease, or required to be maintained by Sublessee as Franchise under the Franchise Agreement.

ASSIGNMENT AND SUBLETTING

Sublessee shall not assign, mortgage or hypothecate this Sublease in whole or in part, nor sublet all or any part of the Subleased Premises without the prior written consent of Sublessor in each instance, which consent may be withheld in Sublessor's sole and absolute discretion. For purposes of this Paragraph, if the Sublessee is a corporation or partnership, then the transfer of more than fifteen percent (15%) of the stock of the corporation shall constitute an assignment, and the transfer of fifteen percent (15%) of the partnership interests of the partnership shall constitute an assignment. The prohibition against assigning or subletting shall be construed to include a prohibition against any assignment or subletting by operation of law. Should the Sublessor, as the Franchisor, consent to the assignment of the Franchise Agreement, in accordance with the terms of the Franchise Agreement, the Sublessee shall assign this Sublease to the same assignee upon Sublessee's receipt of such consent. Notwithstanding any assignment of Sublease, with the consent of Sublessor, the Sublessee shall remain fully liable on this Sublease and shall not be released from performing any of the terms, covenants and conditions of this Sublease.

DEFAULT AND REMEDIES

Sublessor may, at its option and without limiting Sublessor in the exercise of any other right or remedy it may have on account of a default or breach by Sublessee, exercise the rights and remedies specified in Paragraph B of this article if:

Sublessee defaults in the payment of any money agreed to be paid by Sublessee to Sublessor for rent, taxes, utilities, or for any other purpose hereunder, and if such default continues for three (3) days (ten (10) days if the Subleased Premises is located in Illinois, or if Sublessee is a resident of Illinois) after written notice to Sublessee from Sublessor.

Sublessee abandons the Subleased Premises as the term "abandonment" is defined in the Franchise Agreement or Master Lease.

Sublessee defaults in the performance of any other of its agreements, conditions or covenants under this Sublease and such default continues for three (3) days (ten (10) days if the Subleased Premises is located in Illinois, or if Sublessee is a resident of Illinois) after written notice to Sublessee by Sublessor and such additional period of delay as Sublessee may encounter in the performance of its agreements by reason of matters beyond the control of Sublessee.

Sublessee commits any material breach of any other agreement between the parties, including, but without limitation the Franchise Agreement, as defined therein, or any other act or omission to act which gives the Sublessor the right to terminate the Franchise, and Sublessee fails to cure such breach in the manner and within the time periods prescribed by such agreement.

On any breach, default, or abandonment as described in Paragraph A above, Sublessor may exercise any of the following rights within the periods of time stated in Paragraph A above:

Immediately re-enter and remove all persons and all properties (other than the personal property and other property belonging to Sublessor) from the Subleased Premises, storing said personal property in a public warehouse or elsewhere at the cost of, for the account of and at the risk of Sublessee. In the event that there is any such re-entry by Sublessor, Sublessor may take any repairs, additions or improvements in, to or upon the Subleased Premises which may be necessary or convenient; provided, however, that Sublessor shall be entitled to recover from Sublessee the expenses for such repairs, additions or improvements only to the extent necessary to restore the Franchised Business to the condition it was at commencement of the term of the Sublease, reasonable wear and tear excepted. In such instance, this Sublease will be terminated and Sublessor will be entitled otherwise to recover all damages allowable under law and this Sublease.

To collect by suit or otherwise, each installment of rent or other sum as it becomes due hereunder, or to enforce, by suit or otherwise, any other term or provision hereof on the part of the Sublessee required to be kept or performed, it being specifically agreed that all unpaid installments of rent or other sums shall be computed at the highest rate from the date thereof until paid.

Terminate this Sublease, in which event Sublessee agrees to immediately surrender possession of the Subleased Premises and personal property and pay to Sublessor, in addition to any other remedy Sublessor may have, all damages Sublessor may incur by reason of default, including the cost of recovering the Subleased Premises.

The damages the Sublessor may recover include the worth at time of award of the amount by which the unpaid rent for the balance of the term of this Sublease and after the time of award exceeds the amount of such rental loss for the same period that Sublessee proves could be reasonably avoided.

Sublessor's failure to take advantage of any default or breach of covenant on the part of Sublessee shall not be, or be construed as a waiver thereof, nor shall any custom or practice which

may grow up between the parties in the course of administering this instrument be construed to waive or lessen the right of Sublessor to insist upon the performance by Sublessee of any term, covenant or condition hereof, or to exercise any right given it on account of any such default. The acceptance of rent hereunder shall not become or be construed to become a waiver of any term, covenant or condition of this Sublease.

Sublessee hereby pledges and hypothecates to Sublessor any and all furniture and personal property which Sublessee may bring into or upon the Subleased Premises hereby leased, including such property as may be exempt by law from execution or attachment, to secure the performance under the terms and conditions hereof. Sublessee covenants and agrees that in the event of any default and in addition to any remedies set forth in this article, such furniture shall be subject to a lien on behalf of Sublessor. The enforcement of such lien or forbearance of enforcement shall be at the sole option of Sublessor.

The rights, powers, elections and remedies of the Sublessor contained in this Sublease shall be construed as cumulative and no one of them is or shall be considered exclusive of the other or exclusive of any rights or remedies allowed by law, and the exercise of one or more rights or powers, elections or remedies shall not impair Sublessor's rights to exercise any other.

If Sublessee shall be in default in the performance of any covenant on his part to be performed under this Sublease, then, after notice and without waiving or releasing Sublessee from the performance thereof, Sublessor may, but shall not be obligated to, perform any such covenant, and in exercising any such right, pay necessary and incidental costs and expenses in connection therewith. All sums so paid by Sublessor, together with interest thereon at the highest rate allowable by law, shall be deemed additional rent and shall be payable to Sublessor on the next rent paying day.

In the event Sublessor desires to commence any action or proceeding for unlawful detainer, non-payment of rent, or for any other breach of this Sublease, Sublessor shall have the right to proceed with such action in any court of competent jurisdiction, and Sublessee agrees not to demand arbitration of such disputes under the Franchise Agreement, or any other ancillary agreement, which is acknowledged to be a contract separate and apart from this Sublease.

Attorney's Fees and Cost of Notice of Default. In the event Sublessor elects, in its sole opinion, to employ an attorney or any other person or firm to service notice and/or demand for any overdue payment of any kind by Lessee or failure or delinquency by Sublessee to perform under the covenants, provisions and conditions of this Sublease, Sublessee shall pay immediately upon demand for all such costs and expenses incurred by Sublessor in addition to any late fees or interest associated therewith.

CONDEMNATION

In the event that any action or proceeding is commenced for condemnation, in exercise of the right of eminent domain, of the Subleased Premises or any portion thereof, or if Sublessor is

advised in writing by any government (Federal, State or Municipal) or agency or department or bureau thereof, or any entity or body having the right of power of condemnation, of its intention to condemn the whole or any portion of the Subleased Premises, Sublessee having right of possession of the Subleased Premises at the time thereof, or if the Subleased Premises or any portion thereof be condemned through such action, then and in any of said events:

Sublessor may without any obligation or liability to Sublessee, and without affecting the validity and existence of this Sublease other than as hereafter expressly provided, agree to sell and/or convey to the condemnor or to the Lessor under the Master Lease, without first requiring any action or proceeding be instituted, or if such action or proceeding shall have been instituted, without requiring any trial or hearing thereof (and Sublessor is expressly empowered to stipulate to judgment therein), the Subleased Premises or any portion thereof sought by the condemnor, free from this Sublease and the rights of Sublessee hereunder.

Sublessee shall have no claim against Sublessor under the Master Lease, nor be entitled to any part or portion of the amount that may be paid or awarded as a result of the sale for the reasons as aforesaid or condemnation of the Subleased Premises or any portion thereof, Sublessee hereby assigning, transferring and setting over unto Sublessor the interest, if any, which Sublessee would but for this provision have in, to, upon or against the Subleased Premises or any portion thereof, or the amount agreed to be paid and/or awarded and paid to Sublessor or the Lessor under the Master Lease.

If any part of the Subleased Premises shall be taken or condemned as hereinbefore provided, and a part thereof remains which is suitable for the use contemplated hereunder, this Sublease shall, as to the part so taken, terminate as of the date title shall vest in the condemnor and the rent payable hereunder shall be adjusted for the remainder of the term as of the date of such termination in the same proportion as provided in the Master Lease. If all of the Subleased Premises be taken or condemned as hereinbefore provided, or so much thereof that the contemplated use shall be substantially impaired in the judgment of Sublessor, this Sublease shall thereupon terminate.

COMPLIANCE WITH LAW, LIMITATIONS OF USE

Sublessee, at Sublessee's expense, shall comply with all laws, rules, orders, ordinances, directions, regulations and requirements of Federal, State, County and Municipal authorities, now in force or which may later be in force, which shall impose any duty upon Sublessor or Sublessee as to the use, occupation or alteration of the Subleased Premises, including, without limitation, The Americans With Disabilities Act of 1990.

Notwithstanding any provision in the Master Lease to the contrary, Sublessee shall not cause or permit any "Hazardous Materials" (as defined below) to be used, generated, stored or disposed of near, on, under or about or transported to or from, the Subleased Premises (collectively "Hazardous Materials Activities") except as necessary for Sublessee's use of the Subleased Premises, as provided herein, and permitted by applicable law. Sublessee shall conduct any and such permissible Hazardous Materials Activities in strict compliance (at Sublessee's expense) with

"Governmental Regulation" (as defined below) and using all necessary and appropriate precautions. Sublessor shall not be liable for any Hazardous Materials Activities by Sublessee, Sublessee's employees, agents, contractors, licensees or invitees. Sublessee shall indemnify, defend (with counsel acceptable to Sublessor) and hold Sublessor harmless from and against any claims, judgments, damages, penalties, fines, costs, liabilities and/or losses (including, without limitation, diminution in value of the Subleased Premises) arising out of or in connection with any Hazardous Material Activities. Such indemnification of Sublessor by Sublessee shall include, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any court or federal, state or local governmental agency or political subdivision because of Hazardous Material present in the soil or ground water on, under or adjacent to the Subleased Premises. Without limiting the foregoing, in the event of any contamination of the Subleased Premises or any adjacent land by Hazardous Materials, Sublessee shall promptly take all actions, at its sole expense, as are necessary to return the Subleased Premises and any such adjacent land contaminated by such Hazardous Materials to the condition existing prior to the introduction of any such Hazardous Materials; provided that Sublessor's written approval of such actions shall first be obtained. Sublessee shall provide Sublessor with a copy of all Hazardous Materials inventory statements and updates filed and/or required by any applicable Governmental Regulation. Sublessee shall immediately notify Sublessor both by telephone and in writing of any spill, release or unauthorized discharge of Hazardous Materials or of any condition constituting an "imminent hazard" under Governmental Regulations. Sublessor and/or its representatives and employees may enter the Subleased Premises at any time during the term of this Sublease to inspect Sublessee's compliance herewith. Sublessee acknowledges and agrees that any recommendation and/or other involvement by Sublessor in the construction, operation and/or maintenance of the Subleased Premises does not constitute any promise, representation, warranty or other assurance of any nature whatsoever that compliance with said recommendation will satisfy Governmental Regulations. Notwithstanding anything to the contrary provided in this Sublease, Sublessee hereby assumes all responsibility for compliance with Governmental Regulations and waives all action and/or defenses available to Sublessee, if any, against Sublessor relating to any recommendations and/or other involvement by Sublessor at any time in the construction, operation and/or maintenance of the Subleased Premises. The indemnification of Sublessor by Sublessee contained in Article VII and this Article XI shall continue in full force and effect notwithstanding the expiration or termination of this Sublease or any assignment, or other transfer of any of Sublessee's interest hereunder. Sublessee acknowledges that no consent to any assignment or other transfer by Sublessee described in Article VIII, shall in any way limit or waive Sublessee's obligations under this Paragraph.

Notwithstanding the absence of any specific requirement set forth in Governmental Regulations, Lessee shall (1) take such actions as may be necessary to prevent mixing of used oil with any hazardous wastes, substances or materials, and (2) only employ or contract with licensed and qualified used oil transporters and recyclers and, where appropriate, licensed and qualified hazardous waste transporters and disposal facilities.

"Hazardous Materials." For the purpose of this Sublease, Hazardous Materials shall include, but not be limited to, (a) "hazardous substance" as defined in the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. Section 9601 et seq.), as amended, or any

successor statute in effect during the Lease term, (b) "hazardous material" as defined in the Hazardous Materials Transportation Act (49 U.S.C. Section 1801 et seq.), as amended, or any successor statue in effect during the Lease term, (c) "hazardous waste," "solid waste," "sludge," "used oil," "recycled oil," "lubricating oil" and "re-refined oil" as defined in the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 et seq.), as amended, or any successor statute in effect during the Lease term, (d) "hazardous substance" as defined in the Clean Water Act (33 U.S.C. Section 1251 et seq.), as amended, or any successor statue in effect during the Lease term, or (e) any substances, materials or wastes listed in (1) the United States Department of Transportation Hazardous Materials Table (49 C.F.R. Section 172.101), as amended; (2) the Environmental Protection Agency list (40 C.F.R. Part 302), as amended; or (3) any other list published by any federal or state governmental entity, or (f) a "hazardous air pollutant" under The Federal Clean Air Act (42 U.S.S. Section 74112) as amended, or any successor statute in effect during the Lease term; or (g) toxic or hazardous pursuant to regulations promulgated now or later under any of the aforementioned laws; or (h) presenting a risk to human health or the environment under other applicable Federal, State, or local laws, ordinances, or regulations, as now or as may be passed or promulgated in the future; or (i) any substance that after release into the environment and upon exposure, ingestion, inhalation or assimilation will or may reasonably be anticipated to cause death, disease, behavior abnormalities, cancer or genetic abnormalities, or (j) asbestos, petroleum and any petroleum by-products, formaldehyde, poly-chlorinated biphenyls (PCBs) and urea formaldehyde.

For purposes of this Sublease, "Governmental Regulations" refer to all laws, statutes, rules and regulations referenced in Paragraph D. above or otherwise pertaining to, relating to and governing the use, generation, manufacture, production, storage, disposition or release of Hazardous Materials.

SUBORDINATION

Sublessee expressly agrees that this Sublease and Sublessee's rights hereunder shall be subject and subordinate to all Master Leases, mortgages, deeds or trust or any other encumbrances now or hereafter placed, charged or enforced against the Subleased Premises or any land, buildings or improvements included thereon or of which the Subleased Premises are a part of any portion or portions thereof. Sublessee further agrees to execute at any time, and from time to time, such documents as may be required to effectuate such subordination, and upon failure to execute any such documents at Sublessor's request, Sublessor shall be, and hereby is, appointed Sublessee's attorney-in-fact to do so.

NOTICES

Any notice required or permitted to be given hereunder shall be in writing and shall be served upon the other party personally or by registered or certified mail, postage prepaid. Any notice to Sublessor shall be addressed to it at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202, Attention: The President. Any notice to Sublessee may be addressed to him at the address of the Subleased Premises. Either party may designate another address at any time by appropriate written notice to the other. Service of any notice or demand by mail shall be deemed complete and shall be effective forty-eight (48) hours after the time the same is deposited in the United States mails as aforesaid.

INCORPORATION OF MASTER LEASE

The provisions of the Master Lease are incorporated by reference into, and made a part of this Sublease, except for the following paragraphs N/A. If there is conflict between provisions in the Master Lease and this Sublease, the Master Lease shall control, except for Article II and Article IV, in which provisions of the Sublease shall control. Sublessee hereby expressly assumes and agrees to perform all of the obligations and covenants required by the Master Lease to be kept or performed by Sublessor as the Lessee thereof. Sublessor agrees to maintain the Master Lease during the entire term of this Sublease, subject, however, to any earlier termination of the Master Lease without fault of Sublessor, and to pay all rents and taxes provided for therein in accordance with the terms of the Master Lease. Notwithstanding the foregoing, Sublessee shall not be required to pay the rent or the taxes payable by Sublessor as Lessee under the Master Lease so long as he pays the rent and other sums payable to Sublessor by Sublessee pursuant to this Sublease.

This Sublease is subject to all of the provisions of the Master Lease, and Sublessee shall not permit any act or omission to act that will violate or breach any provisions of the Master Lease, including, but not limited to, non-competition by other tenants of a development to which the Subleased Premises are a part, or are associated. Sublessee shall indemnify and hold Sublessor harmless of any act(s) committed in direct or indirect violation of such provisions, or as a result of Master Lessor's failure, inability, whether temporary or indefinite, or refusal to enforce such provisions, as provided under Article VII above.

Sublessee acknowledges that there may be certain provisions in the Master Lease, including, but not limited to, a provision against competition among the tenants of the development in which the Subleased Premises are located, requiring performance by other tenants and subtenants within the development or by the Master Lessor. Sublessor shall not be liable for any breach or default of any such provision by any other such tenant or subtenant within the development or by the Master Lessor, or for Master Lessor's failure, inability (whether temporary or indefinite), or simple refusal, to enforce such provisions. Sublessee further acknowledges that Sublessor shall have no obligation whatsoever to require the Master Lessor to enforce any provision of the Master Lease.

MISCELLANEOUS

The language and parts of this Sublease shall be construed according to their fair meaning and not strictly for or against either Sublessee or Sublessor.

The captions of the Articles of this Sublease are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Sublease.

Unless otherwise stated hereinabove, any sum accruing to Sublessor under the provisions of this Sublease which shall not be paid when due shall bear interest at the highest rate permissible by law from the date notice specifying such non-payment is served on the defaulting party, until paid.

Neither this Sublease nor this Paragraph D of this Article is subject to modification except in writing signed by all of the parties.

The parties agree that the law of the jurisdiction where the Leased Premises are located shall apply except that the conflict of laws for that jurisdiction shall not apply or serve to change the agreement of the parties as to the applicable law.

[Signatures on following page]

THIS SUBLEASE has been executed by the parties on _____.

SUBLESSOR:

_____
_____

By: _____
Authorized Representative

SUBLESSEE:

_____
_____

By: _____
Authorized Representative

Attachments:

Exhibit A - Master Lease
Exhibit B - Schedule of Rent

EXHIBIT F

INDUSTRY SPECIFIC LAWS

The following is a list of laws, statutes, regulations, rules or ordinances which may be applicable in the jurisdiction in which you are to operate your Meineke Car Care Center. You should investigate and research these laws thoroughly as they may affect the operation of your Meineke Car Care Center.

Specifications for muffler quality and performance

Specifications for the performance of welding, cutting and brazing

Prohibitions on the removal of mufflers or cutouts of mufflers

Specifications regarding the metal construction of pipes carrying exhaust gases

Restrictions on the removal and installation of catalytic converters

Restrictions on the sale and installation of ball joint assemblies

Restrictions on the sale and servicing of front end alignments

Specifications for brake quality and performance

Specifications regarding the servicing of used brake drums

Specifications regarding the machines involved in making repairs

Restrictions on the sale of motor lubricant oils

Restrictions on the handling, disposal, recycling and labeling of used oil

Requirements for the posting of disclosure statements regarding the proper collection and disposal of used oil

Restrictions on the blending of different lubricating oils

Restrictions on the disposal of oil filters

Restrictions on the sale or distribution of brake fluid

Requirements for the labeling of brake fluid and other hazardous waste

Requirements for the disposal, inventory and labeling of hazardous waste materials

Restrictions on the transportation of propane and other flammable substances

Requirements for the labeling and storage of compressed gas cylinders

Requirements for the use of certain safety equipment by repair shop employees

Requirement for the licensing of automobile repair shops

Requirement for the posting of registrations or licenses

Taxes on motor vehicle repairs service shops involving licensing and their workmen

Specifications for the qualification and experience of mechanics

Requirements for training permits for mechanics

Requirements regarding the record keeping of repair shops records and invoices

Restrictions on the shop's hours of operation

Requirements that the motor vehicle repair shop display signs disclosing certain laws or regulations and customers' rights

Requirements for the return of replaced parts

Specifications of the information required to be contained in price estimate for repairs and their form

Specifications of the information to be contained in customer invoices and their form

Provisions on whether customers have the ability to waive their right to estimates and written invoices

Requirement for customer authorizations for repairs and/or additional repairs after estimate is given.

Restrictions on the performance or charge for work in excess of that authorized by customer

Restrictions on representations regarding warranty or guarantees of services and parts

Prohibition of the performance of unnecessary repairs

Requirements for handling of customer complaints through governmental agencies

Restrictions on the advertisements of goods or services for sale by motor vehicle repair shops

Restrictions on the operation of motor vehicle left for repair at a motor vehicle repair facility

Conditions in which the shop may retain possession of customer's motor vehicle when customer refuses to pay for repairs performed

Restrictions on the disposition of unclaimed vehicles and articles

Laws and regulations are likely to vary by state and municipality.

EXHIBIT G

ADDENDUM TO LEASE AND COLLATERAL ASSIGNMENT OF LEASE

ADDENDUM TO LEASE AND
COLLATERAL ASSIGNMENT OF LEASE

This Addendum is made this the _____ day of _____, _____, by and between_____, Landlord/Lessor and _____, Tenant/Lessee. Notwithstanding anything to the contrary contained in the attached lease, the parties agree to amend the language of the lease as follows:

Use

The parties agree that the premises may be used for the operation of a Meineke Car Care Center and for no other purpose whatsoever.

Assignment

Landlord/Lessor expressly agrees that in the event of and upon any termination of that certain Franchise and Trademark Agreement executed between Tenant/Lessee, as Franchisee, and Meineke Franchisor SPV LLC ("Meineke"), as Franchisor and dated _____, Landlord/Lessor shall permit the assignment of Tenant's/Lessee's interest in this lease to Meineke to reassign such interest in this lease to any other party chosen by Meineke to act as third party operator of the Premises; provided, however, that any such other party named by Meineke to act as third party operator, as aforesaid, shall assume all obligations of the Tenant/Lessee under the terms of this Lease. Landlord/Lessor further expressly agrees to execute any documentation which may reasonably be required by Meineke to evidence the acceptance of Meineke or of such third-party operator, as Tenant/Lessee under the terms of this Lease. Landlord/Lessor and Tenant/Lessee further agree that during the stated terms of this lease, Tenant/Lessee shall not have the right to assign or sublet these premises to another person or legal entity for whatever reason without the express written consent of Meineke. Landlord/Lessor acknowledges that the agreements contained in this Paragraph are made in consideration for Tenant's/Lessee's execution of this Lease and Landlord/Lessor understands and agrees that but for Lease Landlord's/Lessor's consent to the terms of this Paragraph and to the terms of Meineke's Default paragraph contained herein, Tenant/Lessee would not have executed this Lease Agreement.

Default

Landlord/Lessor expressly agrees that before exercising any remedy it may have hereunder, Landlord/Lessor shall give written notice of any default to Meineke by Registered or Certified Mail and posted to its office at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202; further, Landlord/Lessor agrees that Meineke shall have the same opportunity to cure any such default that Lessee/Tenant shall have under the Lease before any remedy hereunder may be exercised by the Landlord/Lessor.

Signage

Landlord/Lessor acknowledges that it has reviewed and approved for installation and erection the standard Meineke pole sign _____ square feet and standard Meineke exterior wall signs of _____ square feet, and the Meineke fascia. No additional approval is required from Landlord/Lessor. The parties hereto acknowledge that the existing pole and box are the property of the Landlord/Lessor.

Entry by Franchisor

Landlord/Lessor and Tenant/Lessee hereby acknowledge that Tenant/Lessee has agreed under the Franchise Agreement that Meineke and its employees or agents shall have the right to enter the premises at any reasonable time for the purpose of conducting inspections, protecting Meineke's proprietary marks and correcting deficiencies of Tenant/Lessee. Lessor/Landlord hereby agree not to interfere with or prevent such entry by Meineke, its employees or agents.

De-Identification

Landlord/Lessor and Tenant/Lessee hereby acknowledge that in the event the Franchise Agreement expires or is terminated, Tenant/Lessee is obligated to take certain steps under the Franchise Agreement to de-identify the location as a Meineke Car Care Center operated by Tenant/Lessee. Landlord/Lessor agrees to cooperate fully with Meineke in enforcing such provisions of the Franchise Agreement against Tenant/Lessee, including allowing Meineke, its employees or agents, to enter and remove signs, décor and materials bearing or displaying any marks, designs or logos and materials bearing or displaying any marks, designs or logos of Meineke; provided, however, that Landlord/Lessor shall not be required to bear the expense thereof. Lessee/Tenant agrees that if Lessee/Tenant fails to de-identify the premises promptly upon termination or expiration as required under the Franchise Agreement, Meineke may cause all required de-identification to be completed at Lessee's expense.

Non-Compete

Lessor agrees, during the term of this Lease, to hold any land now or hereafter owned or controlled by Lessor, within a radius of one (1) mile of the premises, subject to the following restriction for the benefit of Lessee and the premises and to include such restriction in all leases and sales of land; namely that no part of such land shall be leased or used for the performance at wholesale or retail of exhaust systems, brakes, or any other undercar retail automotive services.

General Provisions

This Addendum shall run with the land and be binding upon the parties hereto and their successors, assigns, heirs, executors and administrators. The rights and obligations contained herein shall continue notwithstanding changes in the persons or entities that may hold any leasehold or ownership in the land or building. Any party hereto may record this agreement or any memorandum hereof.

Any party hereto may seek equitable relief, including, without limitation, injunctive relief or specific performance, for actual or threatened violation or non-performance of this Agreement by any other party. Such remedies shall be in addition to all other rights provided for under law or other agreements between any of the parties. The prevailing party in any action shall be entitled to recover its legal fees together with court costs and expenses of litigation.

Nothing contained in this Agreement shall affect any term of condition in the Franchise Agreement between Lessee and Meineke. Nothing herein shall be deemed to constitute a guaranty or endorsement by Meineke of the terms and conditions of the Lease between Lessor/Landlord and Tenant/Lessee. In the event that Meineke, in its sole discretion, determines not to accept assignment of the Lease as permitted hereunder, neither Lessor/Landlord nor Lessee/Tenant shall have any claim against Meineke. No terms or conditions contained in the Lease shall be binding on Meineke unless and until it elects to accept assignment of the Lease hereunder.

Modification

This lease and addendum may be modified only in writing, and only after first obtaining written approval from tenant.

Tenant/Lessee	Landlord/Lessor
_____	_____
Authorized Representative	Authorized Representative

EXHIBIT H-1

M.KEY SOFTWARE LICENSE AND MAINTENANCE AGREEMENT

M.KEY
SOFTWARE LICENSE AND MAINTENANCE AGREEMENT

THIS M.KEY SOFTWARE LICENSE AND MAINTENANCE AGREEMENT (the "Agreement") between **MEINEKE FRANCHISOR SPV LLC** ("Meineke"), a Delaware limited liability company, with its principal place of business located at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202, and _____ ("Franchisee"), a(n) _____ _____, with its principal place of business located at _____, is made and entered into as of the date appearing below our signature line at the end of this Agreement (the "Effective Date").

RECITALS

WHEREAS, Meineke and Franchisee have entered into a franchise agreement dated _____ (the "Franchise Agreement"), pursuant to which Meineke has granted to Franchisee a franchise for the operation of a Meineke Car Care Center located at _____ (the "Center");

WHEREAS, Meineke is the licensee of certain proprietary Software (defined below), which Meineke sublicenses to franchisees for use in the operation of Meineke Car Care Centers; and

WHEREAS, Franchisee desires to use the Software in connection with the operation of the Center, and Meineke is willing to authorize Franchisee to use the Software for such purposes subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants set forth herein, the parties hereto, intending to be legally bound, agree as follows:

A. GRANT OF LICENSE.

1. Meineke grants to Franchisee, and Franchisee accepts from Meineke, a personal, non-exclusive, non-transferable (except as provided in Section I) license to install and use "M.Key"-branded software and associated or related documentation or other similar or printed or machine-readable matter and any such modifications, upgrades, third-party interfaces or additions that may be provided by Meineke to Franchisee (collectively, the "Software") in conjunction with compatible hardware approved by Meineke (the "Designated System") solely in connection with the operation of the Center, upon the terms and conditions set forth herein. Except as provided in this Agreement, no license with respect to any patents, copyrights, trademarks (including, but not limited to, the "M.Key" name or mark), or trade secrets, or any other intellectual property rights, express or implied, are granted by Meineke to Franchisee under this Agreement.

2. Franchisee acknowledges and agrees that the license granted by this Agreement extends solely to the use by Franchisee or its authorized employees, agents, and representatives of the Software on the Designated System.

3. The use of the Software for any purpose other than in connection with the operation of the Center pursuant to the Franchise Agreement is strictly prohibited.

4. Except with the prior written consent of Meineke, the Software may not be:

(a) operated by persons other than Franchisee and employees of Franchisee;

(b) operated on equipment other than the Designated System; or

(c) used in conjunction with any other computer applications program, except as approved by Meineke.

5. Franchisee acknowledges and understands that one of the intended functions of the Software is to provide cloud storage for certain data and information such that it is accessible to Meineke in accordance with the Franchise Agreement. In the event that Franchisee shall intentionally cease storing such data and information "on the cloud," or Franchisee inadvertently ceases to store such data and information "on the cloud" and fails to notify Meineke of such Software failure and provide Meineke the reasonable opportunity to bypass any such failure, the Software will cease to function as it was intended, and Franchisee will be unable to activate the Software unless and until Franchisee begins to store "on the cloud" such data and information, such that it is accessible to Meineke in accordance with the Software's intended function.

B. PAYMENT.

1. For the rights granted hereunder, simultaneously with its execution of this Agreement, Franchisee shall pay Meineke a one-time license fee in the amount set forth in Schedule A or Schedule B, as applicable (the "License Fee").

2. In addition to the License Fee, Franchisee shall pay Meineke a monthly technical support and maintenance fee (the "Software Maintenance Fee") in the amount set forth in Schedule A or Schedule B, as applicable, for installation services (subject to Section D), training, consultant support, telephone support, and such other services as may be defined in an accepted order. The Software Maintenance Fee shall be due on the first day of each month during the term of this Agreement. Meineke requires Franchisee to make such payments pursuant to an electronic funds transfer program or through such other electronic means that Meineke shall require, and Franchisee shall cooperate with Meineke in setting up such payment procedures. Meineke reserves the right to increase the amount of the Software Maintenance Fee: (a) on each anniversary of the Effective Date to reflect any increase in the CPI (defined below) for the preceding 12-month period or, if Meineke elected not to increase the Software Maintenance Fee on any such anniversary, the aggregate increase in the CPI from the date of the last increase; and (b) at any time to reflect any increase in any third party's charges to Meineke. With respect to any such increase, Meineke shall provide Franchisee 60 days' prior written notice.

"CPI" means the index number in the table relating to "Consumer Price Index - United States City Average, All Items, for Urban Wage Earners and Clerical Workers" as presently published in the "Monthly Labor Review" of the Bureau of Labor Statistics for the United States Department of Labor (the "Bureau"). In the event the Bureau ceases publishing the CPI or materially changes the methods of its computation or other features of it, Meineke may substitute comparable statistics on the purchasing power of the consumer dollar published by the Bureau, another governmental agency, or a responsible financial periodical or recognized authority to be chosen by Meineke.

3. Franchisee may purchase from Meineke certain additional products or services under this Agreement (the "Optional Products"), the prices for which are set forth in Schedule A or Schedule B, as applicable.

4. To the extent required by law, Meineke shall add to the fees of whatever type any federal, state, or local, taxes, however designated, but excluding ad valorem personal property taxes, if any, state and local privilege, excise, or use taxes based on gross revenue, taxes based on or measured by Meineke's

net income, and any taxes or amounts in lieu thereof paid or payable by Meineke in respect of the foregoing excluded items, which may be validly levied or based upon this Agreement or upon the Software. Such taxes shall be added to the License Fee or Software Maintenance Fee, as the case may be, and such taxes payable by Franchisee may be billed as separate items to Franchisee.

5. Meineke may charge Franchisee a 1.5% monthly finance charge with respect to all outstanding amounts not paid within 10 days following the due date of such fees.

C. TRAINING.

1. Meineke or its affiliate will offer Software computer training as part of its customary Meineke initial training course. Such training shall be at no cost to Franchisee, except that Franchisee, while Franchisee is undergoing such training, shall be required to pay for food, lodging and travel to and from the training center for Franchisee's employees attending such training.

2. Franchisee also may seek training from its local operations manager on the regularly scheduled visit that the operations manager customarily makes to the Center.

3. From time to time, Meineke may provide Franchisee with training manuals or disks or other tutorials as Meineke may develop in connection with the Software.

D. INSTALLATION.

If Meineke agrees to install the Software for Franchisee, which Meineke is not obligated to do, Franchisee shall have all things ready for installation, including, but not limited to, other equipment, connections and facilities for installation at the time the Software is delivered. In the event that Franchisee shall fail to have all things ready for installation on the scheduled installation date, Franchisee shall reimburse Meineke for any and all expenses caused by Franchisee's failure to have things ready, unless Franchisee has notified Meineke at least 5 business days prior to the scheduled installation date.

E. SOFTWARE MAINTENANCE IMPLEMENTATION.

1. During the period for which Franchisee has paid for Software Maintenance, Meineke shall be responsible for performing Software Maintenance to the latest Software release. "Software Maintenance" shall include the following: (a) corrections of any errors or malfunctions in the Software; (b) supplier updates; (c) periodic updates to the Software; (d) telephone assistance during Meineke's business hours at its corporate headquarters; and (e) to the extent possible, remote support relative to the diagnosis of the Software problem.

2. Meineke shall have the obligation to provide maintenance only for the most recent version of the Software.

3. Meineke shall not be required to provide any maintenance support to Franchisee relative to any software being used on its computer other than the Software. Meineke shall not be required to provide maintenance support to Franchisee relative to any hardware being used or networking.

F. CONFIDENTIALITY OF ALL SOFTWARE PROVIDED UNDER THIS AGREEMENT.

1. Franchisee agrees that it and its owners, officers, employees and agents will not:

(a) sell, assign, lease, sublicense, market or commercially exploit, in any way, the Software, or any data, reports or other printed materials generated by the use of the Software or any component thereof;

(b) disclose or grant access to the Software, or any data generated by the use of the Software or any component thereof, to any third party other than one to whom Meineke has consented in writing and who has agreed in writing with Meineke to keep the Software or such data confidential;

(c) reverse engineer the Software or attempt to obtain the source code of the Software; or

(d) copy or reproduce the Software, or any data generated by the use of the Software or any component thereof, in any manner, provided that nothing herein shall prohibit Franchisee from using the data generated by the Software to the extent reasonably necessary to comply with local, state and federal laws and for usual and customary business purposes.

2. Franchisee agrees to:

(a) keep the Software and any data generated by the use of the Software confidential during and after the expiration or termination of this Agreement;

(b) establish and maintain such security precautions adequate to protect the Software and any data generated by its use prescribed by Meineke from time to time to maintain the secrecy of the Software and any data generated by the use of the Software;

(c) establish and maintain additional security precautions as may be necessary; and

(d) prevent the unauthorized access to or use, disclosure or copying of the Software or any data generated by the use of the Software.

G. RIGHTS AND RESTRICTIONS.

1. Franchisee agrees that it will not attempt to patent, copyright or otherwise assert proprietary rights to the Software and any data generated by the use of the Software or any portion thereof. Franchisee agrees that all copies of the Software and any data, reports or other printed or electronic media materials generated by the use of the Software, or any components thereof, in its possession will contain the copyright notices, confidential legends, and/or other notices of proprietary rights specified by Meineke.

2. Franchisee may not modify the Software in any way. Franchisee agrees to disclose to Meineke promptly all ideas and suggestions for modifications or enhancements of the Software conceived or developed by or for Franchisee, and Meineke will have the right to use such ideas and suggestions and incorporate them in the Software. All modifications and enhancements made to the Software and all intellectual property rights related thereto will be deemed to be works made-for-hire and shall otherwise be the property of the owner of the Software, without regard to the source of the modification or enhancement. To the extent the Software is not deemed to be "work made-for-hire," Franchisee agrees to

sign any documents that may be necessary to vest the owner of the Software with ownership of any such modifications or enhancements conceived or developed by Franchisee.

3. Meineke will have the unfettered right to access continuously the Software and all data processed on the Software with respect to the Center, and Franchisee agrees to provide Meineke with such unfettered access to the Software and such data in the manner specified by Meineke from time to time. Meineke will have the right at all times, directly and indirectly, to audit, retrieve, analyze and use, without limitation, all data in the files of Franchisee generated by the Software. Franchisee agrees to sign any documents that may be necessary to vest Meineke with ownership of any such modifications or enhancements conceived or developed by Franchisee.

4. Franchisee acknowledges and agrees that any violation by Franchisee of the provisions of this Section or Section F hereof would cause Meineke irreparable injury for which Meineke would have no adequate remedy at law and that, in addition to any other remedies which it may have, Meineke is entitled to temporary restraining orders and preliminary injunctive relief against any such violation.

H. DATA OWNERSHIP.

All customer and vehicle data, records, and reports generated by the Software and associated Designated System or otherwise generated in connection with the Center or the customers of the Center or other Meineke Car Care Centers, whether in existence as of the Effective Date hereof or compiled thereafter, shall be treated by Franchisee and its employees as the exclusive property of Meineke. Franchisee understands and agrees that Meineke and its affiliates may use such data for any purpose and in any form as determined by Meineke and its affiliates from time to time, including, without limitation, to compile on an aggregated basis statistical and performance information relating to Meineke's (or its affiliates') services and products, Meineke Car Care Centers, and/or other automotive businesses franchised and owned by Meineke and its affiliates.

I. TRANSFER.

The license to use the Software may not be transferred except in conjunction with a transfer of the Franchise Agreement in accordance with its terms. Upon the transfer of the license to use the Software in accordance with this Section I, Franchisee shall pay Meineke a transfer fee in the amount of $1,000 and any and all unpaid and previously accrued Software Maintenance Fees no later than the closing date of such transaction.

J. TERMINATION.

1. If Franchisee breaches any provision of this Agreement or the Franchise Agreement (and, if such breach is curable, fails to cure such breach within the time period allowed therefor), Meineke may block Franchisee's access to the Software customarily accessible by Franchisee through the Designated System until the cure of such breach or, if not cured, the termination of such agreement.

2. Meineke may terminate this Agreement upon written notice to Franchisee in the event the Franchise Agreement terminates or expires for any reason or in the event Franchisee breaches any provision of this Agreement and fails to cure such breach within seven (7) days after written notice thereof from Meineke, unless such breach is of a nature that cannot be cured, in which case this Agreement may be terminated by Meineke upon written notice to Franchisee.

3. Upon termination or expiration of the Franchise Agreement or this Agreement for any reason, Franchisee agrees to immediately deliver to Meineke the Software, documentation for the

Software, all data generated by use of the Software and all other materials or information that relate to or reveal the Software and its operation. Franchisee shall deliver to Meineke all software delivered to or made available to Franchisee pursuant to this Agreement on disc or any other format. Franchisee shall certify it has not retained any copies of the Software.

K. NO WARRANTIES/LIMITATION OF LIABILITY.

Meineke does not represent or warrant to Franchisee, and expressly disclaims any warranty, that the Software is error-free or that the operation and use of the Software by Franchisee will be uninterrupted or error-free. Meineke will have no obligation or liability for any expense or loss incurred by Franchisee arising from use of the Software. MEINEKE MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AND THERE ARE EXPRESSLY EXCLUDED ALL WARRANTIES OF MERCHANTABILITY AND FITNESS OF THE SOFTWARE FOR A PARTICULAR PURPOSE. MEINEKE SHALL NOT BE LIABLE FOR INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES ARISING IN CONNECTION WITH THIS AGREEMENT.

[Signatures follow on next page]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the Effective Date.

FRANCHISEE:
[_____]

By:_____

Print Name: _____

Title: _____

Date:_____, _____

MEINEKE FRANCHISOR SPV LLC,
a Delaware limited liability company

By:_____

Authorized Representative

Attest: _____

Date: _____, _____

SCHEDULE A

(Existing Franchisee – Existing License)

• License Fee (2nd or 3rd center):	$2,995.00 each
• License Fee (1st, 2nd, 3rd, or 4th conversion center):	$2,995.00 each
• Software Maintenance Fee:	$375.00 (or, if Franchisee purchases AutoVitals, $275.00) per month

Optional Products:

• Monthly Technical Procedures Software Fee	Up to $200.00
• AutoVitals Setup Fee	$399.00
• Monthly AutoVitals Fee	$225.00
• Monthly AutoVitals additional technician tablet (above three tablets included in basic package)	$24.00
• Monthly Quick Books Integration	$25.00
• Monthly Motovisuals	$59.00

* Centers with a Four Star rating or above will have the fee waived for the additional licenses.

SCHEDULE B

(New Franchisee – New License)

• **License Fee:**	**$4,995.00**
• License Fee (1st conversion center):	$2,995.00
• Software Maintenance Fee:	$375.00 (or, if Franchisee purchases AutoVitals, $275.00) per month

Optional Products:

• Monthly Technical Procedures Software Fee	Up to $200.00
• AutoVitals Setup Fee	$399.00
• Monthly AutoVitals Fee	$225.00
• Monthly AutoVitals additional technician tablet (above three tablets included in basic package)	$24.00
• Monthly Quick Books Integration	$25.00
• Monthly Motovisuals	$59.00

EXHIBIT H-2

M.KEY SALES CONTRACT

Sales Contract

Date:

Contract No:

V2014.7.7

Sold To Name & Address:

Name

Address

City State ZIP

Phone

Center No.

Prepared By:

Software License Purchased:			
Qty	**Software Description**	**Unit Price**	**TOTAL**
1	M.Key Software License-to-Use	$ 4,995.00	$ 4,995.00
			$ -
			$ -
	Software Tax	$ -	$ -
	Software Purchased Total		**$ 4,995.00**

Payment for Software:

Check Enclosed: Yes No Check Number:

(For software, make check payable to Meineke Franchisor SPV LLC)

Purchaser complete this section <<<<<

Software will not be shipped to purchaser until payment in full has been received by Meineke Car Care Centers, LLC.

Project Coordinator Approval Date_____Payment_____

Monthly Charges to be Auto-Drafted from Bank Account:

Monthly Software Support Charges			
Qty	**Monthly Charge Description**	**Unit Price**	**TOTAL**
	M.Key Monthly Software Support & Data Updating ($275.00 if AutoVitals)	$ 375.00	$
	Technical Procedures Software (Varies; up to $200)	$ 200.00	$
	AutoVitals Fee	$ 225.00	$
	AutoVitals additional technician tablet	$ 24.00	$
	Quick Books Integration	$ 25.00	
	Motovisuals Fee	$ 59.00	
	Total Monthly Support Charges		**$**

Accepted By:
Purchaser Signature_____ **Date Signed:**_____

Requested Date of Delivery: _____
Shipping Address (if different from above) _____

(when completed & signed, return to M.Key Sales Department, 440 S. Church Street, Suite 700, Charlotte, NC 28202)

All product and pricing information is based on latest information available. Subject to change without notice. Additional shipping charges may be billed upon delivery. Monthly software support fee of $375 (or, if applicable, $275) to be paid by autodraft. If monthly support fee is not paid, software license will expire and the system will be inoperable. Purchaser is responsible for paying any applicable sales and usage tax on software and/or in their appropriate jurisdiction. All sales are final. All prices are in USD.

EXHIBIT H-3

Driven Brands, Inc.™

Automatic Bank Draft Authorization

I hereby authorize the appropriate subsidiary of Driven Brands, Inc. (Meineke Franchisor SPV LLC, Econo Lube Franchisor SPV LLC, Meineke Realty, LLC, Aero Colours, LLC, Drive N Style Franchisor SPV LLC and Maaco Franchisor SPV LLC) to draft the following fees/payments (including principal, interest, and any late penalties that may apply) and, if warranted under the terms of my promissory note, franchise agreement, sublease and/or M.Key software and license agreement, the accelerated balance, from the bank account specified below:

	Payment Type:	Day to be drafted:	Frequency:
[ ]	Weekly FF & Advertising fees	On the _____	of each _____
[ ]	Rent	On the _____	of each _____
[ ]	M.Key Maintenance fees	On the _____	of each _____
[ ]	M.Key software payment plan	On the _____	of each _____
[ ]	Promissory note payments	On the _____	of each _____

_____ _____
Name of Bank Franchisee Name/Maker

_____ _____
Bank Routing Number Center Number

_____ _____
Bank Account Number Center Address

Please attach a copy of a voided check in the space below and mail this form to **Driven Brands, Inc., Attn: Collections Department, 440 South Church Street, Suite 700 Charlotte, North Carolina 28202, or FAX to: (704) 338-0025.**

Franchisee Name

Pay To The
Order Of _____ $_____
_____ Dollars

Memo_____ _____
:000000000 10000001234567 1000

_____ _____
Authorized Signature Print Name

_____ _____
Start Date **Date**

_____ _____
Point of Sale System Preferred Email Address

TERMS AND CONDITIONS

Effective Date of Draft: The draft will occur on the payment due date, or first business day thereafter should the specified draft date fall on a holiday or weekend, unless otherwise agreed upon by Maker and the appropriate Driven Brands' subsidiary. The Maker will receive a confirmation email to ensure auto-draft set-up and to confirm draft date(s).

Change in Bank Account: Maker must send written notification to Driven Brands' subsidiary of any changes in the bank account information specified above at least 20 days prior to the date on which you wish the changes to take effect.

Insufficient Funds: If the automatic withdrawal is returned as insufficient funds Driven Brands or its subsidiaries may assess a $35 fee.

Amount of Draft: For weekly Royalty / Advertising, Driven Brands' subsidiary will withdraw the amount specified in the transmission file for the week. For Rent, Note and M.Key payments, Driven Brands' subsidiary will withdraw the amount specified in the lease agreement, Promissory Note or M.Key maintenance agreement, as applicable.

Notification: An email notification will be sent to the email address specified above at least 1 business day prior to drafting any fees from your account. If at any time you wish to change the email address for notifications, contact the Collections Department at (704) 377-8855.

EXHIBIT I

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EXHIBIT J

MEINEKE'S ENCROACHMENT INSURANCE POLICY

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MEINEKE'S ENCROACHMENT INSURANCE POLICY

1. INTRODUCTION

Meineke Franchisor SPV LLC ("Meineke") has adopted the following written policy ("the Policy") for resolving new Meineke Center development concerns of Meineke Dealers. The purpose of the Policy is to provide for voluntary compensation and temporary royalty deferral for Meineke Dealers whose sales are excessively affected by the opening of a new Meineke Center in the vicinity of their Centers. The Policy is inapplicable to any Meineke Dealer who institutes, or is otherwise involved in, any judicial or arbitration proceedings with Meineke (except for arbitration proceedings that are instituted in accordance with the Policy).

Meineke Dealers who choose to invoke the Policy may not institute any legal claim against Meineke for the proposed expansion. The Policy consists of certain objective criteria to determine whether the procedures for royalty deferral and compensation become applicable. If those objective criteria are not met, the dealer cannot pursue the royalty deferral and compensation procedures. If those criteria are met, then the royalty deferral and compensation procedures become applicable.

The compensation procedures involve a series of steps to amicably resolve concerns a Meineke Dealer may have about the potential adverse impact of the new Meineke Center in his local market area and involves a mutual commitment to negotiate and, if necessary, mediate and arbitrate the matter. In the arbitration proceedings, the arbitrator is bound by specific standards for determining whether and to what extent an existing Meineke Dealer is entitled to compensation for the reduction of sales caused by the opening of the new Meineke Center. **This compensation does not represent damages for a breach or violation of contractual or other legal obligations; it represents Meineke's recognition and respect for the going-concern value of the dealer's Meineke Center and a voluntary payment to ameliorate the adverse effect, if any, of expansion.**

The Policy does not constitute a contractual commitment by Meineke towards its Dealers. It is not a part of, or incorporated by reference in, any franchise or other agreement between Meineke and any Meineke Dealer and does not reflect or otherwise evince the intentions or expectations of the parties to any such agreement. The Policy is independent from any such agreements, and Meineke may amend the Policy from time to time subject to the terms of such franchise agreements. However, any such amendments are inapplicable to expansion plans for which a Meineke Dealer already has invoked the Policy in accordance with its terms.

No Meineke Dealer is bound by the Policy unless he chooses to invoke the Policy with respect to a particular new Meineke Center proposed to be opened in his vicinity. Accordingly, the Policy is consensual and private. Therefore, neither the Policy nor any related communications may be deemed to constitute an admission of liability for encroachment or a waiver of any legal defenses, claims or rights Meineke may have in any judicial or arbitration proceedings.

2. CRITERIA TO INVOKE COMPENSATION PROCEDURES

2.1. Initiation of Policy.

The Policy is applicable only if a new Meineke Center is proposed to be located within 6 miles of an existing Meineke Center.

If Meineke proposes to open a new Meineke Center (regardless whether it is to be owned by a Meineke Dealer or Meineke) to be located within 6 miles of a then open and operating Meineke Center, Meineke will notify the owner of the existing Center in writing, along with a copy of Meineke's standard "Initiation of Encroachment Insurance Policy" form (attached as APPENDIX 1). Each Meineke Dealer so notified then can invoke the Policy within 10 days after delivery of Meineke's notice by duly executing and returning to Meineke the "Initiation of Encroachment Insurance Policy", which includes a legally binding commitment not to file any legal action with respect to the Meineke Center that is proposed to be opened.

For purposes of the Policy, the Meineke Dealer who has so invoked the Policy is called "the Existing Dealer"; the Existing Dealer's Meineke Center that is within 6 miles of the proposed new Meineke Center is called "the Existing Center" or "his Center"; and the proposed new Meineke Center is called "the New Center".

If any Existing Dealer invokes the Policy, Meineke will conduct a "PIN Study" (as described below), which will be sent to the Existing Dealer upon completion.

2.2. The PIN Study.

The PIN Study will be conducted in Meineke's customary manner for projecting the potential loss of customers of the Existing Center as a result of the New Center. The current methodology is described below, but it may be refined or modified based on factors, such as new methods used in the industry, experience and/or technological advancements, that Meineke determines to be appropriate.

The current methodology identifies the home addresses of a statistically significant number of recent customers of the Existing Center and "pinpoints" them on a map of the local market area. Meineke will draw a 2-mile radius around the location of the New Center. Except in unusual circumstances (e.g., unusual customer concentrations in particular areas, natural boundaries, etc.), Meineke will project the potential loss of customers by counting all the customers of the Existing Center so "pinpointed" within that 2-mile radius around the New Center (except for those that are "pinpointed" closer to the Existing Center than the New Center) and dividing that number by the total number of customers in the sample for the PIN Study. This percentage represents the "projected loss of customers".

2.3. Pre-Opening Criteria.

Two principal sets of objective criteria, namely proximity of the New Center to the Existing Center and "projected loss of customers" (using the method described above) are used for the Policy. The proximity criterion is determined by so-called "Zones". The "Close-In Zone" is

applicable if the New Center is to be located within 4 miles of the Existing Center; the "Extended Zone" is applicable if the New Center is to be located between 4 and 6 miles of the Existing Center. The projected loss of customer criterion is determined by certain percentage thresholds of projected loss of customers, as described below.

The purpose of using these criteria is three-fold. First, they are used to determine whether the Existing Center will be entitled to temporary royalty deferral under Section 2.4. Second, they are used as part of a formula in Section 2.6 to determine whether, after the New Center is opened, the owner of the Existing Center qualifies to receive compensation. These pre-opening criteria establish whether Meineke should be forewarned that there may be an excessive loss of customers by opening the New Center. Third, they are used to determine the level of compensation due to an Existing Dealer under Section 3.2.2 if the arbitrator determines that the New Center caused a significant loss of sales at the Existing Center.

The criteria are as follows:

If the New Center is within the Close-In Zone (i.e., within 4 miles of the Existing Center) and the PIN Study projects a loss of customers for the Existing Center of more than 11.5%, then this will trigger a "Yellow Light". If the New Center is within the Extended Zone (i.e., between 4 miles and 6 miles of the Existing Center) and the PIN Study projects a loss of customers for the Existing Center of more than 15%, then this also will trigger a "Yellow Light". In the event of a Yellow Light, Meineke still has the right to open the New Center, but the Existing Center then is entitled to the royalty deferral as described in Section 2.4 below.

If the New Center is in the Close-In Zone and the PIN Study projects a loss of customers for the Existing Center of 11.5% or less, this will trigger a "Green Light". If the New Center is in the Extended Zone and the PIN Study projects a loss of customers for the Existing Center of 15% or less, then this also will trigger a "Green Light". In the case of a Green Light, Meineke can open the New Center, but the Existing Center is <u>not</u> entitled to royalty deferral.

The following table summarizes these criteria:

	Close-In Zone (less than 4 miles)	
Projected loss of customers	More than 11.5%	11.5% or less
	Yellow Light	Green Light

	Extended Zone (4 to 6 miles)	
Projected loss of customers	More than 15%	15% or less
	Yellow Light	Green Light

2.4. Royalty Deferral.

If there is a Yellow Light and Meineke proceeds with opening the New Center, the Existing Center can elect to defer royalties, as described below, either for the 1st month through the 12th month, or for the 13th month through the 24th month, immediately after the opening of the New Center. The Existing Dealer can select his preferred 12-month period by notifying Meineke in writing before the opening date of the New Center. If Meineke does not so receive a written election, then the Existing Dealer will be deemed to have chosen the first 12 months. The Existing Center may defer royalties in an aggregate amount not to exceed the Projected Lost Profit (as defined below) by signing a promissory note in the form of APPENDIX 2 for the amount of the Projected Lost Profit. The Projected Lost Profit is the dollar amount obtained by multiplying the Existing Center's annual sales for the 12-month period immediately preceding the opening of the New Center by the percentage loss of customers projected by the PIN Study and multiplying the number so obtained by the applicable percentage of gross margin under Section 3.2.2.

2.5. Monitoring of Sales.

If Meineke proceeds with the New Center, then both parties will monitor the Existing Center's sales and operations for the 12-month period selected pursuant to Section 2.4 (i.e., months 1 - 12 or months 13 - 24) after the opening of the New Center ("Post-Opening Period"), and compare the Existing Center's annual sales for the Post-Opening Period with the Existing Center's annual sales for the 12-month period immediately preceding the opening of the New Center ("Pre-Opening Period"). (If the Existing Center was not open and operating during the entire Pre-Opening Period, its actual sales will be annualized.) The percentage so determined, if a negative percentage, is called "the Existing Center's Same-Store Sales Decline". If the Existing Center does not experience an Existing Center Same-Store Sales Decline, then the Existing Dealer shall not be entitled to compensation under the Policy.

2.6. Impact Thresholds.

The purpose of the "Impact Thresholds", as defined below, is to establish certain percentages below the average Same-Store Sales Change for all Meineke Centers in the Existing Center's market area (as defined in the franchise agreement for the Existing Center) that will trigger the compensation procedures. In other words, if the difference between the Existing Center's Same-Store Sales Decline and the average Same-Store Sales Change for all other

Meineke Centers in the local market for the same period is greater than the applicable Impact Threshold, the compensation procedures become applicable. On the other hand, if the difference between the Existing Center's Same-Store Sales Decline and the average Same-Store Sales Change for all other Meineke Centers in the local market is smaller than the applicable Impact Threshold, then the compensation procedures will not be applicable. As described below, the Impact Threshold amount depends on whether the PIN Study triggered a Green Light or Yellow Light and whether the New Center is located in a Close-In or Extended Zone.

On completion of the Post-Opening Period, Meineke will determine the average annual sales results for the Pre-Opening Period and the Post-Opening Period of all other Meineke Centers located within the Existing Center's market area. (Any Meineke Centers that were not open during the entire Pre-Opening Period and Post-Opening Period will be excluded from this calculation.) Meineke will then calculate the percentage by which the average sales for the Post-Opening Period increased or decreased from the average sales for the Pre-Opening Period for these Meineke Centers. The percentage so determined (whether an increase or decrease, i.e., a positive or negative percentage) is called the "Market Same-Store Sales Change". If the Market Same-Store Sales Change is positive, the Adjustment Factor (as described below) will be the Impact Threshold. If the Market Same-Store Sales Change is negative, Meineke will deduct from the Market Same-Store Sales Change the percentage amount of the Adjustment Factor to determine the Impact Threshold. Meineke will then compare the percentage amount so determined with the Existing Center's Same-Store Sales Decline. If the amount of the Existing Center's Same-Store Sales Decline exceeds the applicable Impact Threshold, then the compensation procedures of Section 3 are applicable. If the amount of the Existing Center's Same-Store Sales Decline is smaller than the applicable Impact Threshold, then the compensation procedures are inapplicable.

The Adjustment Factor is 5% for an Existing Center with a Close-In Zone/Yellow Light; 10% for a Close-In Zone/Green Light; and 15% for an Extended Zone/Yellow Light or an Extended Zone/Green Light.

There is an exception to these Adjustment Factors for New Centers in underdeveloped markets in which less than 50% of the market penetration goal of 1 Meineke Center for each 50,000 motor vehicles registered in the market area has been achieved ("Developing Markets"). If the Existing Center opened after December 31, 1998, and at the time the New Center opens, the market is a "Developing Market", the Adjustment Factors are 10% higher across the board. Thus, the Adjustment Factor is 15% for a Close-In Zone/Yellow Light; 20% for a Close-In Zone/Green Light; or 25% for an Extended Zone/Yellow Light or Extended Zone/Green Light.

The following table summarizes the Adjustment Factors:

	Normal Market	Developing Market
Close-In/Yellow Light	5%	15%
Close-In/Green Light	10%	20%
Extended Zone	15%	25%

* * *

The following examples illustrate how the pre-opening criteria for royalty deferral and Impact Thresholds for qualification for the compensation procedures are intended to work.

Example 1:

The Existing Dealer has his Center in a normal market (i.e., not a Developing Market) where 4 other Meineke Centers already exist. Meineke proposes to open a New Center that is to be located 5 miles from the Existing Center, i.e., in the Extended Zone. The PIN Study projects a 5% loss of customers at the Existing Center, i.e., an Extended Zone/Green Light. The Existing Dealer does not qualify for royalty deferral.

The New Center is opened and sales are monitored. The average sales of the other 4 Meineke Centers are $410,000 during the Pre-Opening Period and $438,700 during the Post-Opening Period, giving a positive 7% for the Market Same-Store Sales Change. The sales of the Existing Center are $500,000 during the Pre-Opening Period and $490,000 during the Post-Opening Period, giving a negative 2% for the Existing Center's Same-Store Sales Decline.

Since the New Center is located in the Extended Zone and the Market Same-Store Sales Change is positive, the Impact Threshold equals the Adjustment Factor of 15%. Because the Existing Center's Same-Store Sales Decline is 2% (an amount that is smaller than the 15% Impact Threshold), the Compensation Procedures do not apply. (If the Existing Center had experienced a decrease of more than 15% during the comparison period, then the compensation procedures would have applied.)

Example 2:

The Existing Dealer has his Center in a normal market (i.e., not a Developing Market) where 8 other Meineke Centers already exist. Meineke proposes to open a New Center that is to be located within 3 miles from the Existing Center, i.e., in the Close-In Zone. The PIN Study projects a 12% loss of customers at the Existing Center, i.e., a Close-In/Yellow Light. Despite potentially significant sales decline at the Existing Center, Meineke proceeds to open the New Center and therefore the Existing Center is entitled to royalty deferral during the 12-month Post-Opening Period, not to exceed an amount calculated as follows: The sales of the Existing Center during the Pre-Opening Period of $500,000 is multiplied by the 12% loss of sales projected by the PIN Study, resulting in a sum of $60,000. This amount then is multiplied by the Close-In Zone/Yellow Light gross margin assumption under Section 3.2.2 (i.e., 50%, as established in Section 3.2.2.4), resulting in a maximum royalty deferral of $30,000.

At the close of the 12-month monitoring period, it is determined that the average sales reported to Meineke of the other 8 Meineke Centers was $410,000 during the Pre-Opening Period and $401,800 during the Post-Opening Period, producing a negative 2% Market Same-Store Sales Change. The sales of the Existing Center are $500,000 during the Pre-Opening Period and $450,000 during the Post-Opening Period, giving a negative 10% for the Existing Center's Same-Store Sales Decline.

Since the New Center is located in the Close-In Zone under a Yellow Light, the Adjustment Factor is 5%, which is subtracted from the Market Same-Store Sales Change of negative 2%, resulting in an Impact Threshold of 7%. Because the Existing Center's Same-Store Sales Decline is 10% (an amount that is greater than the 7% Impact Threshold), the Compensation Procedures apply.

3. COMPENSATION PROCEDURES

3.1. Negotiation and Mediation/Arbitration Process.

If the compensation procedures become applicable in accordance with Section 2.6, then Meineke and the Existing Dealer agree to negotiate whether and to what extent during the Post-Opening Period the New Center caused a loss of sales to the Existing Center and the amount of compensation Meineke is to pay to the owner of the Existing Center. If, within 30 days, the parties are unable to reach a mutually acceptable agreement, then the parties agree to submit the matter to mediation and arbitration in accordance with the Mediation and Arbitration Procedures attached hereto as APPENDIX 3.

3.2. Standard of Compensation in Arbitration.

3.2.1. Causation.

In the arbitration proceedings, the owner of the Existing Center has the burden of proof that its sales decline was directly and proximately caused by the opening of the New Center. The arbitrator will not presume such causation and will consider other factors that may have caused the Existing Center's sales decline, such as competition for the Existing Center's customers from other Meineke and non-Meineke automotive maintenance and repair centers, and whether the Existing Center complied with the Meineke system and exerted its best efforts to maximize its sales during the applicable 12-month period after the opening of the New Center.

If the arbitrator determines that the opening of the New Center was the direct and proximate cause of the Existing Center's Same-Store Sales Decline in an amount greater than the applicable Impact Threshold, then the arbitrator may award "profit pass-over" compensation to the owner of the Existing Center, as determined in accordance with Section 3.2.2.

3.2.2 Calculation of "Profit Pass-Over" Compensation

The amount of "profit pass-over" compensation is calculated based on the pre-opening criteria set forth in Section 2.3 and certain other factors, as follows.

3.2.2.1. Close-In Zone/Yellow Light.

If the New Center is in the Close-In Zone under a Yellow Light, then the arbitrator may award to the owner of the Existing Center the amount of lost sales in the Post-Opening Period caused by the opening of the New Center in excess of the applicable Adjustment Factor (i.e., 5% or, in a Developing Market, 15%) multiplied by 50% (a percentage which does not reflect any reasonable estimate of a Meineke Center's gross margin, but is purposefully intended to be higher)

and that number multiplied by the number of years that the arbitrator determines to be the likely duration of the adverse effect on sales to the Existing Center, not to exceed 8 years.

3.2.2.2. Close-In Zone/Green Light.

If the New Center is in the Close-In Zone under a Green Light, then the arbitrator may award to the owner of the Existing Center the amount of lost sales in the Post-Opening Period caused by the opening of the New Center in excess of the applicable Adjustment Factor (i.e., 10% or, in a Developing Market, 20%), multiplied by 34% (the average gross margin of a Meineke Center alleged by the plaintiffs in the Broussard litigation) and that number multiplied by a number of years that the arbitrator determines to be the likely duration of the adverse effect on sales to the Existing Center, not to exceed 8 years.

3.2.2.3. Extended Zone/Yellow Light.

If the New Center is in the Extended Zone under a Yellow Light, then the arbitrator may award to the owner of the Existing Center the amount of lost sales in the Post-Opening Period caused by the opening of the New Center in excess of the applicable Adjustment Factor (i.e., 15% or, in a Developing Market, 25%) multiplied by 34% (the average gross margin of a Meineke Center alleged by plaintiffs in the Broussard litigation) and that number multiplied by a number of years that the arbitrator determines to be the likely duration of the adverse effect on sales to the Existing Center, not to exceed 4 years.

3.2.2.4. Extended Zone/Green Light.

If the New Center is in the Extended Zone under a Green Light, then the arbitrator may award to the owner of the Existing Center the amount of lost sales in the Post-Opening Period caused by the opening of the New Center in excess of the applicable Adjustment Factor (i.e., 15% or, in a Developing Market, 25%), multiplied by 25% (the average gross margin of a Meineke Center alleged by the defendants in the Broussard litigation) and that number multiplied by a number of years that the arbitrator determines to be the likely duration of the adverse effect on sales to the Existing Center, not to exceed 4 years.

The following table summarizes the compensation formulas.

	Adjustment Factor		Gross Margin Assumption	Length of Time Limitation
	Normal Market	Developing Market		
Close-In/Yellow Light	5%	15%	50%	8 years
Close-In/Green Light	10%	20%	34%	8 years
Extended Zone/Yellow Light	15%	25%	34%	4 years
Extended Zone/Green Light	15%	25%	25%	4 years

3.2.2.5. Overall Compensation Limitation.

Any award pursuant to this Section 3.2 is subject to an overall limitation as follows. Each annual installment, as determined pursuant to Section 3.2.3, shall be no greater than 75% of the royalty fees Meineke received from the New Center during the first 12 months after its opening.

* * *

The following example illustrates how the compensation formulas are intended to work.

Example:

Let's assume that in Example 2, on page 7-8, Meineke and the Existing Dealer are unable to mutually agree (on their own or with the assistance of a mediator) on whether and to what extent compensation should be paid to the Existing Dealer, and the matter is then submitted to arbitration. Let's assume that the arbitrator has determined that the entire loss of sales of the Existing Center as compared to the local market (i.e., 8%, consisting of the difference between the Existing Center's 10% same-store sales decline and the local market's 2% same-store sales decline, multiplied by the Existing Store's Post-Opening Period Sales of $450,000, resulting in $36,000) is directly and proximately caused by the opening of the New Center and not by any other factors. The arbitrator must use the compensation formula for a Close-In/Yellow Zone and deduct $25,000 (i.e., the Existing Center's sales during the Pre-Opening Period of $500,000, multiplied by the Adjustment Factor of 5%) from the $36,000 loss of sales attributable to the opening of the New Center, i.e., $11,000. This amount is multiplied by 50% (gross margin factor) and then multiplied by a number of years determined by the arbitrator, let's assume 5 years. Thus, the total amount of compensation is $27,500, payable in annual installments of $5,500 each over 5 years pursuant to Section 3.2.3 (subject to reduction as described in Section 3.2.3) and subject to the overall compensation limitation of Section 3.2.2.5.

* * *

3.2.3. Payment and Adjustment of Compensation.

The "profit pass-over" compensation so determined will be paid in annual installments and subject to adjustment as follows. The number of annual installments will equal the number of years the arbitrator has determined to be the likely duration of the adverse effect on sales of the Existing Center and the amount of each installment will be the amount of the award divided by the number of annual installments. The first installment will be payable within 60 days after the arbitrator's final award, the second installment within 60 days after the first anniversary of the last day of the Post-Opening Period ("the Last Day") and each subsequent payment within 60 days after the next anniversary of the Last Day until the entire award is paid. Payment of installments of the award is subject to offset, including any amounts due under the note for deferred royalties.

Each annual installment is subject to reduction as a result of better sales performance of the Existing Center in comparison to the other Meineke Centers in the market area, as follows. After each anniversary of the Last Day, Meineke will determine the average sales results during the one-year period ending on that anniversary of the Last Day ("Measurement Period") of all Meineke Centers in the market area whose results were included in the determination of the Market Same-Store Sales Change under Section 2.6, as well as the sales results of the Existing Center during the Measurement Period. Meineke will then calculate the percentage by which the average sales results for such other Meineke Centers for the Measurement Period increased or decreased from the average sales results of such Meineke Centers during the Post-Opening Period. The percentage so determined (whether an increase or decrease, i.e., a positive or negative percentage) is called "the Post-Award Market Same-Store Sales Change". Meineke will also calculate the percentage by which the sales results of the Existing Center for the Measurement Period increased or decreased from the average sales results of the Existing Center during the Post-Opening Period. The percentage so determined (whether an increase or decrease, i.e., a positive or negative percentage) is called "the Post-Award Existing Center's Same-Store Sales Change". If the percentage of the Post-Award Existing Center's Same-Store Sales Change is greater than the percentage of the Post-Award Market Same-Store Sales Change, then Meineke will subtract the percentage of the Post-Award Market Same-Store Sales Change from the percentage of the Post-Award Existing Center's Same-Store Sales Change and multiply that percentage by the total sales of the Existing Center during the Measurement Period and then multiply that number by the applicable Gross Margin under Section 3.2.2 in order to determine the amount by which the annual payment for that year should be reduced as a result of the Existing Center's above-market sales performance.

The award is valid only so long as the Existing Dealer continues to own his Center. Upon any termination or expiration (without renewal) of the franchise, any remaining installments will be canceled. Upon any direct or indirect sale or other transfer of the Existing Center, any remaining installments will be canceled, except upon a transfer on death or permanent disability or upon a voluntary transfer within 3 years after the arbitration award, provided in each case the right to the award is assigned to the new owner of the Existing Center.

Any claim or controversy relating directly or indirectly to the application or interpretation of the Policy is subject to the mediation/arbitration procedures contained herein.

4. SPECIAL CASE: PURCHASE OF A COMPETITOR

If Meineke or any of its subsidiaries (and specifically excluding all other affiliated entities) acquires a business, then to the extent any retail outlet of such business at the time of the acquisition is located in the "Protected Area" defined in the Franchise Agreement and 15% or more of such outlet's revenues during the 12 months prior to the acquisition are derived from "Core Authorized Products and Services" (as defined in the Franchise Agreement), this outlet will be deemed a "Competitive Center".

Dealer may request, in writing, notification on whether the newly acquired retail outlet, during the 12 months prior to the acquisition, derived revenues of 15% or more from Core Authorized Products and Services in your Protected Area. Dealer may also request, in writing, a

review of the revenue statement of the newly acquired retail outlet subject to the execution of a confidentiality agreement and provided that Meineke is not prohibited or restricted from releasing such information.

If at the end of 12 months after the acquisition ("Post-Acquisition Period") the Competitive Center is still owned by Meineke (or one of its subsidiaries), or franchised or otherwise licensed by Meineke (or one of its subsidiaries) to conduct its business, then you may invoke the Policy by sending to Meineke within 30 days after the end of the Post-Acquisition Period, the "Initiation of Encroachment Insurance Policy" form attached as APPENDIX 1. Meineke will not conduct a PIN Study under Section 2.2 hereof, nor will royalty deferral be available. However, the Competitive Center will be deemed to be a "New Center" for other purposes, and Meineke will monitor sales pursuant to Section 2.5 hereof, with the Pre-Opening Period consisting of the 12 months prior to the acquisition and the Post-Opening Period being the 12 months after the Post-Acquisition Period. In accordance with the provisions of Section 2.6, the compensation procedures of Section 3 will be applicable. If the Compensation Procedures are applicable, then all of the provisions of Section 3 shall be applicable, except that the arbitrator shall have the right under the first paragraph of Section 3.2.2 to double the award that would otherwise be permitted under that paragraph.

APPENDIX 1

Meineke Franchisor SPV LLC
440 South Church Street
Suite 700
Charlotte, North Carolina 28202
Attn: Legal Department

Gentlemen:

In accordance with Meineke's Encroachment Insurance Policy ("the Policy"), I have received a written notice of a proposed new Meineke Center to be located at _____ (the "New Center"). I acknowledge that I have received and read a copy of the Policy and understand it, even though it is, by its very nature, complex.

This letter serves to formally notify you that, upon due consideration, and with the advice of legal counsel, I hereby wish to invoke the Policy with respect to my Meineke Center located at _____, _____ (Center No. _____) ("My Existing Center") and agree to abide by the Policy.

For good and valuable consideration, including the right to compensation in accordance with and subject to the terms and conditions of the Policy, the receipt and sufficiency whereof is hereby acknowledged, I hereby agree not to institute any judicial or arbitration proceeding, or otherwise assert any legal or equitable claim, against Meineke Franchisor SPV LLC, any of its affiliates or any of their respective shareholders, directors, officers, employees, agents, successors or assigns, either affirmatively or by way of cross complaint, affirmative defense or counterclaim, or in any other manner, with respect to the opening of the New Center or the effect, if any, that the operation of the New Center has or may have on the revenues or business of My Existing Center, other than pursuant to and in accordance with the Policy.

Sincerely,

APPENDIX 2

DEMAND PROMISSORY NOTE

$_____ _____
_____,_____

FOR VALUE RECEIVED, the undersigned (collectively, "Maker"), jointly and severally, promise to pay to the order of MEINEKE FRANCHISOR SPV LLC ("Meineke"), a Delaware limited liability company with its principal place of business located at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202, ON DEMAND the principal sum of _____ _____ DOLLARS ($_____).

Until demand for payment is made, this Note shall not accrue interest.

The Maker hereby waives presentment, notice, protest and all other notices required or permitted hereunder and by law in connection with the delivery, acceptance, performance, default or enforcement of this Note, and assents to any extension or postponement of the time of payment or of any other indulgence, substitution, exchange or release of collateral, and/or to the addition or release of any other party or person primarily or secondarily liable on this Note.

This Note is being given to evidence the loan by Meineke to Maker for royalty deferral pursuant to Meineke's Encroachment Insurance Policy ("the Policy"), the terms of which are expressly made a part of this instrument. The Maker acknowledges that payment may be demanded by Meineke upon the earlier to occur of: (i) settlement of the development dispute which is the subject of Maker's invocation of the Policy through mediation or otherwise, (ii) conclusion of the arbitration proceedings under the Policy, or (iii) any default by the Maker of the terms of any franchise agreement or other agreement with Meineke. The terms, covenants and conditions of agreements between the Maker and Meineke are expressly made a part of this instrument.

This Note is payable by mail or in person at the office of Meineke or such other place as Meineke may designate.

In the event of delinquency in the payment of any principal or interest payment due on this Note or in the event of any other default under this Note, and it becomes necessary to retain an attorney for collection or to enforce the terms and conditions hereof, the Maker agrees to pay reasonable attorneys' fees.

The enforceability of the terms of this Note and the legality of the interest rate specified herein shall be interpreted in accordance with and governed by the laws of the State of North Carolina. In the event of any judicial or arbitration proceeding involving this Note, Maker agrees that this

Note shall be construed in accordance with North Carolina law or the law of any other jurisdiction which has any relationship to the transaction and under whose laws the Note would be enforceable.

In the event payment in full is not made within thirty (30) days of demand, interest on the unpaid balance shall accrue at the highest contract rate of interest permitted by law, not to exceed 3% above the prime rate announced from time to time by The Chase Manhattan Bank or any other national bank Meineke selects.

During the term of this Note, and upon ten (10) days written request by Meineke, Maker agrees to give Meineke adequate assurances as to Maker's ability to comply with the terms of this Note. Such assurances shall include, but not be limited to, Maker's then current financial statements. Maker agrees that Meineke may disclose such financial statements, or any other financial information pertaining to Maker which Meineke may possess, to any potential buyer, assignee or holder in due course of this Note.

This Note is personal to the Maker and is not assignable. In the event Maker directly or indirectly sells, assigns or otherwise transfers its interest in the Franchise Agreement between Meineke and Maker dated _____, _____ for Meineke Center #_____ ("the Franchise Agreement"), the entire principal amount then outstanding on this Note shall immediately become due and payable. This Note is assignable by Meineke.

The Maker acknowledges that a default under the terms of this Note shall constitute a default under the terms of the Franchise Agreement. If Maker fails to cure any such default within thirty (30) days of delivery of written notice, Meineke shall have the right to terminate the Franchise Agreement.

_____

APPENDIX 3

MEDIATION/ARBITRATION PROCEDURES

1. MEDIATION PROCEDURES

1.1 Mediation Process

Meineke shall notify the ADR Organization (as defined below) of the commencement of the mediation process. The mediation process is mandatory and non-binding.

1.2 Selection of Mediator

A panel of mediators of a third party dispute resolution organization (the "ADR Organization"), such as the Center For Public Resources, Inc., a nationally recognized not-for-profit corporation dedicated to resolving business disputes without resorting to litigation, will be selected by Meineke.

Unless otherwise agreed to by the parties to the mediation process, no person selected as a mediator shall:

a) have been a Meineke Dealer during the preceding five years;

b) have been an officer, director or employee of Meineke or any affiliate of Meineke, or of any Meineke Dealer or such dealer's affiliate during the preceding five years; or

c) have performed significant professional services for Meineke, one or more Meineke Dealers or any Meineke Dealer organization during the preceding five years.

A mediator shall be selected by the parties from a panel of three (3) candidates identified to the parties by the ADR Organization from the region in which the Existing Center is located, not later than sixty (60) days following Meineke's request for mediation. If the parties cannot agree on the selection of the mediator from the originally proposed panel, then the ADR Organization shall select the mediator at random from the other members on its panel, but not from the original three member panel.

The mediator's per diem or hourly charge shall be established at the time of selection. Fees and expenses of the mediator and any other expenses of the mediation process shall be shared equally by the parties. Each party shall bear its own expenses in preparing for and participating in the mediation process.

1.3 Mediation Session

The mediation session shall be conducted by the mediator at an informal exchange (the "Mediation Session") held in the locale of the Existing Center at a place and time agreeable to Meineke, the Existing Dealer and the mediator. The mediator shall determine the format of the session, which shall be designed to ensure that both the mediator and the parties have an opportunity to hear an oral presentation of the other party's views and that the parties attempt to reach a resolution, with or without counsel or others, but with the assistance of the mediator.

The Mediation Session shall be conducted not less than sixty (60) days, nor more than one hundred twenty (120) days following selection of the mediator. The mediator shall control the procedural aspects of the Mediation Session in accordance with these procedures and the parties shall cooperate fully with the mediator. The mediator shall be free to meet and communicate separately with each party.

Meineke and the Existing Dealer may be represented by more than one person, such as a business person, attorney, accountant or other financial consultant. At least one representative of Meineke and the Existing Dealer must be present and authorized to negotiate a settlement.

Each participant involved in the mediation process has a privilege to refuse to disclose, and to prevent any person present at the proceeding from disclosing, communications made during the proceedings. The entire mediation process shall be considered settlement negotiations. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation process by any of the participants, their agents, employees, experts and attorneys and by the mediator, shall be confidential. Such offers, promises, conduct and statements are privileged under any applicable mediation privilege, and shall be inadmissible and not discoverable for any purpose, including impeachment, for purposes of any subsequent arbitration proceedings hereunder or otherwise. The mediator shall be disqualified as a witness, consultant, or expert for any participant, and in rendering a decision or award, the mediator's oral and written opinions shall be inadmissible for all purposes in this or any other dispute involving the participants.

1.4 Restrictions on Mediator

If the Mediation Process does not result in a resolution and the matter proceeds to arbitration pursuant to Section 2, the mediator may not serve as the arbitrator, unless the parties specifically agree otherwise.

The mediator may freely express his views to the parties on the legal issues unless a party objects to his doing so. The mediator may obtain assistance and independent expert advice, with the agreement of the parties and at the parties' expense. The mediator shall not be liable for any act or omission in connection with the role of mediator.

1.5 Submissions to Mediator

The mediator may request the parties present a written summary of their positions to the mediator with such additional information as the mediator deems necessary to become familiar with the matter.

1.6 Settlement

If the parties have failed to reach a mutually acceptable settlement prior to the end of the Mediation Session, the mediator, before concluding the Mediation Session, may submit to the parties a settlement proposal which the mediator deems to be equitable to both parties. Each of the parties shall carefully evaluate the proposal and discuss it with the mediator. If a settlement is reached, the mediator, or one of the parties at the request of the mediator, shall draft a settlement agreement for execution which shall be edited as necessary by all parties until it is mutually acceptable.

1.7 Conclusion of Mediation

The parties shall cooperate with the mediator and each other and continue until the mediator terminates the process. The mediator shall terminate the mediation process upon the earlier of: (i) execution of a settlement agreement, (ii) a declaration by the mediator that the mediation is terminated, or (iii) completion of a full day Mediation Session unless extended by agreement of the parties.

Upon termination of the mediation process without a settlement, the parties shall proceed with arbitration according to the procedures set forth in Section 2. However, the parties shall refrain from instituting arbitration procedures for a period of five (5) days following the conclusion of the mediation.

2. ARBITRATION PROCEDURES

2.1 Institution of Proceeding

If the dispute is not resolved through mediation as described above, the dispute will be submitted to binding arbitration by the ADR Organization.

2.2 The Arbitrator

The ADR Organization shall submit to the participants not later than ten (10) days after the conclusion of the Mediation Process a panel of three (3) proposed arbitrators from the region in which the Existing Center is located. The parties shall select the arbitrator from the panel. The final selection of the arbitrator shall be completed not later than thirty (30) days after the conclusion of the mediation process referenced in Section 1 above. If the parties cannot agree on the selection of the arbitrator from the originally proposed panel, then the ADR Organization shall select the arbitrator at random from the other members on its panel but not from the original three member panel.

The arbitrator may not be the same individual as the mediator chosen for the Mediation Process described in Section 1, unless otherwise agreed to by the parties. The arbitrator shall assume the duties described in this Section 2 and perform them in accordance with the procedures set forth herein. The arbitrator shall sign an "Arbitrator Retention Agreement" in substantially the form attached hereto as Exhibit "A".

No participant, nor anyone acting on its behalf, shall unilaterally communicate with the arbitrator on any matter of substance, except as specifically provided for herein or as agreed to by the participants. Not later than forty-five (45) days after the conclusion of the Mediation Process, each participant shall send a summary of its position to the arbitrator for the purpose of familiarizing the arbitrator with the facts and issues in the dispute, with a copy being provided simultaneously to the other parties. The participants shall comply promptly with any requests by the arbitrator for additional documents or information relevant to the dispute.

The arbitrator's per diem or hourly charge shall be established at the time of selection. Unless the participants otherwise agree, fees and expenses of the arbitrator and any other expenses of the proceeding shall be borne equally by the parties.

Unless otherwise agreed to by the parties to the arbitration process, no person selected as an arbitrator shall:

(a) Have been a Meineke Dealer during the preceding five years;

(b) Have been an officer, director, or employee of Meineke or any affiliate of Meineke, or of any Meineke Dealer or such dealer's affiliate during the preceding five years; or

(c) Have performed significant professional services for Meineke, one or more Meineke Dealers or any Meineke Dealer organization during the preceding five years.

If the arbitrator is or becomes unavailable to conduct the arbitration meeting, the arbitrator shall notify the participants and the ADR Organization of his/her unavailability, in which case a replacement arbitrator shall be selected by the parties or, if the parties cannot agree within the time specified by the ADR Organization, then the ADR Organization shall select the arbitrator from the remaining members of the panel, but not from the originally proposed three-member panel.

2.3 Pre-Meeting Disclosure

It is anticipated that the participants may have a need for discovery to prepare for the arbitration meeting. Each participant shall have the right to depose each expert witness and all other witnesses, who shall be identified by each participant. The participants shall attempt, in good faith, to agree on a plan for reasonably necessary, expeditious discovery. If they fail to agree, any participant may request a joint meeting (by telephone) with the arbitrator, who shall assist the participants. In the absence of an agreement, a discovery plan shall be implemented by the arbitrator.

Before the arbitration meeting, at a time mutually agreed upon by the participants but not later than thirty (30) days prior to the date set for the arbitration meeting, all participants shall exchange, and submit to the arbitrator, all documents or other exhibits on which the participants intend to rely during the arbitration meeting. In addition, the participants shall exchange, and submit to the arbitrator, a brief that shall include the following: (a) a summary of all expert witness opinions to be expressed and the basis and reasons for those opinions, including the data or other information relied upon in forming such opinions; (b) the qualifications of any expert witness, including education and employment history and a listing of other matters in which the expert witness has testified as an expert; and (c) a summary of the statements to be made by such participant during the arbitration meeting. The brief shall not exceed fifteen (15) pages, single-spaced or thirty (30) pages double-spaced.

Each participant is under a duty to reasonably supplement or correct its disclosures if the participant obtains information on the basis of which it knows that the information previously disclosed was either incomplete or incorrect when made, or is no longer complete or true. The arbitrator shall, upon request of an aggrieved participant, grant such appropriate non-monetary relief to assure that these disclosure procedures are followed and that adequate pre-arbitration meeting disclosure is made.

2.4 Arbitration Meeting

Each participant shall make an oral presentation and present proofs to the arbitrator at an informal information exchange conducted by the arbitrator (the "arbitration meeting"). No later than forty-five (45) days after the close of the Mediation Session, the participants and the arbitrator shall establish the date and time of the arbitration meeting. The arbitration meeting shall be set to commence not later than ninety (90) days from the close of the Mediation Session.

The arbitration meeting shall be held before the arbitrator in the locale of the Existing Center and at a location agreed to by the participants and the arbitrator.

During the arbitration meeting each participant shall make a presentation of its best case, and each participant shall be entitled to a rebuttal.

The order and permissible length of presentations and rebuttals shall be determined by agreement between the participants, or failing such agreement, by the arbitrator. It is the intention that the arbitration meeting be as brief as possible, but to allow each participant a reasonable opportunity to present his position. Each participant's initial presentation shall not exceed two hours and shall not be interrupted except by the arbitrator. Each participant shall have no more than one hour within which to question the other participant and its witnesses. Each rebuttal shall not exceed one hour. As long as each party is treated equally, the arbitrator may extend or shorten such time periods, provided that the arbitration meeting shall not exceed two days unless otherwise agreed to by the parties.

The arbitrator shall control and direct the arbitration meeting. The presentations and rebuttals of each participant may be made in any form, and by any individuals, as desired by such participant. Presentations by fact witnesses and expert witnesses shall be permitted. No rules of evidence, including rules of relevance, shall apply at the arbitration meeting, except that no witness or participant shall be required to divulge privileged communications or the advice and/or work product of an attorney. Witnesses shall be required to testify under oath or affirmance.

Following each initial presentation, the arbitrator may ask questions of counsel or other persons appearing on that participant's behalf. Following the arbitrator's questions, any other participant or its representatives, including counsel, may ask questions of such counsel, participant or other persons.

Each participant shall be represented by at least one member of its management and, at its option, legal counsel, at the arbitration meeting. Members of the management of each participant, and their counsel, may ask questions of opposing counsel and witnesses during the open question and answer exchanges.

In addition to legal counsel, each participant may have advisors in attendance at the arbitration meeting, provided that notice is given to all participants and the arbitrator of the identity of such advisors at least five (5) days before commencement of the arbitration meeting.

2.5 Negotiations Between Management Representatives

At the conclusion of the rebuttal presentations, the management representatives of each participant shall meet one or more times, as necessary, and shall make all reasonable efforts to agree on a resolution of the dispute.

At the arbitrator's discretion, the arbitrator may meet with each participant's management representatives jointly or, with agreement of the parties, separately in an attempt to facilitate the negotiations and propose settlement terms. The arbitrator shall control the procedures to be followed in this facilitated negotiations phase. Counsel shall be permitted to communicate privately with their clients. At the discretion of the arbitrator and with the agreement of the participants, negotiations may proceed in the absence of counsel.

If an agreement is reached, it shall be reduced to writing and signed by the participants and their counsel, if any.

2.6 Confidentiality

Each participant involved in the Arbitration proceeding has a privilege to refuse to disclose, and to prevent any person present at the proceeding from disclosing, communications made during such proceedings. The entire Arbitration Process shall be considered settlement negotiations. All offers, promises, conduct and statements, whether oral or written, made in the course of the proceedings by any of the participants, their agents, employees, experts and attorneys and by the arbitrator, shall be confidential. Such offers, promises, conduct and statements are privileged under any applicable mediation privilege, and shall be inadmissible and not discoverable for any purpose, including impeachment. The arbitrator shall be disqualified as a witness, consultant, or expert for any participant, and in rendering a decision or award as is hereinafter provided, the arbitrator's oral and written opinions shall be inadmissible for all purposes in this or any other dispute.

2.7 Decision of the Arbitrator

If the participants do not reach an agreement as a result of the negotiations between management representatives as facilitated by the arbitrator, then the arbitrator shall declare an impasse and render a decision or an award as provided in these rules. The declaring of an impasse shall be within the sole discretion of the arbitrator. The decision or award of the arbitrator shall be strictly in accordance with the Policy to which these Procedures are attached and made a part of, shall be in writing and shall be signed by the arbitrator. The arbitrator shall deliver a copy to each participant either personally or by registered or certified mail, or as provided otherwise by these rules, not later than thirty (30) days after conclusion of the arbitration meeting. The decision of the arbitrator shall be dated and shall identify the prevailing participant and the amount of the award, if any, due to the Existing Dealer.

The decision or award of the arbitrator shall be one of the following:

(a) A decision that the New Center has not directly and proximately caused a reduction in the revenues or profits of the Existing Center during the Post-Opening Period; or

(b) A decision that no compensation is due the Existing Dealer based on a finding that the dealer has failed to prove that the New Center has directly and proximately caused a reduction in the annual gross revenue of the Existing Center during the Post-Opening Period in an amount in excess of the applicable Adjustment Factor, as specified in the Policy; or

(c) A decision that compensation is due the Existing Dealer based on a finding that the dealer has proven that the New Center has directly and proximately caused lost sales at the Existing Center during the Post-Opening Period in excess of the applicable Adjustment Factor. The compensation to the Existing Dealer shall be calculated strictly in accordance with the Policy.

The arbitrator shall provide reasons or an explanation for the decision or award. If necessary, the decision or award of the arbitrator shall be binding. The decision or award of the arbitrator shall be confirmed and enforced as an arbitration award in accordance with the law of the appropriate court of competent jurisdiction.

EXHIBIT "A"
ARBITRATOR RETENTION AGREEMENT

This agreement is made this _____ day of _____, _____.

A dispute involving the development of a new Center by Meineke Franchisor SPV LLC ("Meineke") has arisen between Meineke and _____ ("Dealer"). Meineke and Dealer have agreed to participate in an alternative dispute resolution procedure pursuant to the Meineke Encroachment Insurance Policy and attached Mediation/Arbitration Procedures, a copy of which is annexed hereto (collectively, the "Policy"). _____ ("Arbitrator") has been chosen as the Arbitrator for the dispute. Meineke, Dealer and the Arbitrator accordingly agree as follows:

1. The Arbitrator agrees to be bound by and to use his best efforts to comply faithfully with the Policy, including without limitation, the provisions regarding confidentiality.

2. The Arbitrator and the Arbitrator's employees, agents, partners and shareholders, if applicable, shall not be liable for any act or omission in connection with the arbitration proceedings held pursuant to the Policy, other than as a result of fraud or an intentional and willful failure to comply with a material provision of the Policy after having received written notice of such failure and refusal by the Arbitrator to correct such failure. Exercise of discretion shall, by itself, in no event result in any liability.

3. The Arbitrator has made a reasonable effort to learn and has disclosed to the parties in writing:

(a) All business or professional relationships the Arbitrator has had with the parties or the parties' law firms within the past five (5) years, including all instances in which the Arbitrator has served as an attorney for any party or adverse to any party;

(b) Any financial interests the Arbitrator has in any party;

(c) Any significant social, business or professional relationship the Arbitrator has had with an officer or employee of any party or with an individual representing a party; and

(d) Any other circumstances that may create doubt regarding an Arbitrator's impartiality.

4. Neither the Arbitrator nor the Arbitrator's firm shall undertake any work for or against a party regarding the subject matter of these proceedings.

5. Neither the Arbitrator nor any person assisting the Arbitrator with this dispute shall personally work on any matter for or against any party or its affiliates, regardless of the subject matter, prior to six (6) months following cessation of the Arbitrator's services in this proceeding, other than as an Arbitrator in this or another proceeding.

6. The Arbitrator's firm may work on matters for or against a party during the pendency of these proceedings, only if such matters are unrelated to the subject matter of these proceedings, have been disclosed in advance to all parties hereto, are discussed with all of the parties hereto, and are expressly consented to in writing by such parties ("Unrelated Approved Activities"). The Arbitrator shall establish appropriate safeguards to ensure that other members or employees of the Arbitrator's firm working on Unrelated Approved Activities do not have access to any confidential information obtained by the Arbitrator during the course of these proceedings. Arbitrator hereby represents that there are no unrelated Approved Activities as of the date hereof.

7. The Arbitrator shall be compensated for services performed in accordance with the Policy.

8. Counsel representing each party is as follows:

Counsel for Dealer:

_____
_____
_____

Counsel for Meineke:

_____
_____
_____

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement on the day and year first above written.

Meineke Franchisor SPV LLC

By:_____

ARBITRATOR

By:_____
(print)

[DEALER]

By:_____

Name:_____
(print)

EXHIBIT K

RELEASE OF TELEPHONE NUMBER AND TRANSFER OF TELEPHONE SERVICE

RELEASE OF TELEPHONE NUMBER AND TRANSFER OF TELEPHONE SERVICE

This telephone release ("Release" or "Telephone Release") is entered into and made in favor of Meineke Franchisor SPV LLC by the undersigned franchisee ("Franchisee").

WHEREAS, Meineke Franchisor SPV LLC ("Meineke") is the national franchisor of Meineke Car Care Centers throughout the United States;

WHEREAS, the undersigned "Franchisee" has executed the Meineke Franchise and Trademark Agreement ("Agreement") for the operation of Meineke Car Care Center No. _____ located at _____, which provides that the telephone number used in the operation of Franchisee's Meineke Car Care Center shall be to the extent allowed by the local telephone company the property of Meineke;

WHEREAS, the telephone service associated with this telephone listing is to be established under the name Meineke Franchisor SPV LLC;

WHEREAS, the telephone numbers and listings have been procured for Franchisee's use by or at the direction of Meineke;

WHEREAS, Franchisee acknowledges and understands that the telephone listing will be used by Franchisee in the operation of his Meineke Car Care Center, will be displayed in various directory listings and advertisements in conjunction with Meineke's name and federally registered service marks and that these proprietary marks are the sole and exclusive property of Meineke;

WHEREAS, Franchisee acknowledges that the Meineke name, service marks and the goodwill associated with those names and marks are of the greatest value to Meineke, and that if Franchisee's Meineke franchise license were to be terminated or otherwise discontinued, or he were to cease operating his Meineke Car Care Center, but retained the use and control of the telephone listing referred to in this Release, Meineke would be irreparably harmed and without an adequate remedy at law. Under those conditions Meineke would be entitled to a temporary, preliminary and/or permanent injunction without the need to show actual or threatened harm;

WHEREAS, because the telephone listing will be in the name of Meineke Franchisor SPV LLC, Meineke will be called from time-to-time to guaranty the payment of the invoices associated with the telephone service that accompanies this telephone listing; and

WHEREAS, Franchisee acknowledges that in the event that Meineke were called upon to guaranty the payment of the telephone service accompanying this telephone listing or the Franchisee's franchise is terminated or he ceases to operate his Meineke Car Care Center under the name Meineke for any reason, then in order to protect the subject telephone listing as being associated with the Meineke system then Franchisee would be required to assign and transfer the telephone listing to Meineke.

NOW, THEREFORE, for and in partial consideration for the use of Meineke's federally registered trade name and proprietary marks in various directories, the undersigned Meineke Franchisee hereby

authorizes the above referenced telephone company, in the event that Franchisee's Franchise and Trademark Agreement is terminated, rejected, rescinded or Franchisee ceases operating a Meineke Car Care Center, to transfer, upon written notice from Meineke that Franchisee has been terminated or is no longer operating a Meineke Car Care Center, all telephone listings ("Telephone Listings") together with the telephone service used in conjunction with the listings, regardless of any code that may be placed upon such listings, to Meineke Franchisor SPV LLC, a Delaware limited liability company, with its principal place of business located at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202.

In the event that Franchisee's Franchise and Trademark Agreement is terminated, rejected, rescinded, Franchisee ceases operating a Meineke Car Care Center, or Meineke is called upon to honor or satisfy any guaranty of the Telephone Listings by the applicable telephone company, the undersigned Franchisee grants to Meineke the irrevocable right to have these Telephone Listings removed, transferred, or suspended, from his place of business in accordance with the terms of the Meineke Franchise and Trademark Agreement. Further, in such event, Franchisee hereby acknowledges and agrees the telephone company shall have the right, authority and obligation to transfer the Telephone Listings to Meineke as detailed in this Release regardless of any code or protection that is or has been placed upon such telephone listing.

In transferring the Telephone Listings to Meineke in accordance with the terms of this Release, the undersigned hereby relinquishes any and all right, title and interest he or she may have in and to the Telephone Listings, and further agrees that in the event that the form of this Release is not in a form that is acceptable to the local telephone company then Franchisee agrees to execute any document or documents that the telephone company may require to accomplish the matters recited in this Release.

Furthermore, at any time during the term of Franchisee's Franchise and Trademark Agreement or upon or subsequent to the termination of that Agreement, the undersigned Franchisee hereby authorized Meineke to place a protective code on the Telephone Listings restricting access to the listings from unauthorized individuals, including the Franchisee, in order to protect the franchise system in the event that the Franchisee ceases operating his business as a Meineke Car Care Center.

Executed this _____ of _____, _____.

INDIVIDUALS:

By: _____ By: _____
Print Name: _____ Print Name: _____

CORPORATION/COMPANY:

_____ (Corporation/Company Name)

By: _____ By: _____

Print Name: _____ Print Name: _____

Title: _____ Title: _____

EXHIBIT L

RENEWAL/RESALE RELEASE

RENEWAL/RESALE RELEASE

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

RENEWAL/RESALE
RELEASE

THIS RENEWAL/RESALE RELEASE ("Release") is entered into by and between **MEINEKE FRANCHISOR SPV LLC**, a Delaware limited liability company with its principal offices located at 440 South Church Street, Charlotte, North Carolina 28202 ("Meineke"), and **[FRANCHISEE]**, a **[CORP TYPE]**, with a principal address located at **[CORP ADDRESS]** and **[INDIVIDUALS]**, residents of **[STATE]** ("Franchisee"). For purposes of this Release, "Meineke" and "Franchisee" are sometimes collectively referred to as, "Parties."

WHEREAS, pursuant to that one certain Meineke Franchise and Trademark Agreement entered into as of _____, by and between Franchisee and Meineke ("Agreement"), where Franchisee was granted a license to operate a Meineke Center located at **[CENTER ADDRESS]** ("Center No. _____");

WHEREAS, certain circumstances have arisen that necessitate that the franchise relationship granted by the Agreement between Meineke and Franchisees be [renewed/terminated].

THEREFORE, in consideration of the mutual promises contained herein and the grant of a [renewal/termination] of the existing Agreement, the sufficiency all of which is hereby confessed, the Parties agree as follows:

1. [The Agreement that has governed the relationship between Meineke and Franchisee is extended effective upon the date that this Release is signed by both Parties through the date that the new Franchise and Trademark Agreement is executed by both Parties, subject to the conditions stated herein.] [The Agreement that has governed the relationship between Meineke and Franchisee is hereby terminated effective upon signature by both Parties and as of the date signed by Meineke, subject to the conditions stated herein.]

2. Franchisee, its heirs, executors, administrators, successors and assigns, hereby releases Meineke, and its past and present, direct or indirect, parents, subsidiaries, members, affiliates, officers, directors, managers, current and former employees, agents, representatives, successors and assigns of and from any and all rights, duties, responsibilities, claims or causes of action whatsoever, whether in contract or in tort, existing by common law or by statute, known or unknown, heretofore existing between Meineke and Franchisee which may have accrued or which may accrue on account of, arising from, or in any manner growing out of or resulting from the franchise relationship and the Agreement governing that relationship. Nothing in this paragraph shall constitute a waiver of future compliance under any law of any state. This section of the release shall become effective as of the date of this Release as referenced herein, and any claims that Franchisees may have pending, not finally resolved, or may discover relating to his franchise relationship with Meineke, up to the date of this Release may not be asserted by Franchisee without such claim being subject to a dismissal by virtue of this Release. Nothing in this section shall invalidate any statute of limitations that may have run on any claim that Franchisee claims to have against Meineke, where such statute of limitations would have run prior to or as of the date of this Release. Nothing in this paragraph shall constitute a waiver of compliance under any law of any state.

3. [Subject to the closing of the sale of the franchise for Center No. _____ and Franchisee's fulfillment of its obligations regarding such transfer contained in the Agreement for said Center, including, but not limited to, the payment of all amounts owed to Meineke for Franchisee's operation of the Center, Meineke, and its past and present, direct or indirect, parents, subsidiaries, members, affiliates, officers, directors, managers, current and former employees, successors and assigns, hereby release Franchisee and its guarantors from any and all duties, responsibilities and claims that they have or may have now or at any time in the future arising out of the Agreement, except for the any express obligation or obligations which shall by their terms continue in force beyond the extension of the Agreement and regardless of the basis or the manner of the extension. Nothing in this paragraph shall constitute a waiver of compliance under any law of any state.]

4. This Release shall not relieve any party from liability under any applicable state franchise law where such law prohibits the release of such claims.

5. This Release shall be binding upon and inure to the benefit of all Parties, their officers, directors, affiliates, successors and assigns.

6. This Release constitutes the entire agreement between the Parties relative to the subject matter contained herein, and all prior understandings, representations and agreements made by and between the Parties relative to contents contained in this Release are merged into this Release.

7. This Release shall not be modified in any manner, except by written instrument signed by both Parties.

8. This Release shall be governed by the State of North Carolina. If it should become necessary to enforce any term(s) of this Release, venue shall be deemed to be proper exclusively in a court of competent jurisdiction encompassed in the Western District of North Carolina or within Mecklenburg County, North Carolina.

IN WITNESS WHEREOF, the Parties have executed this Release as of this day, in duplicate, and have set forth their signatures with the intention of executing this document.

"CORP NAME"	MEINEKE FRANCHISOR SPV LLC
_____	By: _____
"AUTH. OR FRAN."	Authorized Representative
_____	ATTEST: _____
"FRANCHISEE"	Authorized Representative
Dated: _____	Dated: _____

EXHIBIT M

LIST OF MEINEKE FRANCHISEES AND LIST OF MEINEKE FRANCHISEES WHO HAVE LEFT THE SYSTEM

EXHIBIT M-1

List of Meineke Center Franchisees as of December 30, 2023 (702)

Center	Franchisee	Address	Phone	Market Area
Alabama (7)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2285	ERIC MOORE	4754 Bell Hill Road BESSEMER, AL 35022	205/436-2315	Birmingham, AL
1959	FLORENCE INVESTMENTS, INC.	2075 Florence Boulevard FLORENCE, AL 35630	256/760-4533	Florence, AL
2755	THU VU	10035 Memorial Parkway SW, Suite C, HUNTSVILLE, AL 35803	256/970-4928	Huntsville, AL
2756	THU VU	12801 Hatchett Road West MADISON, AL 35757	256/262-8970	Madison, AL
2742-01	GULFPORT MEINEKE, LLC	1370 North University Blvd. MOBILE, AL 36618	251/308-2329	Mobile, AL
1700	OZ'S AUTOMOTIVE, INC.	5700 - B. Atlanta Highway MONTGOMERY, AL 36117	334/270-8722	Montgomery, AL
2778-01	VNJ VENTURES, INC.	2505 Rocky Ridge Road VESTAVIA HILLS, AL 35242	205/822-3208	Birmingham, AL
Alaska (3)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2932	MCC ALASKA, INC.	3002 E. Tudor Road ANCHORAGE, AK 99507	907/279-4541	Anchorage, Alaska
2943	MCC ALASKA, INC.	3829 Westover Avenue ELMENDORF AFB, AK 99506	907/428-2818	Anchorage, Alaska
2951	MCC ALASKA, INC.	101 North Crusey Street WASILLA, AK 99654	907/631-0444	Anchorage, Alaska
Arizona (15)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
4337-03	ROB TRACY	42410 N. Vision Way ANTHEM, AZ 85086	623/551-0033	Phoenix-Mesa, AZ
4236-02	KLA 4236, LLC	900 North Alma School Road CHANDLER, AZ 85224	480/963-9400	Phoenix-Mesa, AZ
2833	M SQUARED AZ INC	1021 North Gilbert Rd GILBERT, AZ 85234	480/530-0050	Phoenix, AZ
4369-02	KLA 4369, LLC	7105 North 51st Avenue, Building A, GLENDALE, AZ 85301	623/842-2266	Phoenix-Mesa, AZ
4264-05	FREEEDOM BRANDS 4264 LLC	6757 East Southern Avenue MESA, AZ 85206	480/807-1366	Phoenix-Mesa, AZ
2830	RIGHT WAY AUTOMOTIVE INC	4454 E. University Drive MESA, AZ 85205	480/924-0833	Phoenix, AZ
2829	LAVON MACCANICO	2056 W. Southern Ave. MESA, AZ 85202	480/597-7011	Phoenix-Mesa, AZ
4350-03	KLA 4350, LLC	8880 W. Bell Rd. PEORIA, AZ 85382	623/974-4172	Phoenix-Mesa, AZ
2937	FREEDOM AUTO GROUP LLC	2222 West Deer Valley Road PHOENIX, AZ 85027	623/440/2415	Phoenix-Mesa, AZ
2907	FREEDOM AUTO GROUP LLC	6829 N. 7th Street PHOENIX, AZ 85014	620/698-1470	Phoenix, AZ
4128-02	KLA 4128, LLC	2402 East Osborn Road PHOENIX, AZ 85016	602/468-0010	Phoenix-Mesa, AZ
4234-02	KLA 4234, LLC	4115 East Chandler Boulevard PHOENIX, AZ 85044	480/759-2519	Phoenix-Mesa, AZ
2128-02	LEGER INVESTMENTS	2630 E. Bell Road, Suite 1 PHOENIX, AZ 85032	602/482-2111	Phoenix-Mesa, AZ

Center	Franchisee	Address	Phone	Market Area
4135-03	KLA 4135, LLC	7950 East Thomas Road SCOTTSDALE, AZ 85251	480/970-3213	Phoenix-Mesa, AZ
4338-02	KLA 4338, LLC	15494 West Bell Road SURPRISE, AZ 85374	623/975-6688	Phoenix-Mesa, AZ
Arkansas (2)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2682	JIMMY BAXTER & STEPHEN EVERETT	425 Dave Ward Drive CONWAY, AR 72032	501/329-7366	Little Rock
2681	JIMMY BAXTER & STEPHEN EVERETT	7121 John F. Kennedy Blvd. NORTH LITTLE ROCK, AR 72116	501/320-2680	Little Rock-North Little Rock, AR
California (14)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2328	SVG, INC.	8686 Elk Grove Blvd. ELK GROVE, CA 95624	916/686-1038	Sacramento, CA
2908	D.U.P.A. AUTOMOTIVE	1251 N. Escondid Blvd. ESCONDIDO, CA 92026	760/294-0588	San Diego, CA
2906	BUC-WAH AUTOMOTIVE, INC	6652 N. Blackstone Ave. FRESNO, CA 93710	559/268-9165	Fresno, CA
2221	WILLIAM DES ROCHES	190 Welburn Ave. GILROY, CA 95020	408/847-2900	San Jose, CA
2028	DALEN ENTERPRISES, INC.	185 South Union Road MANTECA, CA 95337	209/825-2900	Stockton-Lodi, CA
2465	THU VU	2425 Pacheco Blvd. MARTINEZ, CA 94553	925/228-8002	Oakland, CA
2754	THU VU	1455 Herndon Road MODESTO, CA 95351	209/248-5942	Modesto, CA
2432-02	GAALIYAH LLC	121 E. Whittier Blvd. MONTEBELLO, CA 90640	323/698-6490	Los Angeles
2397	PHARAOHS AUTOS LLC	3464 Foothill Blvd. OAKLAND, CA 94601	510/500-3837	Oakland, CA
699	GUADALUPE GARCIA	3041 Middlefield Road REDWOOD CITY, CA 94063	650/365-0261	San Francisco, CA
2489-01	KM AUTO REPAIR INC.	525 Cirby Way SACRAMENTO, CA	916/773-2886	Sacramento, CA
1990	CHARLES WEBER	111 East Roemer Way SANTA MARIA, CA 93454	805/925-5686	Santa Barbara-Santa Maria-Lompoc, CA
2224	PAUL REPETTI	24005 Hawthorne Blvd. TORRANCE, CA 90505	310/378-0702	Los Angeles-Long Beach, CA
2401-02	GOOSEY FARMS, INC.	19308 Page Court WOODBRIDGE, CA 95258	209/430-4501	San Francisco, CA
Colorado (21)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
267-03	BARREN TROY HOLDINGS, LTD	6350-C North Sheridan Blvd. ARVADA, CO 80003-6602	303/427-3900	Denver, CO
2770-01	MCCC 2770, LLC	14891 E. Colfax Ave. AURORA, CO 80011	303/344-0551	Denver, CO
2817	WE AUTOMOTIVE, INC.	18771 East Hampden Ave. AURORA, CO 80013	303/699-4969	Denver, CO
873	GOWARD ENTERPRISES, LLC	2163 28th Street BOULDER, CO 80301	303/440-7762	Boulder-Longmont, CO
1699-01	MCCC 1699, LLC	21 North 42nd Avenue BRIGHTON, CO 80601	720/685-0334	Denver, CO
2302-04	BARREN TROY HOLDINGS, LTD	1020 Highway 287 BROOMFIELD, CO 80020	303/469-9091	Boulder-Longmont, CO
1165-01	MCCC 1165, LLC	10667 East Briarwood Circle CENTENNIAL, CO 80112	303/649-1994	Denver, CO

Center	Franchisee	Address	Phone	Market Area
1547-01	MCCC 1547, LLC	1370 Ainsworth Street COLORADO SPRINGS, CO 80915	719/622-9099	Colorado Springs, CO
413-02	MCCC 413, LLC	225 South Limit Street COLORADO SPRINGS, CO 80904	719/473-9999	Colorado Springs, CO
642	MCCC 642, LLC	1658 South Broadway DENVER, CO 80210	303/722-6336	Denver, CO
782	MCCC 782, LLC	7637 East Iliff Avenue DENVER, CO 80231-5315	303/695-1246	Denver, CO
739-01	A TO B HOLDINGS, INC.	5101 South Broadway ENGLEWOOD, CO 80110	303/797-0938	Denver, CO
1688-01	MCCC 1688, LLC	7352 McLaughlin Road FALCON, CO 80831	719/495-7767	Colorado Springs, CO
1222	UNDERCAR SPECIALISTS, LLC	4263 South Mason FORT COLLINS, CO 80525	970/377-4236	Fort Collins-Loveland, CO
2032-01	MCC 2032, LLC	6670 Camden Blvd. FOUNTAIN, CO 80817	719/390-5000	Denver, CO
931-01	MNKEY 931, LLC	5801 East County Line Place HIGHLANDS RANCH, CO 80126	303/741-6842	Denver, CO
1723	SUNDARESAN ENTERPRISES INC.	10168 West Chatfield Avenue LITTLETON, CO 80127	303/973-4993	Denver, CO
4237-3	MCCC 4237, LLC	1254 South Hover Street LONGMONT, CO 80501	303/485-5999	Denver, CO
1521-01	MCCC 1521, LLC	515 North Grand Avenue PUEBLO, CO 81003-3112	719/543-6938	Pueblo, CO
4226-02	MCCC 4226, LLC	651 East 120th Avenue THORNTON, CO 80233	303/450-7756	Denver, CO
2728-02	MCCC 2728, LLC	421 W 84th Ave. THORNTON, CO 80260	303/427-5599	Denver, CO
Connecticut (21)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
440	ROSS HILTZ	472 Main Street ANSONIA, CT 06401-2307	203/734-0603	New Haven-Bridgeport-Stamford-Danbury-Waterbu
2707-01	AVONWMAIN-NLH23, LLC	213 W Main St. AVON, CT 06001	860/404-5701	Hartford, CT
316	M & Z ASSOCIATES, INC.	471 West Main St. BRANFORD, CT 06405-3413	203/488-1158	New Haven-Bridgeport-Stamford-Danbury-Waterbu
2231	ZUBAIR KHAN	493 Norwich Avenue COLCHESTER, CT 6415	860/537-2220	Hartford, CT
125-01	PERMAUL GOBINDRAJ	1 Main Street DANBURY, CT 06810-8011	203/797-0101	New Haven-Bridgeport-Stamford-Danbury-Waterbu
536	ENFIELD MUFFLER, LLC	66 Enfield Street ENFIELD, CT 06082-1910	860/741-3005	Hartford, CT
1013	ROSS HILTZ	94 Kings Highway East FAIRFIELD, CT 06825-4824	203/366-4444	New Haven-Bridgeport-Stamford-Danbury-Waterbu
437	DMA, INC.	266 Bridge Street GROTON, CT 06340-3739	860/445-6743	New London-Norwich, CT
1008-01	BROADSTREET-NLH23, LLC	290-A Broad Street MANCHESTER, CT 06040	860/647-7971	Hartford, CT
140-01	MERIDENWMAIN-NLH23, LLC	392 West Main Street MERIDEN, CT 06451	203/235-4949	New Haven-Bridgeport-Stamford-Danbury-Waterbu

Center	Franchisee	Address	Phone	Market Area
121	R&J INVESTMENTS 121, INC.	70 Bridgeport Avenue-Route 1 MILFORD, CT 6460	203/878-3579	New Haven-Bridgeport-Stamford-Danbury-Waterbu
553	NEW BRITAIN MUFFLER, LLC	46 Washington Street NEW BRITAIN, CT 06051	860/229-5050	Hartford, CT
122	B Z ENTERPRISES INC	1175 Whalley Avenue NEW HAVEN, CT 06515-1758	203/397-2353	New Haven-Bridgeport-Stamford-Danbury-Waterbu
178	DMA INC	665 Broad Street NEW LONDON, CT 6320	860/443-0322	New London-Norwich, CT
917	D.MAC	74 West Thames St.-Route 32 NORWICH, CT 06360-2206	860/889-8287	New London-Norwich, CT
476	PA ASSOCIATES INC OF OLD SAYBR	820 Boston Post Road OLD SAYBROOK, CT 06475	860/388-2492	Hartford, CT
1423	MARK ZUCKERMAN	370A Hartford Turnpike Vernon ROCKVILLE, CT 06066-4747	860/871-0868	Hartford, CT
2434-01	SILASDEANE-NLH23, LLC	2000 Silas Deane Highway ROCKY HILL, CT	860/372-4424	Hartford, CT
54-01	WOLCOTT-NLH23, LLC	760 Wolcott Street WATERBURY, CT 06705	203/754-4139	New Haven-Bridgeport-Stamfor-Danbury-Waterbu
165	JON'S PERFORMANCE, LLC	1012 New Britain Ave. WEST HARTFORD, CT 6110	860/953-1534	Hartford, CT
2475	ZUBAIR KHAN	1050 Main Street WILLIMANTIC, CT 06226	860/786-7855	Hartford, CT
Delaware (7)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
671	RCS MUFFLERS, INC.	3005 Philadelphia Pike CLAYMONT, DE 19703-2524	302/798-1699	Wilmington-Newark, DE-MD
607-01	CHARLES SPINGLER & MAURICE HENDRICKSON	1312 South Dupont Highway DOVER, DE 19901-4404	302/678-8803	Dover, DE
1954	CAPE AUTO PERFORMANCE SPECIALIST LLC	16753 Coastal Highway LEWES, DE 19958	302/827-2054	Sussex County, DE
2153	CAPE AUTO PERFORMANCE SPECIALIST LLC	10 NW 10th Street Milford, Delaware	302/491-7000	Sussex County, DE
949	RCS MUFFLERS, INC.	120 North Dupont Highway NEW CASTLE, DE 19720	302/328-7788	Wilmington-Newark, DE-MD
428	RCS CAR CARE NEWARK INC.	750 Chestnut Hill Road OGLETOWN, DE 19713	302/368-0700	Wilmington-Newark, DE-MD
569-01	RCS CAR CARE NEWARK INC.	1512 Kirkwood Highway WILMINGTON, DE 19805	302/995-2020	Wilmington-Newark, DE-MD
Florida (24)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
341	GAMI CAR ENTERPRISES, INC.	90 Northwest Spanish River Boulevard, BOCA RATON, FL 33431	561/392-5075	West Palm Beach-Boca Raton, FL
2534-01	IRA PARKER, SAUL STEINBERG & PARKER STEINBERG	23193 Sandalfoot Plaza Dr., Suite A, BOCA RATON, FL 33428	561/451-0900	West Palm Beach-Boca Raton, FL
2714-01	JAIME CARDENAS AND ENRIQUE CONCHA	319 E. Boynton Beach Blvd. BOYNTON BEACH, FL 33435	561/200-0985	Miami, FL
1713	AQSA AUTO CORP.	606 East Brandon Boulevard BRANDON, FL 33511	813/571-1884	Tampa-St. Petersburg-Clearwater, FL
1659-01	TYLER & RHONDA ROSHAU	2436 Gulf to Bay Boulevard CLEARWATER, FL 33765	727/799-6869	Tampa-St. Petersburg-Clearwater, FL

Center	Franchisee	Address	Phone	Market Area
2961	TC BARNES2 LLC	3150 HWY 17, GREEN COVE SPRINGS, FL 32043	904/284-2674	JACKSONVILLE, FL
2134	TRATHAL, LLC	5503 S. University Drive DAVIE, FL 33328	954/434-8537	Miami, FL
2251-03	AUTO LUX SA, LLC	901 N. Andrews Avenue Ft. Lauderdale, FL 33311	954/561-5200	Fort Lauderdale, FL
2077	NO MUFF TOO TUFF, LLC	3029 Fowler Street FORT MYERS, FL 33901	239/334-1192	Fort Myers-Cape Coral, FL
2969	DBAV-GULFPORT, LLC	5801 15TH AVE., S., GULFPORT, FL 33707	727/345-7882	TAMPA, ST. PETERSBURG, CLEARWATER, FL
2773	BARRY PALMER	8605 Beach Boulevard JACKSONVILLE, FL 32216	904/881-1474	Jacksonville, FL
2784	TERRANCE WALTON	1737 3rd Street N. JACKSONVILLE BEACH, FL 32250	904/386-9557	Jacksonville, FL
2473	JOHN COFFIELD	2632 Land O' Lakes Boulevard LAND O' LAKES, FL 34639	813/949-0111	Tampa-St. Petersburg-Clearwater, FL
2372	MICHAEL GROFF	6187 SW Highway 200 OCALA, FL 34476	352/307-1922	Ocala, FL
2894	TC BARNES1 LLC	357 Blanding Boulevard ORANGE PARK, FL 32073	904/375-2482	Jacksonville, FL
2058-02	DON GRAY	2871 West Michigan Avenue PENSACOLA, FL 32526	850/944-7696	Pensacola, FL
2840	WD BRANDS, INC.	2667 W. Atlantic Blvd. POMPANO BEACH, FL 33069	954/972-1510	West Palm Beach-Ft. Pierce, FL
2470	GAMI CAR ENTERPRISES II LLC	1201 Royal Palm Beach Blvd., Suite #1, ROYAL PALM BEACH, FL 33411	561/232-6794	West Palm Beach-Boca Raton, FL
2033-01	MICHAEL YWANIW	14395 Spring Hill Drive SPRING HILL, FL 34609	352/593-4952	Tampa-St. Petersburg-Clearwater, FL
2947	FDS DASH, LLC	8630 Causeway Boulevard TAMPA, Florida	813/620-3133	Tampa-St. Petersburg-Clearwater, FL
2786	DARIN GARNER	13311 W. Hillsborough Avenue TAMPA, FL 33635	813/494-3029	Tampa-St. Petersburg-Clearwater, FL
1227-01	BRADLEY WRIGHT & DEBORAH TESTA	6850 N. Dale Mabry Highway TAMPA, FL 33614	813/886-4941	Tampa-St. Petersburg-Clearwater, FL
904	ANGELINE ENTERPRISES, INC.	265 South Wickham Road WEST MELBOURNE, FL 32904	321/676-0566	Melbourne-Titusville-Palm Bay, FL
2950	GRAYSONS GROUP A LLC	2774 OKEECHOBEE BLVD., WEST PALM BEACH, FL 33409	561/684-6882	MIAMI, FL
Georgia (15)				
Center	**FRANCHISEE**	**Address**	**Phone**	**Market Area**
161	KIRK SHENG	5364 Buford Highway ATLANTA, GA 30340-1108	770/451-7065	Atlanta, GA
675	ANTHONY FIELDS	701 Joe Frank Harris Parkway CARTERSVILLE, GA 30120	678/721-7690	Atlanta, GA
2920	GERMAL DANIEL & JAZEN BROWN	8350 Senoia Road FAIRBURN, GA 30213	678/545-1996	Atlanta, GA
509-01	DB509 AUTOMOTIVE GROUP, LLC	4330 Jonesboro Road FOREST PARK, GA 30297	404/343-6278	Atlanta, GA

Center	Franchisee	Address	Phone	Market Area
2790	BIG FORK INVESTMENTS, INC.	2438 Limestone Parkway GAINESVILLE, GA 30501	904/537-6199	Atlanta, GA
2901	PRO SQUARED PARTNERS STORE 01, LLC	686 Grayson Hwy, LAWRENCEVILLE, GA 30046	770/258-6220	Atlanta, GA
2934	PRO SQUARED PARTNERS STORE 02, LLC	1786 Lawrenceville Highway LAWRENCEVILLE, GA 30044	770/755-5490	Atlanta, GA
304-01	DB304 AUTOMOTIVE GROUP, LLC	3020 Canton Hwy., Suite 1 MARIETTA, GA 30066	678/581-1492	Atlanta, GA
2899	EFT VENTURES INC.	3195 Austel Road SW MARIETTA, GA 30008	770/693-0163	Atlanta, GA
2928	GERMAL DANIEL & JAZEN BROWN	1720 HIGHWAY 20, MCDONOUGH, GA 30253	470/278-8921	ATLANTA, GA
1957-03	DB1957 AUTOMOTIVE GROUP, LLC	2810 W. Highway 54 PEACHTREE CITY, GA 30269	678/489-2659	Atlanta, GA
250-01	THOMAS MANN	8510 White Bluff Road SAVANNAH, GA 31406	912/355-5794	Savannah, GA
2910	GERMAL DANIEL & JAZEN BROWN	3218 S. Cobb Drive SE SMYRNA, GA 30080	470/834/0068	Atlanta, GA
648	219 SOUTH MAIN, LLC	219 South Main Street STATESBORO, GA 30458	912/489-1881	Bullock County, GA
2103-01	CZ MANAGEMENT, LLC	9777 Highway 92 WOODSTOCK, GA 30188	770/516-1146	Atlanta, GA
Idaho (6)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
4251-01	IV 5115 W STATE LLC	5115 West State Street BOISE, ID 83703	208/853-0570	Boise City, ID
4310-01	IV 12367 CHINDEN LLC	12367 West Chinden Boulevard, BOISE, ID 83713	208/658-0201	Boise City, ID
2390-01	DOUGLAS RIDLEY & MIKELL HITE	9688 W. Fairview Ave. BOISE, ID 83704	208/322-7799	Boise City, ID
4305	JAMES BECK	1975 East Fairview Avenue MERIDIAN, ID 83642	208/887-9163	Boise City, ID
2410	MATTHEW BUTLER	970 N. Main St. MOSCOW, ID 83843	208/596-4196	Spokane, WA
4393-01	DOUGLAS RIDELY AND MIKELL HITE	1227 Caldwell Blvd. NAMPA, ID 83651	208/505-8611	Boise City, ID
Illinois (37)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
201-01	ACMH ENTERPRISES, INC.	1301 North Lake Street AURORA, IL 60506-2454	630/896-0875	Chicago, IL
293-01	MMA, INC.	716 West Lake Street ADDISON, IL 60101-2005	630/543-2266	Chicago, IL
264-01	ILLINOIS UNDERCAR SERVICES, INC.	2307 Old Collinsville Rd. BELLEVILLE, IL	618/465-2411	St. Louis, MO-IL
310	ILLINOIS UNDERCAR SERVICES INC	2307 Old Collinsville Road BELLEVILLE, IL 62221-7480	618/235-6117	St. Louis, MO-IL
1856	DIRK SCHAUMLEFFEL	3608 North Belt West BELLEVILLE, IL 62226	618/239-9311	St. Louis, MO-IL
1776-01	HUSSEIN ALADIN & HOOD MUNAIM	1330 West Boughton Road BOLINGBROOK, IL 60490	630/771-1919	Chicago, IL
884	FLATBEC, INC.	594 William Latham Drive BOURBONNAIS, IL 60914	815/935-8640	Kankakee, IL
226	KEVIN MORIARTY	10716 South Western Avenue CHICAGO, IL 60643-3136	773/779-4300	Chicago, IL
2812	JAGDISH PATEL	8383 S. South Chicago Ave. CHICAGO, IL 60617	773/336-5454	Chicago, IL

Center	Franchisee	Address	Phone	Market Area
2959	BEACON AUTO REPAIR LLC-S SERIES 9	7001 NORTH WESTERN AVE., CHICAGO IL 60645	773/465-8300	CHICAGO, IL
262-01	ILLINOIS UNDERCAR SEVICES	411 Belt Line Road COLLINSVILLE, IL 62234	618/344-1288	St. Louis, MO-IL
2913	SERIES 5 OF BEACON AUTO REPAIR LLC-S	13845 S. Cicero Ave. CRESTWOOD, IL 60445	708/371-2621	Chicago, IL
2230-01	DIPMALA & CHIRAG PATEL	905 Pyott Rd. CRYSTAL LAKE, IL 60014	815/893-6104	Chicago, IL
871-01	SHREE RANCHHODJI, INC.	9401 Golf Road DES PLAINES, IL 60016-2471	847/375-9505	Chicago, IL
225-01	ACMH ENTERPRISES, INC.	815 Ogden Avenue DOWNERS GROVE, IL 60515	630/852-7413	Chicago, IL
2643	DIRK SCHAUMLEFFEL	800 Southwest Plaza EDWARDSVILLE, IL 62025	618/307-9381	St. Louis, MO-IL
306	EQUAL MARKETING, INC.	1975 Green Bay Road EVANSTON, IL 60201-3534	847/869-5900	Chicago, IL
418-01	ILLINOIS UNDERCAR SERVICES, INC.	10712 Lincoln Trail FAIRVIEW HEIGHTS, IL 62208	618/398-5888	St. Louis, MO-IL
557-01	HUDSON AUTO SERVICES 3, LLC	2250 Madison Avenue GRANITE CITY, IL 62040	618/876-0521	St. Louis, MO-IL
2586	DIRK SCHAUMLEFFEL	2621 Villa Park Dr. HIGHLAND, IL 62249	618/882-6493	St. Louis, MO-IL
266-01	REIAD KIZAWI	311 South Larkin JOLIET, IL 60436-1249	815/741-2028	Chicago, IL
2585	DIRK SCHAUMLEFFEL	922 W. Main St. MASCOUTAH, IL 62258-1163	618/566-0248	St. Louis, MO-IL
558	RICHARD LENNON	2094 South Elmhurst Road MOUNT PROSPECT, IL 60056	847/439-1191	Chicago, IL
2060-01	SERIES 3 OF BEACON AUTO REPAIR LLC-S	313 Town Line Road MUNDELEIN, IL 60060	847/566-0789	Chicago, IL
2916	BEACON AUTO REPAIR LLC-S SERICES 6	7420 N. Milwaukee Avenue NILES, IL 60714	847/647-8717	Chicago, IL
415-01	MICHAEL B. HICKS ADEYEMI OWOLEWA, & JASMIN TIRADO	3402 Milwaukee Avenue NORTHBROOK, IL 60062	847/298-4933	Chicago, IL
2914	SERIES 4 OF BEACON AUTO REPAIR LLC-S	385 E North Ave. NORTHLAKE, IL 60164	708/338-3920	Chicago, IL
801-02	ACMH ENTERPRISES, INC.	1500 East Vernon Avenue NORMAL, IL 61761-4000	309/452-8881	Bloomington-Normal, IL
2940	BEACON AUTO REPAIR LLC-S SERIES 8	9640 S. Cicero Avenue OAK LAWN, IL 60453	708/857-9835	Chicago, IL
1479	ILLINOIS UNDERCAR SERVICES, INC.	720 Cambridge Boulevard O'FALLON, IL 62269	618/628-3917	St. Louis, MO-IL
515	COXCO ENTERPRISES, LTD.	3722 North Prospect Road PEORIA, IL 61614	309/688-8602	Peoria-Pekin, IL
2052-01	SPDKS ROMEOVILLE, LLC	20712 Gaskin Drive ROMEOVILLE, IL 60446	815/838-5890	Chicago, IL
265	BISMILLAH, INC.	811A West Higgins Road SCHAUMBURG, IL 60195	847/843-7370	Chicago, IL
182-02	B&W AUTO SERVICES LLC	35 East 162nd Street SOUTH HOLLAND, IL 60473-2106	708/339-9180	Chicago, IL
2176	PRIMO NOVUS AUTO SERVICES, LLC	320 E. Center Street TROY, IL 62294	618/667-7202	St. Louis, MO-IL
493	BOGOJA MUZIKOSKI	6135 South Cass Avenue WESTMONT, IL 60559-2612	630/969-9330	Chicago, IL
2644	DIRK SCHAUMLEFFEL	1250 Miland Street WOOD RIVER, IL 62095	618/216-2960	St. Louis, MO-IL

Center	Franchisee	Address	Phone	Market Area
Indiana (24)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
980-01	MARCOR, LLC	2726 Scatterfield Road ANDERSON, IN 46016	765/683-0422	Indianapolis, IN
2962	MARCOR LLC	165 DOVER STREET, AVON, IN 46123	317/272-0496	INDIANAPOLIS, IN
639-01	BRIAN DORSEY	1800 South Walnut Street BLOOMINGTON, IN 47401	812/339-7855	Bloomington, IN
1867-01	BRIAN DORSEY	3939 Industrial Blvd. BLOOMINGTON, IN 47403	812/334-9160	Bloomington, IN
944-01	MARCOR, LLC	6401 East 82nd Street CASTLETON, IN 46250-1501	317/842-2686	Indianapolis, IN
2265-01	PARC AUTO, LLC	321 Market Street CHARLESTOWN, IN 47111	812/796-1265	Louisville, KY-IN
2150	SHIVELY & SHIVELY AUTOMOTIVE, LLC	8829 US Highway 24 W FORT WAYNE, IN 46804	260/436-2277	Fort Wayne, IN
1898-01	DORSEY MANAGEMENT LLC	990 N. Morton Street FRANKLIN, IN 46131	317/346-7100	Indianapolis, IN
599-01	MARCOR, LLC	1283 U.S. Route 31 North GREENWOOD, IN 46142	317/882-5133	Indianapolis, IN
2963	MARCOR LLC	219 N. WALNUT STREET, HARTFORD CITY, IN	765/348-2400	INDIANAPOLIS, IN
704-01	BRIAN DORSEY	3702 West 86th Street INDIANAPOLIS, IN 46268	317/872-3127	Indianapolis, IN
625	MARCOR LLC	4101 North Keystone Avenue INDIANAPOLIS, IN 46205	317/545-8140	Indianapolis, IN
1143-01	MARCOR, LLC	7352 Pendleton Pike INDIANAPOLIS, IN 46226	317/568-4000	Indianapolis, IN
913-01	MARCOR LLC	3150 South Madison Avenue INDIANAPOLIS, IN 46227	317/787-0989	Indianapolis, IN
940-01	SCOTT MARTIN	8410 East Washington Street INDIANAPOLIS, IN 46219	317/898-2200	Indianapolis, IN
1697-01	SCOTT MARTIN	4905 South Emerson Avenue INDIANAPOLIS, IN 46203	317/396-1700	Indianapolis, IN
1592-02	MARCOR LLC	7290 West Washington Street INDIANAPOLIS, IN 46241	317/248-8579	Indianapolis, IN
1913-02	MARCOR LLC	5323 W. 38th Street INDIANAPOLIS, IN 46254	317/299-8870	Indianapolis, IN
2768	MARCOR, LLC	2250 Markland Avenue KOKOMO, IN 46901	765/459-7077	Indianapolis, IN
2919-01	MARCOR, LLC	1303 West McGalliard Road MUNCIE, IN 47303	765/282-6311	Indianapolis, IN
1858-01	PARC AUTO LLC	3723 Charlestown Road NEW ALBANY, IN 47150	812/945-9792	Louisville, KY-IN
1832-01	MARCOR LLC	1395 South 10th Street NOBLESVILLE, IN 46060	317/770-9840	Indianapolis, IN
2610-01	DORSEY INVESTMENTS LLC	2575 E. Main Street PLAINFIELD, IN 46168	317/837-3300	Indianapolis, IN
2967	MARCOR LLC	5298 Crawfordsville Road, SPEEDWAY, IN 46224	317/243-3853	Indianapolis, IN
Iowa (5)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2011-01	KAKER CORP.	410 North Roosevelt BURLINGTON, IA 52601	319/752-9500	Davenport-Rock Island-Moline, IA-IL
451-01	ISAIAH MILLER & KEITH LOEFFELHOLZ	5261 Council Street NE CEDAR RAPIDS, IA 52402	319/366-6663	Cedar Rapids, IA
2013	MASTER AUTO CARE, LLC	4720 Elmore Avenue DAVENPORT, IA 52807	563/333-2070	Davenport-Rock Island-Moline, IA-IL

Center	Franchisee	Address	Phone	Market Area
645	AAA CAR CARE CENTER, INC.	2195 Central Avenue DUBUQUE, IA 52001-3504	563/582-6489	Dubuque, IA
2012-01	GEORGE FUHR	1503 Park Avenue MUSCATINE, IA 52761	563/263-1237	Davenport-Rock Island-Moline, IA-IL
Kansas (12)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2010-02	MCCC 2010, LLC	1910 North Nelson Drive DERBY, KS 67037	316/788-8800	Wichita, KS
2272-03	MCCC 2272, LLC	1223 East 30th Avenue HUTCHINSON, KS 67502	620/259-6284	Reno County, KS
1381	D & A ENTERPRISES, INC.	2535 South Iowa LAWRENCE, KS 66046	785/838-4014	Lawrence, KS
1375-01	EMPIRE AUTOMOTIVE SERVICES, INC.	12300 West 95th Street LENEXA, KS 66215	913/541-1686	Kansas City, MO-KS
1380-01	EMPIRE AUTOMOTIVE ENTERPRISES, INC.	1306 East Santa Fe Street OLATHE, KS 66061	913/764-0507	Kansas City, MO-KS
1377-04	KINGDOM AUTOMOTIVE ENTERPRISES, INC.	7525 Metcalf Avenue OVERLAND PARK, KS 66204	913/649-0086	Kansas City, MO-KS
1372	MAKE IT RIGHT ENTERPRISES, INC	7584 West 119th Street OVERLAND PARK, KS 66213	913/338-4966	Kansas City, MO-KS
2007-02	MCCC 2007, LLC	3430 North Woodlawn Blvd. WICHITA, KS 67220	316/681-8663	Wichita, KS
2008-02	MCCC 2008, LLC	1810 West 21st Street WICHITA, KS 67203	316/838-2660	Wichita, KS
2009-02	MCCC 2009, LLC	2344 South Seneca WICHITA, KS 67213	316/265-7859	Wichita, KS
2615-02	MCCC 2615, LLC	925 E. Central Avenue WICHITA, KS 67202	316/202-0232	Wichita, KS
2616-02	MCCC 2616, LLC	660 N. Webb Road WICHITA, KS 67206	316/202-0238	Wichita, KS
Kentucky (15)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2806-01	PARC AUTO, LLC	3717 Hwy 146 BUCKNER, KY 40010	502/304-8374	Louisville, KY-IN
2687-01	PARC AUTO, LLC	1400 N. Dixie Hwy. ELIZABETHTOWN, KY 42701	270/737-1160	Louisville, KY-IN
1784	NOEL HANNI	3130 Pimlico Parkway, Suite 119, LEXINGTON, KY 40517	859/299-1976	Lexington, KY
2801-01	PARC AUTO, LLC	1019 Dupont Road LOUISVILLE, KY 40207	502/897-1643	Louisville, KY-IN
1247-01	PARC AUTO, LLC	5326 Dixie Hwy. LOUISVILLE, KY 40216	502/447-1667	Louisville, KY-IN
1248-01	PARC AUTO, LLC	7103 Preston Highway LOUISVILLE, KY 40219	502/961-9116	Louisville, KY-IN
1297-01	PARC AUTO, LLC	4170 Bardstown Road LOUISVILLE, KY 40218	502/499-9727	Louisville, KY-IN
1407-01	PARC AUTO, LLC	701 East Broadway LOUISVILLE, KY 40202	502/587-6811	Louisville, KY-IN
2431-01	PARC AUTO, LLC	11514 Shelbyville Road LOUISVILLE, KY 40243	502/653-3580	Louisville, KY-IN
2877-01	PARC AUTO, LLC	10723 Plantside Drive LOUISVILLE, KY 40299	502/874-5080	Louisville, KY - IN
1468-01	THE STANLEY GROUP, INC.	6420 Outer Loop LOUISVILLE, KY 40228	502/964-8843	Louisville, KY-IN
2811	MATTHEW & RICHARD PRICE	1400 North 12th Street MURRAY, KY 42071	210/978-6601	Paducah-Cape Girardeau-Harrisburg-Marion
1743-01	KEITH ALLEY	920 Commercial Drive RICHMOND, KY 40475	859/623-8194	Lexington, KY

Center	Franchisee	Address	Phone	Market Area
2800-01	PARC AUTO, LLC	2000 Midland Trail SHELBYVILLE, KY 40065	502/487-6328	Louisville, KY-IN
2592-01	PARC AUTO, LLC	3949 Shelbyville Rd. ST. MATTHEWS, KY 40207	502/526-5048	Louisville, KY-IN
Louisiana (5)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
1223-01	LACOUR AUDITING, LLC	2276 College Drive BATON ROUGE, LA 70808	225/927-4500	Baton Rouge, LA
2262-03	LACOUR AUDITING, LLC	13550 Coursey Blvd. BATON ROUGE, LA 70817	225/756-4666	Baton Rouge, LA
2858	JOHN WOMACK	3125 N. Causeway Blvd., Metairie LA 70002	504/281-2822	New Orleans, LA
2857	JJMC1, LLC	4243 Canal Street NEW ORLEANS, LA 70119	504/350-4030	New Orleans, LA
2912	DOMINATE FLEET LLC	722 I-10 Service Road SLIDEL, LA 70461	985/288-0319	New Orleans, LA
Maine (4)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
360-01	SHAWN HOLBROOK	199 Court Street AUBURN, ME 04210	207/786-0169	Lewiston-Auburn, ME
1138	CMK ENTERPRISES, INC.	268 State Street, Suite #2 AUGUSTA, ME 04330-6404	207/626-9333	Kennebec County, ME
243-01	ADAM HOGAN	1155 Forest Avenue PORTLAND, ME 04103-3325	207/797-5742	Portland, ME
990-01	JAMES CHATTLEY	6 Topsham Fair Mall Road TOPSHAM, ME 4086	207/725-8689	Sagadahoc County, ME
Maryland (24)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
352	SAVVAS BAKALIDES	2359 Solomons Island Road ANNAPOLIS, MD 21401	410/224-3512	Baltimore, MD
394-02	SHEIKH & SHERIFF, INC.	800 West Patapsco Avenue BALTIMORE, MD 21230	410/355-6880	Baltimore, MD
251	NICOLE, INC.	5520 Baltimore Nat'l Pike Rt. 40, CATONSVILLE, MD 21228	410/744-6450	Baltimore, MD
763	H.E.N.K. INC	6311-D Coventry Way CLINTON, MD 20735	301/599-1088	Washington, DC-MD-VA-WV
298	CHUN PAK	9918 York Road COCKEYSVILLE, MD 21030	410/628-1411	Baltimore, MD
879-01	GHULAM RASOOL	8900 Old Rhode Island Avenue COLLEGE PARK, MD 20740	301/220-0397	Washington, DC-MD-VA-WV
824	THRUSH AUTOMOTIVE, INC.	9225 Berger Road, Suite 130 COLUMBIA, MD 21046-1672	410/381-5393	Baltimore, MD
943	VLADI MUFFLERS, INC.	9871 Main Street DAMASCUS, MD 20872	301/948-3074	Washington, DC-MD-VA-WV
2342-02	SHEIKH & SHERRIFF, INC.	790 Merritt Blvd. DUNDALK, MD 21222	410/288-1322	Baltimore, MD
670	LANDACK CORPORATION	1233 Liberty Road-Route 26 ELDERSBURG, MD 21784	410/795-1077	Baltimore, MD
1798-01	RCS CAR CARE - ELKTON, INC.	303 West Pulaski Hwy. ELKTON, MD 21921	410/392-0098	Wilmington-Newark, DE-MD
814	THRUSH AUTOMOTIVE OF ELLICOTT	3425 North Chatham Road ELLICOTT CITY, MD 21042	410/750-3385	Baltimore, MD
2927	MIRZAI 564B LLC	564John Fitch Hwy., FITCHBURG, MA 01420	978/627-3990	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
246	STOCKTON ENTERPRISES, INC.	7344 Governor Ritchie Hwy. GLEN BURNIE, MD 21061	410/768-4500	Baltimore, MD
2566-01	PMAP, INC.	18728-E N Pointe Drive HAGERSTOWN, MD 21742	240/707-6450	Hagerstown, MD

Center	Franchisee	Address	Phone	Market Area
1492	STEVE SPITZ	6530 Crain Highway LA PLATA, MD 20646	301/392-9700	Washington, DC-MD-VA-WV
2835	RONNIE GATHERS	3521 Whiskey Bottom Rd. LAUREL, MD 20724	301/490-1000	Washington, DC-MD-VA-WV
297-01	F & H ONE, LLC	8314 Annapolis Road-Rt. 450 NEW CARROLLTON, MD 20784	301/731-4440	Washington, DC-MD-VA-WV
2831	BHAVESH CHANIYARA & HEMANT SHARMA	12247 Nevel St. NORTH BETHESDA, MD 20852	240/880-2106	Washington, DC
2973	CAMPBELL CAR CARE INC.	2319 Mountain Road, PASADENA, Maryland 21122	410/249-3900	Baltimore, MD
2071	THRUSH AUTOMOTIVE OF ROCKVILLE, INC.	15127 Frederick Road ROCKVILLE, MD 20850	301/424-2797	Washington, DC-MD-VA-WV
2933	DOUBLE IRON CAR CARE LLC	939 N Salisbury Boulevard, SALISBURY, Maryland 21801	443/358-5597	Salisbury, Ocean City, MD
435-01	ABEL AYELE	8220 Georgia Avenue SILVER SPRING, MD 20910	301/588-8878	Washington, DC-MD-VA-WV
2881-01	SHEIKH & SHERIFF, INC.	1000 York Road TOWSON, MD 21204	410/339-5711	Baltimore, MD
169	STEVE SPITZ	11770 Holly Auto Center Lane WALDORF, MD 20601-2813	301/645-8500	Washington, DC-MD-VA-WV
Massachusetts (23)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
109	JOHN A. ERICKSON, INC.	22 Massachusetts Avenue ARLINGTON, MA 2474	781/648-8670	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
398	I G M ENTERPRISES, INC.	119 Rantoul Street BEVERLY, MA 01915-4239	978/921-1577	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
290	DURE ENTERPRISES, INC.	609 Oak Street BROCKTON, MA 02301-1345	508/583-6541	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
1151	BFE AUTO SERVICE, INC.	7 Donlan Street GARDNER, MA 01440-3041	978/630-2600	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
491	MERLIN DISCOUNT MUFFLERS INC.	168 Eastern Avenue GLOUCESTER, MA 01930	978/281-2558	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
812	RCK ENTERPRISES, INC.	440 Bernardston Road GREENFIELD, MA 1301	413/774-6056	Franklin County, MA
1888	RICHARDSON CAPITAL, INC.	1616 Northampton Street HOLYOKE, MA 1040	413/536-1096	Springfield, MA
425-01	LOWELL AUTO REPAIR, INC.	948 Gorham Street LOWELL, MA 1852	978/937-5287	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
1121-01	AUTOMOTIVE EXCHANGE, INC.	411 Broad Street - Route 1A LYNN, MA 01901-1514	781/592-0001	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
2889	AUTOGURU INC.	408 Maple Street MARLBOROUGH, MA	508/485-2886	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
822-01	SAFSAF, INC.	20 Beaver Street MILFORD, MA 01757-2804	508/473-4642	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
347-01	ZLE CAR CARE, LLC	241 Newbury Street-Rt. 1 N. PEABODY, MA 01960	978/535-6004	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA

Center	Franchisee	Address	Phone	Market Area
886-02	IRONFORGE, LLC	662 Southern Artery QUINCY, MA 02169	617/481-2565	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
1287	MILFORT SUPRILUS	1555 Route 44 RAYNHAM, MA 2767	508/822-7923	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
865-01	LE MIRACLE, INC.	507 Boston Turnpike-Route 9 SHREWSBURY, MA 01545	508/842-1858	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
592-02	THOMAS MCCARTHY & JOSEPH MCCARTHY	375 Washington Street SOUTH ATTLEBORO, MA 02703	508/761-4660	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
2675-01	SWEDA ENTERPRISES, LLC	543 Dartmouth Street SOUTH DARTMOUTH, MA 02748	508/999-7500	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
1074	CHARLES STERLING	550 Washington Street STOUGHTON, MA 02072	781/341-4433	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
1790-01	ELLIEMAC AUTOMOTIVE INCORPORATED	391 West Center Street WEST BRIDGEWATER, MA 02379	508/587-0825	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
1408	JOHN BIRD	287 Main Street WILMINGTON, MA 01887	978/657-9730	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
257-01	BREMEN-X CORPORATION	661 Park Avenue WORCESTER, MA 01603	508/791-3552	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
951-01	SHOME SREEDHARAN & SAIED SHAIKH	532 West Boylston Street WORCESTER, MA 01606	508/853-4490	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
Michigan (3)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2740	CURTIS CAMPBELL	6600 Division Avenue S. GRAND RAPIDS, MI 49548	616/308-1117	Grand Rapids-Muskegon-Holland, MI
2122	FALLS CREEK SERVICE CENTER LLC	50945 Design Lane SHELBY TOWNSHIP, MI 48315	586/803-3228	Detroit, MI
400	JENNIE VAN HORN	2139 28th Street Southwest WYOMING, MI 49509-2383	616/534-6621	Grand Rapids-Muskegon-Holland, MI
Minnesota (5)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2569	GUY VANCE	8088 Brooklyn Blvd. BROOKLYN PARK, MN 55445	763/657-0909	Minneapolis-St. Paul, MN-WI
2425-01	D&P BRINK INCORPORATED	600 Southcross Drive W. BURNSVILLE, MN 55306	952/807-7190	Minneapolis-St. Paul, MN-WI
2126-01	MBK, INCORPORATED	13835 Johnson Street NE HAM LAKE, MN 55304	763/413-2277	Minneapolis-St. Paul, MN-WI
2588	D & P BRINK INC.	10500 Excelsior Blvd. HOPKINS, MN 55343	952/641-3386	Minneapolis-St. Paul, MN-WI
2593	CHRISTOPHER JOHNSON	865 University Ave W. SAINT PAUL, MN 55104	651/207-6139	Minneapolis-St. Paul, MN-WI
Mississippi (5)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2771	CENTRAL MS ENTERPRISES, INC.	107 Plaza Drive FLOWOOD, MS 39232	769/572-7595	JACKSON, MS
2702	MULFORD WALDROP	15224 Creosote Rd. GULFPORT, MS 39503	228/865-1311	Biloxi-Gulfport-Pascagoula, MS

Center	Franchisee	Address	Phone	Market Area
1668	HL INVESTMENTS OF MS, INC.	1851 Goodman Road West HORN LAKE, MS 38637	662/280-9206	Memphis, TN-AR-MS
1853-01	BRANCH INVESTMENTS, INC.	10045 Ridgeway Industrial Drive, OLIVE BRANCH, MS 38654	662/893-4888	Memphis, TN-AR-MS
1632-01	SOUTHEAST INVESTMENTS, INC.	803 North Gloster TUPELO, MS 38804	662/620-0767	Lee County, MS
Missouri (21)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
407-01	HUDSON AUTO SERVICES 4 LLC	4021 West Outer Road ARNOLD, MO 63010	636/464-6700	St. Louis, MO-IL
279	DT AUTOMOTIVE SERVICES, INC.	14935 Manchester Road BALLWIN, MO 63011-4624	636/394-9023	St. Louis, MO-IL
1707-01	WITHIN THE REALM, LLC	1724 S.W. US 40 Hwy. E. BLUE SPRINGS, MO 64015	816/229-4446	St. Louis, MO-IL
195-01	STILLMAN BROTHERS AUTOMOTIVE LLC	9100 Manchester Road BRENTWOOD, MO 63144	314/961-4228	St. Louis, MO-IL
376-02	STILLMAN BROTHERS AUTOMOTIVE LLC	11831 St. Charles Rock Road BRIDGETON, MO 63044-2611	314/298-0887	St. Louis, MO-IL
1655-01	DARYL STILLMAN	165 Long Road CHESTERFIELD, MO 63005	636/537-4227	St. Louis, MO-IL
1696	MANNCO MUFFLER, INC.	813 Valley Creek Drive FARMINGTON, MO 63640	573/760-0449	St. Francois County, MO
790	M&M MUFFLER, INC.	1074 Gravois Road FENTON, MO 63026-5009	636/349-0910	St. Louis, MO-IL
153-02	PWB AUTOMOTIVE, LLC	402 South Florissant Road FERGUSON, MO 63135-2948	314/521-0660	St. Louis, MO-IL
26-02	STLLMAN BROTHERS AUTOMOTIVE LLC	545 North Highway 67 FLORISSANT, MO 63031	314/921-5555	St. Louis, MO-IL
469-01	CK AUTOMOTIVE, LLC	715 Highway K O'FALLON, MO 63366-2969	636/978-4868	St. Louis, MO-IL
1652-03	HUDSON AUTO SERVICES 1, LLC	5757 Telegraph Road OAKVILLE, MO 63129	314/293-1411	St. Louis, MO-IL
1422	SHAMROCK ENTERPRISES, LTD.	1902 Woodson Road OVERLAND, MO 63114-5650	314/423-9848	St. Louis, MO-IL
154	DWAYNE GRIFFEY	2315 West Clay St. SAINT CHARLES, MO 63301	636/940-7294	St. Louis, MO-IL
591	EUNIQUE MUFFLERS, INC.	728 South 4th Street ST. LOUIS, MO 63102	618/874-3920	St. Louis, MO-IL
392-02	DARYL STILLMAN	10617 New Halls Ferry Road ST. LOUIS, MO 63136-4428	314/388-1181	St. Louis, MO-IL
28-01	STILLMAN BROTHERS AUTOMOTIVE, LLC	3722 Lemay Ferry Road ST. LOUIS, MO 63125-4506	314/894-0333	St. Louis, MO-IL
30	T & E MUFFLER INC.	4426 South Kingshighway ST. LOUIS, MO 63109-2425	314/352-3050	St. Louis, MO-IL
1340-01	DARYL STILLMAN	4245 North Saint Peters Pkwy. SAINT PETERS, MO 63304	636/441-3500	St. Louis, MO-IL
1843	BAN-ONE AUTOMOTIVE, LLC	2550 West Battlefield Road SPRINGFIELD, MO 65807	417/883-1164	Springfield, MO
2759-01	STILLMAN BROTHERS AUTOMOTIVE LLC	1110 Corporate Parkway, WENTZVILLE, MO 63385	636/332-3340	St. Louis, MO-IL
Montana (2)				
Center	**FRANCHISEE**	**Address**	**Phone**	**Market Area**
2278	BALLARD AUTOMOTIVE, INC.	610 West Custer Avenue HELENA, MT 59601	406/442-9589	Lewis and Clark County, MT
2306	ROBERT GARLATI	805 N. Russell Street, Suite 1 MISSOULA, MT 59808	406/541-3434	Missoula, MT

Center	Franchisee	Address	Phone	Market Area
Nebraska (3)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2887	PURPOSEFUL ADAPTATIONS, LLC	4010 N. 48th Street LINCOLN, NE 68504	402/4644497	Lincoln, NE
2888	PURPOSEFUL ADAPTATION, LLC	2717 South 8th St., Suite 3 LINCOLN, NE 68502	531/500-2700	Lincoln, NE
611	ST ENTERPRISES, INC.	14235 "U" Street OMAHA, NE 68137	402/895-3535	Omaha, NE-IA
Nevada (32)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2968	RAI BC LLC	1400 Boulder City Pkwy., BOULDER CITY NV 89005	702/294-1155	Las Vegas, NV
2533-01	RAI AUTO VENTURES, INC.	2640 Sunridge Heights Pkwy HENDERSON, NV 89052	702/719-8324	Las Vegas, NV-AZ
4075-03	RAI SUNSET, LLC	4337 E. Sunset Rd. HENDERSON, NV 89014	702/454-0443	Las Vegas, NV-AZ
2900	RAI WARM SPRINGS LLC	1655 W. Warm Springs Rd. HENDERSON, NV	725/205-1616	Las Vegas, NV-AZ
2530-01	RAI BOULDER, LLC	704 S. Boulder Hwy. HENDERSON, NV 89015	702/563-1290	Las Vegas, NV-AZ
2814-01	CENTENNIAL 2814 LLC	8635 W Rome Blvd. LAS VEGAS, NV 89149	702/463-9385	Las Vegas, NV-AZ
2529-02	ESKEW ENTERPRISE #2529 LLC	4430 N. Decatur LAS VEGAS, NV 89130	702/307-8324	Las Vegas, NV-AZ
2737	BERT FIGEARO	6565 E. Lake Mead Blvd. LAS VEGAS, NV 89156	702/445-6556	Las Vegas, NV-AZ
2710	BERT FIGEARO	4320 East Craig Road LAS VEGAS, NV 89115	702/778-8220	Las Vegas, NV-AZ
2738	BERT FIGEARO	10 N. Eastern Ave, Ste. 120 LAS VEGAS, NV 89101	702/262-2000	Las Vegas, NV-AZ
2711	BERT & IRINA FIGEARO	7131 West Craig Road, Suite 101, LAS VEGAS, NV 89129	702/272-1868	Las Vegas, NV-AZ
2772	BERT & IRINA FIGEARO	3255 W. Ann Rd. LAS VEGAS, NV 89031	702/631-2897	Las Vegas, NV-AZ
2809	BERT & IRINA FIGEARO	10455 South Rainbow Blvd. LAS VEGAS, NV	702/444-0140	Las Vegas, NV-AZ
1603-01	RAI AUTO INVESTMENTS, INC.	1860 East Serene Avenue LAS VEGAS, NV 89123	702/740-0558	Las Vegas, NV-AZ
2923	RAI AUTO INVESTMENTS	3820 St. Rose Parkway LAS VEGAS, NV 89183	702/331-0141	Las Vegas, NV
2532-01	RAI BUFFALO, LLC	500 S. Buffalo LAS VEGAS, NV 89145	702/243-8944	Las Vegas, NV-AZ
2854	RAI CENTENNIAL LLC	4785 S. Fort Apache Rd. LAS VEGAS, NV 8914	725/251-2558	Las Vegas, NV-AZ
2945	RAI FLAMINGO LLC	4280 West Flamingo Road LAS VEGAS, NV 89103	702/269-9500	Las Vegas, NV
4168-03	RAI LAKE MEAD, LLC	7652 West Lake Mead Boulevard, LAS VEGAS, NV 89128	702/341-9762	Las Vegas, NV-AZ
2435-01	RAI MARYLAND LLC	5140 S. Maryland Parkway LAS VEGAS, NV 89119	702/508-9998	Las Vegas, NV
4086-02	RAI NORTH NELLIS, LLC	842 N. Nellis LAS VEGAS, NV 89110	702/531-0946	Las Vegas, NV-AZ
4146-02	RAI RAINBOW, LLC	4897 South Rainbow Blvd. LAS VEGAS, NV 89103	702/873-5486	Las Vegas, NV-AZ
2531-02	RAI SAHARA, LLC	8550 W. Sahara Ave. LAS VEGAS, NV 89117	702/214-8117	Las Vegas, NV-AZ
2684-01	RAI SOUTH DECATUR LLC	2005 S. Decatur Blvd. LAS VEGAS, NV 89102	702/331-1390	Las Vegas, NV-AZ

Center	Franchisee	Address	Phone	Market Area
2527-01	RAI TROPICANA, LLC	5833 W. Tropicana Ave. LAS VEGAS, NV 89103	702/227-8324	Las Vegas, NV-AZ
2656	CINDY SCHULTZ	3186 S. Nellis Blvd. LAS VEGAS, NV 89121-2010	702/912-2299	Las Vegas, NV-AZ
2110-01	TREBUCHET AUTOMOTIVE, LLC	3840 Blue Diamond Road, LAS VEGAS, NV 89139	702/875-9120	Las Vegas, NV-AZ
2712	BERT FIGEARO	5128 Camino Al Norte, Suite 100, NORTH LAS VEGAS, NV 89031	702/489-3737	Las Vegas, NV-AZ
2931	RAI DURANGO LLC	8415 W Warm Springs Road, LAS VEGAS, NV 89113	702/906-1200	Las Vegas, NV-AZ
2948	CINS AUTO LLC	3350 East Flamingo Road, LAS VEGAS NV 89121	702/454-7711	Las Vegas, NV
586-02	CAM MOTOR CORPORATION	2825 Kietzke Lane RENO, NV 89502-4353	775/826-5515	Reno, NV
229-02	CAM MOTOR CORPORATION	1930 Prater Way SPARKS, NV 89431-4707	775/359-0880	Reno, NV
New Hampshire (14)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
689	STEVEN MARR	88 Route 101A AMHERST, NH 3031	603/672-6998	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
1332	LOUDON ROAD REPAIR, LLC	216 Loudon Road CONCORD, NH 3301	603/224-8144	Merrimack County, NH
384	ROOSTER TAIL, INC.	7 Crystal Avenue DERRY, NH 03038-2415	603/434-2391	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
794-01	FAST FORWARD MOTORS LLC	899 Central Avenue DOVER, NH 3820	603/742-5163	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
889	MARC ARNOLD & GREGORY MASEWIC	5 Pelham Road HUDSON, NH 03051-4831	603/883-6699	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
1541-01	MARC ARNOLD & GREG MASEWIC	1022 Union Avenue, LACONIA, NH 3246	603/527-8592	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
288	RONTI, LLC	533 Elm Street MANCHESTER, NH 3101	603/668-7962	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
727-01	DW AUTOMOTIVE LLC	227 Daniel Webster Highway MERRIMACK, NH 03054	603/424-1701	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
1331-01	MARC ARNOLD & GREG MASEWIC	22 East Hollis Street NASHUA, NH 3060	603/882-2971	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
332	ROOSTER TAIL, INC.	13 Plaistow Road - Route 125 PLAISTOW, NH 3865	603/382-6231	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
1114-01	MATTHEW GATES	2200 Lafayette Road PORTSMOUTH, NH 03801	603/433-3951	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
1901-01	FARMINGTON ROAD REPAIR, LLC	131 Farmington Road ROCHESTER, NH 03867	603/332-5781	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
533-01	SJMQ CORP.	323 South Broadway SALEM, NH 03079-4522	603/898-9937	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
731-01	MDAUTO LLC	248 Lafayette Road-Route 1 SEABROOK, NH 03874-4510	603/474-8884	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA

Center	Franchisee	Address	Phone	Market Area
New Jersey (47)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2161	ROLAND JULIANO	1148 State Hwy 34 ABERDEEN, NJ 7747	732/970-7581	Middlesex-Somerset-Hunterdon, NJ
205	TWO GUYS ENTERPRISES, INC.	504 Black Horse Pike AUDUBON, NJ 08059-1811	856/456-7900	Philadelphia, PA-NJ
174-01	MY 3 SONS AUTO LLC	19 South White Horse Pike BERLIN, NJ 08009-2323	856/768-2100	Philadelphia, PA-NJ
1077-01	BHASKER ANDHAVARAPU; DIVYA ANDHAVARAPU; SRIHARSHA KUNISETTY	850 U.S. Highway 206 BORDENTOWN, NJ 8505	609/324-9235	Philadelphia, PA-NJ
45	R B VAN DUZER INC	497 Brick Boulevard BRICK TOWN, NJ 08723-6055	732/920-1998	Monmouth-Ocean, NJ
353-04	EFT AUTO 2, LLC	1574F - Route 23 BUTLER, NJ 07405	973/492-1771	Newark, NJ
563	RICHARD WRIGHT	201 U.S. Highway 130 South CINNAMINSON, NJ 08077	856/829-0501	Philadelphia, PA-NJ
2247-01	ALLSTAR TOWING & RECOVERY, LLC	305 South White Horse Pike CLEMENTON, NJ 08021	856/627-5716	Philadelphia, PA-NJ
2061-01	Nivaldo DelPino	1049 St. Georges Avenue COLONIA, NJ 07067	732/218-8660	Middlesex-Somerset-Hunterdon, NJ
1701-01	Bhasker Andhavarapu; Divya Andhavarapu	300 Rt. 18 Mid State Mall EAST BRUNSWICK, NJ 08816	732/432-6721	Middlesex-Somerset-Hunterdon, NJ
294	ROLAND JULIANO	14 Broad Street EATONTOWN, NJ 07724	732/389-2224	Monmouth-Ocean, NJ
115	USMAN AUTO, INC.	130 Rahway Avenue ELIZABETH, NJ 07202	908/289-2126	Newark, NJ
81-04	EFT AUTO 1, LLC	351 Grand Avenue ENGLEWOOD, NJ 07631	201/567-8844	Bergen-Passaic, NJ
2362-03	EFT AUTO 4, LLC	36-14 Broadway FAIR LAWN, NJ 07410	201/475-9200	New York, NY
550-01	GLASSBORO MEINEKE, LLC	368 North Delsea Drive GLASSBORO, NJ 08028	856/881-2063	Philadelphia, PA-NJ
2587-01	A&M BLACKWOOD AUTOCARE LLC	1106 N. Black Horse Pike GLOUCESTER TOWNSHIP, NJ 08012	856/228-9660	Philadelphia, PA-NJ
511-01	SNZ PARTNERS, LLC	184 Goffle Road HAWTHORNE, NJ 07506	973/427-5300	Bergen-Passaic, NJ
474-01	DILBAG SINDHU	530 U.S. Highway 130 HIGHTSTOWN, NJ 08520	609/448-5800	Trenton, NJ
2813-01	EFT AUTO 5, LLC	626 Route 206 HILLSBOROUGH, NJ 08844	908/281-4337	New York, NY
479	BRYAN HEULITT	6811 Route 9 HOWELL, NJ 07731	732/367-6006	Monmouth-Ocean, NJ
327-01	TRIM UP, LLC	1365 Route 46 LEDGEWOOD, NJ 07852	973/584-7005	Newark, NJ
528	JRM MUFFLERS, INC.	1639 Route 38 West LUMBERTON, NJ 08048	609/261-0068	Philadelphia, PA-NJ
2027	BRYAN HEULITT	875 US Highway 9 MANAHAWKIN, NJ 08050	609/597-8811	Monmouth-Ocean, NJ
1171	JEFF PETRUZZIELLO	1796 Springfield Avenue MAPLEWOOD, NJ 07040	973/763-3802	Newark, NJ
373-01	BHASKER ANDHAVARAPU; DIVYA ANDHAVARAPU	400 State Highway # 70 MARLTON, NJ 08053	856/596-1800	Philadelphia, PA-NJ
1987-01	MASSIMO LEPORE	195 Route 36 MIDDLETOWN, NJ 07748	732/495-4500	Monmouth-Ocean, NJ

Center	Franchisee	Address	Phone	Market Area
2941-01	EFT AUTO 8, LLC	290 Speedwell Avenue MORRIS PLAINS, NJ 07950	973-993-7993	New York, NY
309	MSK AUTO, INC.	1149 U.S. Highway 22 East MOUNTAINSIDE, NJ 07092	908/232-4007	Newark, NJ
1320-01	LINO RODRIGUES	241 Bloomfield Avenue NEWARK, NJ 07104-1105	973/483-6254	Newark, NJ
524	MATE CORPORATION	245 Elizabeth Avenue NEWARK, NJ 07108-2706	973/624-3301	Newark, NJ
239-01	JEMS AUTO GROUP, INC.	655 McCarter Highway NEWARK, NJ 07102	973/621-2290	Newark, NJ
456-01	WILLIAM SCOTT PENZA	316 River Road NORTH ARLINGTON, NJ 07031	201/998-4711	Bergen-Passaic, NJ
2118-02	RANCOCAS LOGISTICS LLC	933 Route 130 NORTH BURLINGTON, NJ 08016	609/386-7710	Philadelphia, PA-NJ
1740-02	EFT AUTO 3, LLC	811 Main Avenue PASSAIC, NJ 07055	973/777-7962	Bergen-Passaic, NJ
787	DAVID PAPASSO	967 Rt. US 22 Memorial Pkwy. PHILLIPSBURG, NJ 08865	908/454-5220	Newark, NJ
162	SHOP 162 INC.	200 North Main Street PLEASANTVILLE, NJ 08232	609/645-1955	Atlantic-Cape May, NJ
112	GARY CASTALDO	536 Route 17 North RAMSEY, NJ 07446	201/825-9220	Bergen-Passaic, NJ
2921-01	EFT AUTO 6, LLC	128 Rochelle Avenue, ROCHELLE PARK, NJ 07662	201/509-5544	New York, NY
2721	GULZAR AHMAD	495 St. George Ave. ROSELLE, NJ 07203	908/525-3434	Newark, NJ
249	MICHAEL BORRUSO	3251 Hamilton Boulevard SOUTH PLAINFIELD, NJ 07080	732/752-6050	Middlesex-Somerset-Hunterdon, NJ
214	MARIE-JOHN CORPORATION	350 State Highway 166 SOUTH TOMS RIVER, NJ 08757	732/244-0042	Monmouth-Ocean, NJ
2922-01	EFT AUTO 7, LLC	1818 Rt. 71 SPRING LAKE HEIGHTS, NJ 07762	732/449-7050	New York, NY
135-03	BHASKER ANDHAVARAPU AND DIVYA ANDHAVARAPU	1745 North Olden Avenue TRENTON, NJ 08638	609/882-3580	Trenton, NJ
696	TURNERSVILLE MEINEKE LLC	5281 Route 42 TURNERSVILLE, NJ 08012	856/228-1112	Philadelphia, PA-NJ
414	MUFFLER MAN, LLC	1261 N. Delsea Drive VINELAND, NJ 08360	856/692-7081	Vineland-Millville-Bridgeton, NJ
217	KAMBO MUFFLERS, INC.	1071 Bloomfield Avenue WEST CALDWELL, NJ 07006	973/227-6830	Newark, NJ
538-03	MICHAEL PHILLIPS	548 Mantua Avenue WOODBURY, NJ 08096-3214	856/848-1111	Philadelphia, PA-NJ
New Mexico (3)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
1591	J. LEE INC.	1812 Juan Tabo NE ALBUQUERQUE, NM 87112	505/299-6081	Albuquerque, NM
2281	MESA VERDE CONSTRUCTION AND DEVELOPMENT LLC	8721 San Pedro Drive NE ALBUQUERQUE, NM 87113	505/821-9544	Albuquerque, NM
1433-01	RAMON MUNOZ	4420 Rodeo Road Rt. 27 SANTA FE, NM 87505-9700	505/438-6031	Santa Fe, NM

Center	Franchisee	Address	Phone	Market Area
New York (18)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2020-01	MRC AUTOMOTIVE SERVICES LLC	1021 Central Avenue ALBANY, NY 12205	518/860-1395	Albany-Schenectady-Troy, NY
164	LU DI DA SYSTEMS INC	4054 Boston Road BRONX, NY 10475-1109	718/324-4141	New York, NY
468-01	ATLANTIC EXHAUST, INC.	1029 Atlantic Avenue BROOKLYN, NY 11238-2902	718/638-2300	New York, NY
303-01	B. MUFFLE-R, INC.	1741 Coney Island Avenue BROOKLYN, NY 11230-6501	718/375-8100	New York, NY
186-01	KAMAL MOHAMMED	8914 Church Avenue BROOKLYN, NY 11236-1005	718/498-2100	New York, NY
381	JLM AUTOMOTIVE SERVICES, INC.	716 Ulster Avenue KINGSTON, NY 12401-1710	845/339-4677	Ulster County, NY
228	B.S.L. AUTOMOTIVE ENTERPRISES	87 Dolson Avenue MIDDLETOWN, NY 10940	845/343-9171	Newburgh, NY-PA
2815	DAVID VISAGGI	269 North Bedford Road MT. KISCO, NY 10549	914/233-9020	New York, NY
296	PAUL DENICOLA	640 North Avenue NEW ROCHELLE, NY 10801	914/235-0700	New York, NY
545	CLIFFORD BONFIGLIO	157 S. Highland Ave., Rt. 9 OSSINING, NY 10562	914/941-1152	New York, NY
131-01	JATINDER S INC.	536 Medford Avenue PATCHOGUE, NY 11772	631/475-7464	Nassau-Suffolk, NY
77	BAT-YAM, INC	207-02 Jamaica Avenue QUEENS VILLAGE, NY 11428	718/776-4365	New York, NY
59-02	JATI, INC.	458 Portion Road RONKONKOMA, NY 11779	631/981-0600	Nassau-Suffolk, NY
334	ROBERT MERKERT	743 Route 347 SMITHTOWN, NY 11787-5128	631/265-0707	Nassau-Suffolk, NY
768-01	SOJO MUFFLER INC.	75 County Road 39 SOUTHAMPTON, NY 11968	631/283-9142	Nassau-Suffolk, NY
245	STEPHEN PARASCONDOLA	2097 Forest Avenue STATEN ISLAND, NY 10303	718/720-0606	New York, NY
571	STEPHEN PARASCONDOLA	1162 Rossville Avenue STATEN ISLAND, NY 10309	718/356-6114	New York, NY
145-01	VT EXHAUST CORP	597 Central Park Avenue YONKERS, NY 10704	914/968-7269	New York, NY
North Carolina (45)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2774-01	GODSPEED AUTO BRO'S, LLC.	512 NC HWY 24_27 ALBEMARLE, NC 28001	704/550-5094	Charlotte-Gastonia-Rock Hill, NC-SC
2799	BRIAN & DOUGLAS HOOPER	11522 North Main St. ARCHDALE, NC 27263	336/875-4578	Greensboro,Winston-Salem,High Point, NC
2468-01	VELOCITY AUTOMOTIVE HOLDINGS, LLC	2137 Hendersonville Rd. ARDEN, NC 28704	828/676-2893	Asheville, NC
1596-02	VELOCITY AUTOMOTIVE HOLDINGS, LLC	801 Fairview Road, Suite 14 ASHEVILLE, NC 28803	828/296-7448	Asheville, NC
2467-01	VELOCITY AUTOMOTIVE HOLDINGS, LLC	124 Patton Ave. ASHEVILLE, NC 28801	828/774-5600	Asheville, NC
1980	EMC AUTO REPAIR, LLC	407 E. Main Street CARRBORO, NC 27510	919/933-6888	Raleigh-Durham-Chapel Hill, NC
2808	JOSEPH COOPER	2910B Freedom Drive CHARLOTTE, NC 28208	704/899-5577	Charlotte-Gastonia-Rock Hill, NC-SC
1979-01	GODSPEED AUTO CUSTOMS, LLC	227 Mt. Holly-Huntersville Rd. CHARLOTTE, NC 28214	704/822-1425	Charlotte-Gastonia-Rock Hill, NC-SC
49-03	MCDUFFEE ENTERPRISES, INC.	3124 Monroe Road CHARLOTTE, NC 28205	704/334-5332	Charlotte-Gastonia-Rock Hill, NC-SC
104	NIVEK LTC, INC.	5238 South Boulevard CHARLOTTE, NC 28217-2711	704/525-2168	Charlotte-Gastonia-Rock Hill, NC-SC

Center	Franchisee	Address	Phone	Market Area
2370	COFFMAR CAR CARE CENTERS, LLC	11577 US 70 Business Highway W, CLAYTON, NC 27520	919/243-8194	Raleigh-Durham-Chapel Hill, NC
1955	GAAPCAR, INC.	2689 Lewisville-Clemmons Rd. CLEMMONS, NC 27012	336/712-4760	Greensboro,Winston-Salem,High Point, NC
4000-03	PODCLAY AUTOMOTIVE, INC.	901 Concord Parkway South Hwy. 29, CONCORD, NC 28027	704/721-0044	Charlotte-Gastonia-Rock Hill, NC-SC
2056	PETER ROBINSON	7270 NC Highway 73 DENVER, NC 28037	704/827-6539	Lincoln County, NC
2042	ERNEST PAIT	74 Sawmill Village Lane FRANKLIN, NC 28734	828/369-2664	Macon County, NC
1830	CMH AUTOMOTIVE, INC.	1410 East Broad Street FUQUAY VARINA, NC 27526	919/552-2288	Raleigh-Durham-Chapel Hill, NC
1917-01	EMC AUTO REPAIR, LLC	250 US Highway #70 West GARNER, NC 27529	919/662-1662	Raleigh-Durham-Chapel Hill, NC
730-01	JOSEPH COOPER	330 East Garrison Boulevard GASTONIA, NC 28054-418	704/865-9321	Charlotte-Gastonia-Rock Hill, NC-SC
188-01	BVD AUTOMOTIVE, INC.	4513 West Market Street GREENSBORO, NC 27407	336/852-5800	Greensboro,Winston-Salem,High Point, NC
1269-01	H2 AUTOMOTIVE, INC.	4434 West Wendover Avenue GREENSBORO, NC 27407	336/851-9620	Greensboro,Winston-Salem,High Point, NC
2169	SMARTONE DEALER SERVICES, INC.	955 Brompton Lane GREENVILLE, NC 27834	252/364-8760	Greenville, NC
1791-01	JOSEPH COOPER	6650 Kee Lane HARRISBURG, NC 28075	704/455-3870	Charlotte-Gastonia-Rock Hill, NC-SC
2884-01	VELOCITY AUTOMOTIVE HOLDINGS HICKORY, NC, LLC	1052 11th Ave. Blvd SE HICKORY, NC 28602	828/855-2555	Hickory, NC
2690	DARFIN, LLC	640 N. Main Street HOLLY SPRINGS, NC 27540	919/762-7094	Raleigh-Durham-Chapel Hill, NC
2304	J&S HOLDING COMPANY	405 W. Main Street JAMESTOWN, NC 27282	336/454-7000	Greensboro,Winston-Salem, High Point, NC
1892-01	RAGHU MOTHUKURI	1123 South Cannon Boulevard KANNAPOLIS, NC 28083	704/933-8577	Charlotte-Gastonia-Rock Hill, NC-SC
2199-01	BOBBY ASKEW	1800 S. Croatan Highway KILL DEVIL HILLS, NC 27948	252/715-1800	Dare County, NC
2140	DAVID SINK	104 Woodland Drive LELAND, NC 28451	910/769-2824	Wilmington, NC
2159-04	WP LINCOLNTON, NC 2159, LLC	2009 East Main Street LINCOLNTON, NC 28092	704/240-3354	Lincoln County, NC
1669-01	KEITH YATES	9507 E. Independence Blvd. MATTHEWS, NC 28105	704/708-6556	Charlotte-Gastonia-Rock Hill, NC-SC
841-03	MARTOS AUTO GROUP, LLC	1850 W. Roosevelt Blvd.-Hwy. 74, MONROE, NC 28110	704/289-6004	Charlotte-Gastonia-Rock Hill, NC-SC
1931-03	WP MOORESVILLE, NC 1931, LLC	190 E. Plaza Drive MOORESVILLE, NC 28115	704/662-0068	Iredell County, NC
608	NIVEK, LTC INC.	10515-A Centrum Parkway PINEVILLE, NC 28134-8814	704/542-2133	Charlotte-Gastonia-Rock Hill, NC-SC
1312-01	JAMES COBLENTZ	3421 West Millbrook Road RALEIGH, NC 27612	919/785-0078	Raleigh-Durham-Chapel Hill, NC
1942	EMC AUTO REPAIR, LLC	9320 Forum Road RALEIGH, NC 27615	919/239-4407	Raleigh-Durham-Chapel Hill, NC
2235-01	MARCOFF CAR CARE CENTER, LLC	2642 S. Saunders St. RALEIGH, NC 27603	919/832-7741	Raleigh-Durham-Chapel Hill, NC
2964	JP FAMILY VENTURES, LLC	600 South Main Street Rolesville, NC 27571	919/263-4499	Raleigh-Durham-Chapel Hill, NC
2734	RICKEY AFFRONTI	1508 Tramway Rd. SANFORD, NC 27332	919/774-1134	Fayetteville, NC

Center	Franchisee	Address	Phone	Market Area
2023-04	GODSPEED FAMILY AUTO LLC	1032 Glenway Drive STATESVILLE, NC 28625	704/872-7717	Iredell County, NC
1875-01	EMC AUTO REPAIR, LLC	10121 Capital Blvd. WAKE FORREST, NC 27857	919/322-2304	Raleigh-Durham-Chapel Hill, NC
2222	CHARLES NICKLIS	949 Gateway Commons Circle WAKE FOREST, NC 27587	919/554-3333	Raleigh-Durham-Chapel Hill, NC
2394	RANDALL GILBERT	5267 Neal Trail Dr. WALKERTOWN, NC 27051	336/754-1235	Greensboro, Winston-Salem, High Point, NC
2731	PEANUT ISLAND ENTERPRISES, LLC	3384 W US Hwy 421 WILKESBORO, NC 28697	336/973-2277	Greensboro, Winston-Salem, High Point, NC
282-02	DROC AUTO REPAIR, INC.	3805 Market Street WILMINGTON, NC 28403	910/763-3494	Wilmington, NC
1849	MICHAEL STYRON, DREW D. D'ANGLEO & CHARLES DEWITT	730 W. Firetower Road WINTERVILLE, NC 28590	252/752-4700	Greenville, NC
Ohio (9)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
758	MORPORT, CIN.	422 Main Street - Route 40 BRIDGEPORT, OH 43912	740/633-2705	Wheeling, WV-OH
132-01	JOSEPH ERWIN AUTOMOTIVE GROUP, LLC	7530 Colerain CINCINNATI, OH 45239-5310	513/522-2841	Cincinnati, OH-KY-IN
2946	JOSEPH ERWIN AUTOMOTIVE GROUP, LLC	9242 Cincinnati Columbus Rd. CINCINNATI, OH 45241	513/779-9199	Cincinnati, OH-KY-IN
325	CEDRIC NEWBERRY	7760 Reading Road CINCINNATI, OH 45237-2141	513/761-9900	Cincinnati, OH-KY-IN
791	CC NEWBERRY AUTOMOTIVE CORP.	606 Northland Blvd Tri-County FOREST PARK, OH 45240	513/825-4490	Cincinnati, OH-KY-IN
1673	KYLE BRAY	10754 Harrison Avenue HARRISON, OH 45030	513/202-0571	Cincinnati, OH-KY-IN
2460-01	JON CRISSINGER	925 Delaware Ave. MARYSVILLE, OH 43040	937/303-9524	Columbus, OH
2608-01	JON CRISSINGER	861 Lila Ave. MILFORD, OH 45150-1616	513/909-4070	Cincinnati, OH-KY-IN
1626	CACY AUTOMOTIVE DEVELOPMENT, INC.	5284 Ridge Road PARMA, OH 44129	216/749-9763	Cleveland-Lorain-Elyria, OH
Oklahoma (7)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2005-02	SBA HOLDINGS, INC.	710 North Aspen Avenue BROKEN ARROW, OK 74012	918/258-2676	Tulsa, OK[1]
2925	OLIVANA AUTOMOTIVE GROUP, LLC	2608 East 2nd Street EDMOND, OK 73034	405/213-1779	Oklahoma City, OK
2502-01	SBA HOLDINGS, INC.	10920 E. 21st St. TULSA, OK 74129	918/794-0733	Tulsa, OK
2004-03	SBA HOLDINGS, INC.	4751 South Memorial Drive TULSA, OK 74145	918/665-0920	Tulsa, OK
2803	SBA HOLDINGS, INC.	10848 S. Memorial Drive TULSA, OK 74133	918/943-5600	Tulsa, OK
2804	SBA HOLDINGS, INC.	4719 East 11th Street TULSA, OK 74110	918/779-4770	Tulsa, OK
2882	OLIVIANA AUTOMOTIVE GROUP, LLC	539 S. Mustang Rd. YUKON, OK 73099	405/308-4305	Oklahoma City, OK

[1] Center #2005 changed from a Co-Branded Meineke/Econo Lube Center to a Meineke Center post-resale.

Center	Franchisee	Address	Phone	Market Area
Oregon (9)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
991	T. TIME, INC.	13203 S.W. Canyon Road BEAVERTON, OR 97005	503/644-3522	Portland-Vancouver, OR-WA
720-01	K & C FROST, INC.	10717 Southeast 82nd Avenue HAPPY VALLEY, OR 97086	503/652-9061	Portland-Vancouver, OR-WA
1250	T. TIME, INC.	2901 SE 73rd Avenue HILLSBORO, OR 97123	503/848-3231	Portland-Vancouver, OR-WA
2177-02	T. TIME, INC.	2175 NE 27th Street MCMINNVILLE, OR 97128	503/376-8300	Portland-Vancouver, OR-WA
2374-02	T. TIME, INC.	705 A North Springbrook Rd. NEWBERG, OR 97132	503/554-9988	Portland-Vancouver, OR-WA
1442-03	K & C FROST, INC.	19368 South Molalla Avenue OREGON CITY, OR 97045	503/656-2333	Portland-Vancouver, OR-WA
272	K & C FROST, INC.	3635 SE 82nd Ave. PORTLAND, OR 97266	503/254-6539	Portland-Vancouver, OR-WA
1255-01	K & C FROST INC.	206 North Lombard Street PORTLAND, OR 97217	503/283-9170	Portland-Vancouver, OR-WA
935	T. TIME, INC.	13707 South West Pacific Hwy., Ste. 100, TIGARD, OR 97233	503/624-9298	Portland-Vancouver, OR-WA
Pennsylvania (55)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
529-01	ALADDIN TASKIN & ROBERT OTIS	1744 South 4th Street ALLENTOWN, PA 18103-4924	610/797-7311	Allentown-Bethlehem-Easton, PA-NJ
2645	JAMES MORETTI	3275 Concord Rd. ASTON, PA 19014	610/497-9600	Philadelphia, PA-NJ
380-05	BRISTOL PIKE CAR CARE LLC	2658 Bristol Pike BENSALEM, PA 19020	215/245-1114	Philadelphia, PA-NJ
530-01	ALABERT CORP.	1517 Stefko Boulevard BETHLEHEM, PA 18017-6228	610/866-0871	Allentown-Bethlehem-Easton, PA-NJ
227-01	ALADDIN TASKIN & ROBERT OTIS	555 Route 13 BRISTOL, PA 19007	215/788-6370	Philadelphia, PA-NJ
2871	EMIG ENTERPRISES, INC.	2236 Gettysburg Rd. CAMP HILL, PA 17011	717/763-0238	York, PA
765-01	BRUCE FUSCALDO; MICHELLE FUSCALDO	3655 Library Road CASTLE SHANNON, PA 15234	412/884-6500	Pittsburgh, PA
733-02	A&M CHESTER AUTO CARE, LLC	2217 Edgemont Avenue CHESTER, PA 19013-5129	610/874-8500	Philadelphia, PA-NJ
2860	GRAHAM BRIGGS & JASON PEARSON	541 Pottstown Pike CHESTER SPRINGS, PA 19425	610/492-1188	Philadelphia
1800-01	BONIDIE AUTOMOTIVE, INC.	20845 Route 19 CRANBERRY TOWNSHIP, PA 16066	724/772-6622	Pittsburgh, PA
157	ALADDIN TASKIN & ROBERT OTIS	195 MacDade Boulevard DARBY, PA 19023-1812	610/237-1630	Philadelphia, PA-NJ
905-01	WWCD AUTO, LLC	815 North Easton Road DOYLESTOWN, PA 18902	215/345-9326	Philadelphia, PA-NJ
263	FRANK P. JR., DAVID P., STEPHEN M. PAPASSO	1634 Northampton Street EASTON, PA 18042-3161	610/253-3251	Allentown-Bethlehem-Easton, PA-NJ
2160	WILLIAM RANDELL	1458 Chestnut St. EMMAUS, PA 18049	610/928-1166	Allentown-Bethlehem-Easton, PA-NJ
1062	J.C. QUALITY AUTO CENTER, INC.; S&S AUTOMOTIVE SERVICE, INC.	280 W. Lincoln Hwy. EXTON, PA 19341	610/363-7084	Philadelphia, PA-NJ

Center	Franchisee	Address	Phone	Market Area
302-03	BHASKER ANDHAVARAPU AND DIVYA ANDHAVARAPU	125 Route 1 (Lincoln Highway) FAIRLESS HILLS, PA 19030	215/943-2121	Philadelphia, PA-NJ
2779-01	CHARLES SPINGLER	1711 Wilmington Pike GLEN MILLS, PA 19342	484/800-4307	Philadelphia, PA-NJ
2876	EMIG ENTERPRISES, INC.	1125 Carlisle St. HANOVER, PA 17331	717/345-8230	York, PA
2942	EMIG ENTERPRISES, INC.	871 Baltimore Street HANOVER, PA 17331	717/637-2600	York, PA
892	DAVID POLLACK	3098 Paxton Street HARRISBURG, PA 17111	717/561-0140	Harrisburg-Lebanon-Carlisle, PA
495-01	BENJAMIN RAMSAY; JOSHUA RAMSAY; NATHANIEL RAMSAY	4509 Jonestown Road HARRISBURG, PA 17109	717/657-0184	Harrisburg-Lebanon-Carlisle, PA
712-02	DOJ LEGACY LLC	1401 East Chocolate Avenue HERSHEY, PA 17033-1165	717/534-1310	Harrisburg-Lebanon-Carlisle, PA
828-01	EMIG, LLC	1220 Manheim Pike LANCASTER, PA 17601-3122	717/393-6333	Lancaster, PA
240	STEVE A. WILLIS/ RICHARD G. WRIGHT, JR.	6510 Carlisle Pike MECHANICSBURG, PA 17050	717/766-7701	Harrisburg-Lebanon-Carlisle, PA
512	H & B AUTOMOTIVE INC	2667 Monroeville Boulevard MONROEVILLE, PA 15146	412/856-0155	Pittsburgh, PA
2935	EMIG ENTERPRISES, INC.	331 Pleasant View Road NEW CUMBERLAND, PA 17070	717/639-2808	Harrisburg-Lebanon-Carlisle, PA
2897	EMIG ENTERPRISES, INC.	201 N. 2nd St. NEW FREEDOM, PA 17349	717/235-5983	York, PA
745	T&B UNDERCAR REPAIR, INC.	3105 West Chester Pike NEWTOWN SQUARE, PA 19073	610/353-3214	Philadelphia, PA-NJ
610	TIMOTHY BROUGH	12780 Route 30 NORTH HUNTINGDON, PA 15642-1324	724/863-2311	Pittsburgh, PA
2581	WILLIAM PALMER, SUSAN PALMER, WILLIAM S. PALMER III	306 W. Central Ave. PAOLI, PA 19301	610/644-4450	Philadelphia, PA-NJ
2890	H&B AUTOMOTIVE, INC.	465 Rodi Rd. PENN HILLS, PA 15235	412/545-2167	Pittsburgh, PA
2966	EMIG ENTERPRISES, INC.	5988 Main Street, East PETERSBURG, PA 17520	717/569-7522	York, PA
2669-01	BHASKER ANDHAVARAPU AND DIVYA ANDHAVARAPU	8051 Oxford Ave. PHILADELPHIA, PA 19111	267/343-7333	Philadelphia, PA-NJ
207	BROADEKE, INC.	7600 Ridge Avenue PHILADELPHIA, PA 19128	215/487-1155	Philadelphia, PA-NJ
2155-01	KITIJA AUTO, LLC	9909 Northeast Ave. PHILADELPHIA, PA 19115	215-676-5400	Trenton, NJ
287	LINDA RESTITUTO/ MIDI MUFFLER INSTALLERS	6140 Frankford Avenue PHILADELPHIA, PA 19135	215/533-5588	Philadelphia, PA-NJ
367	ROBERT ROSETTY	7825 Ogontz Avenue PHILADELPHIA, PA 19150	215/924-9035	Philadelphia, PA-NJ
340-02	CHARLES SPINGLER	2401-05 Vare Avenue PHILADELPHIA, PA 19145	215/468-6400	Philadelphia, PA-NJ
539-01	CHARLES SPINGLER	4846 Spruce Street PHILADELPHIA, PA 19139	215/474-6320	Philadelphia, PA-NJ
1109-02	ALEX ALTVATER; MITCHELL ZGORLISKI JR	5290 Steubenville Pike PITTSBURGH, PA 15205	412/788-0808	Pittsburgh, PA
716	BONIDIE AUTOMOTIVE, INC.	66 Camp Horne Road PITTSBURGH, PA 15202	412/766-0222	Pittsburgh, PA

Center	Franchisee	Address	Phone	Market Area
232	LYNNE M. HOLLINGER; ROBERT L. HOLLINGER, JR.	3265 Babcock Boulevard PITTSBURGH, PA 15237	412/367-5991	Pittsburgh, PA
2517	BRUCE FUSCALDO	290 Curry Hollow Rd. PLEASANT HILLS, PA 15236	412/714-8480	Pittsburgh, PA
2769	JAMES MORETTI	1109 S. Hanover St. POTTSTOWN, PA 19465	610/718-5555	Philadelphia, PA-NJ
2001	PAUL BONFIGLIO	630 South West End Blvd. QUAKERTOWN, PA 18951	215/536-8105	Philadelphia, PA-NJ
2936	CLUTCH CARZ, LLC	307 Main Street ROYERSFORD, PA 19468	610/792-3334	Philadelphia, PA-NJ
1351-01	ALADDIN TASKIN	4497 Penn Avenue SINKING SPRING, PA 19608	610/927-9646	Reading, PA
921-03	SOUTHAMPTON CAR CARE LLC	58 Second Street Pike SOUTHAMPTON, PA	267/684-6529	Philadelphia, PA-NJ
2303	GRAHAM BRIGGS	1119 West Chester Pike WEST CHESTER, PA 19382	610/431-1900	Philadelphia, PA-NJ
2636	GRAHAM BRIGGS	507 East Baltimore Pike WEST GROVE, PA 19390	610/869-8800	Philadelphia, PA-NJ
1417	MICHAEL RABINOVICH	4103 Kennywood Boulevard WEST MIFFLIN, PA 15122	412/462-7780	Pittsburgh, PA
1019-02	ALADDIN TASKIN	2717 MacArthur Road WHITEHALL, PA 18052-3632	610/820-9640	Allentown-Bethlehem-Easton, PA-NJ
2596	EMIG ENTERPRISES, INC.	2301 E. Market Street YORK, PA 17402	717/430-6593	Lancaster, PA
1314	BENJAMIN RAMSAY JOSHUA RAMSAY NATHANIEL RAMSAY PATRICK KILDOW	1775 Rodney Road YORK, PA 17408	717/767-5884	York, PA
2639	BENJAMIN RAMSAY	855 South Queen Street YORK, PA 17403	717/318-5192	York, PA
Puerto Rico (6)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2715	JUAN E. MERCADO	Santa Rosa Shopping Mall, Lot #38A, BAYAMON, PR 00959	787/338-7868	San Juan-Bayamon, PR
2845	KM AUTOMOTIVE SERVICES, INC.	2 KM12.2, Corner Correa Street Reparto Correa Dev BAYAMON, PR 00961	787/995-7868	San Juan-Bayamon, PR
2846	KM AUTOMOTIVE SERVICES INC.	Carr. #1 KM.33.4 Bo. Bairoa Local 3B & 4, CAGUAS, PR 00727	787/230-6068	Puerto Rico
2796*	JUAN E. MERCADO	Avenida 65 de Infantería, KM 6.8 CAROLINA, PR 00985	787/276-7868	San Juan-Bayamon, PR
2716	JUAN E. MERCADO	Los Jardines Shopping Center, Lot A1 GUAYNABO, PR 00969	787/783-7868	San Juan-Bayamon, PR
2965	KM AUTOMOTIVE SERVICES, INC.	Bo. Rincon, Carr.941 Km.1.0 GURABO, PR 00778	787/737-7868	San Juan, PR
South Carolina (13)				
Center	**FRANCHISEE**	**Address**	**Phone**	**Market Area**
2183-01	HENRI DARAZI AND HASSAN LAHAM	3507-A Clemson Blvd. ANDERSON, SC 29621	864/261-8979	Greenville-Spartanburg-Anderson, SC
2190	JBP ENTERPRISES, INC.	905 Wesley Court BOILING SPRINGS, SC 29316	864/327-9129	Greenville-Spartanburg-Anderson, SC
2828	W.R. PAYNE'S AUTOMOTIVE, INC.	2390 Laurens Rd. GREENVILE, SC 29607	864/203-3234	Greenville-Spartanburg-Anderson, SC

Center	Franchisee	Address	Phone	Market Area
1882	J&R CAR CARE CENTER, INC.	212 North Main Street GREER, SC 29650	864/879-7911	Greenville-Spartanburg-Anderson, SC
2197	MICHAEL BADEN	8795 Charlotte Highway INDIAN LAND, SC 29707	803/396-0404	Charlotte-Gastonia-Rock Hill, NC-SC
2805	MAREK LIPTAK	4061 Moore Duncan Highway MOORE, SC 39369	864/990-5541	Greenville-Spartanburg-Anderson, SC
1921	GRATEFUL JOURNEY, LLC	12270 Highway 17 Bypass MURRELLS INLET, SC 29576	843/357-6833	Myrtle Beach, SC
2443-01	PREMIER BRANDS INVESTMENTS LLC	362 George Bishop Parkway MYRTLE BEACH, SC 29579	843/448-0178	Myrtle Beach, SC
1969-02	PREMIER BRANDS INVESTMENTS LLC	2351 Dick Pond Road MYRTLE BEACH, SC 29575	843/215-7807	Myrtle Beach, SC
1810-01	DAVID PAULSON	4896 Ashley Phosphate Road NORTH CHARLESTON, SC 29418	843/760-1112	Charleston-North Charleton, SC
2766-01	COOPER BRO'S GARAGE, LLC	525 S. Herlong Ave. ROCK HILL, SC 29732	803/327-0101	Charlotte-Gastonia-Rock Hill, NC-SC
1134-01	MICHAEL WOLFE, ERIN WOLFE, & MATTHEW POLLARD	2366 Dave Lyle Boulevard ROCK HILL, SC 29730-8931	803/328-6677	Charlotte-Gastonia-Rock Hill, NC-SC
2102-04	RRKKB, INC.	432 West Blackstock Road SPARTANBURG, SC 29301	864/576-1878	Greenville-Spartanburg-Anderson, SC
South Dakota (2)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
1542-01	ANDERSON AUTO CARE LLC	2607 West 41st Street SIOUX FALLS, SD 57105	605/373-0068	Sioux Falls, SD
2129-01	GPA ENTERPRISES, INC.	5229 West 12th Street SIOUX FALLS, SD 57106	605/275-5660	Sioux Falls, SD
Tennessee (8)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2757	THU VU	4533 Tennessee 58 CHATTANOOGA, TN 37416	423/475-5757	Decatur, AL
1264	NANCY SMITH	1880 Fort Campbell Boulevard CLARKSVILLE, TN 37042	931/645-6287	Clarksville-Hopkinsville, TN-KY
4333-03	VNJ VENTURES, INC.	5309 TN-153 HIXSON, TN 37343	423/702-5836	Chattanooga, TN
1863	JOHN ANTHONY	951 North Parkway JACKSON, TN 38305	731/422-4229	Jackson, TN
2590	FITZER, INC.	720 Highway 321 N. LENOIR CITY, TN 37771	865/816-6395	Knoxville, TN
2958	MEM AUTOMOTIVE INV3ESTMENTS, INC.	455 Union Avenue MEMPHIS, TN 38103	901/525-0897	Memphis, TN-AR-MS
535	DERRICK WHITT	2666 Lamar Avenue MEMPHIS, TN 38114-4351	901/744-3800	Memphis, TN-AR-MS
2513-02	JOHN M. ANTHONY	1411 NW Broad Street MURFREESBORO, TN 37129	615/867-0010	Nashville, TN
Texas (54)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
116	CROSS AUTOMOTIVE, INC	3401 South Western AMARILLO, TX 79109-4437	806/353-4377	Amarillo, TX
1821	CROSS AUTOMOTIVE, INC.	913 South Georgia Street AMARILLO, TX 79102	806/331-1907	Amarillo, TX
1363-02	DAVID EPP	1805 South Grand Street AMARILLO, TX 79103	806/374-4411	Amarillo, TX
4169-02	MORNINGSIDE TEXAS HOLDINGS, LLC	5980 Poly Webb Road ARLINGTON, TX 76016	817/483-6700	Dallas, TX

Center	Franchisee	Address	Phone	Market Area
2478-03	MCCC 2478, LLC	820 SW Green Oaks ARLINGTON, TX 76017	682/706-3232	Dallas, TX
483-01	ASHMOORE, INC.	12732 Research Boulevard AUSTIN, TX 78759-4324	512/331-5533	Austin-San Marcos,TX
2664	JMK1 VENTURES, LLC	319 E. Ben White Blvd. AUSTIN, TX 78704	512/383-8501	Austin-San Marcos,TX
2605-02	MGM AUTOMOTIVE LLC	7829 Burnet Road AUSTIN, TX 78757	512/814-0877	Austin-San Marcos, TX
19-01	MKMEJ 0019 LLC	1215 Decker Drive BAYTOWN, TX 77520-4438	281/427-0451	Houston, TX
1809	SMYLIE UNLIMITED, LLC	1765 North Major Drive BEAUMONT, TX 77706	409/861-4397	Beaumont-Port Arthur, TX
2863	MAXIMO MICHAELIS	2105 North Bell Blvd. CEDAR PARK, TX 78613	512/686-5491	Austin, TX
2717-01	ISRAEL MICHEL & JOHN OLGIN	204 Southwest Pkwy E. COLLEGE STATION, TX 77840	979/704-3080	Bryan-College Station, TX
160	CHORLIS TURNER MAYO A/K/A GRACY TURNER	215 North Frazier CONROE, TX 77301-2828	936/539-2191	Houston, TX
2878	HORNWANG HOLDINGS, LLC	3529 W Northwest Highway DALLAS, TX 75220	469/778-0045	Dallas, TX
2098-02	MTH2, LLC	11613 East Northwest Hwy. DALLAS, TX 75218	214/221-1177	Dallas, TX
2827	MTH2, LLC	2513 Valley View Lane FARMERS BRANCH, TX 75234	972/247-2600	Dallas, TX
2938	MTH2, LLC	507 West Mockingbird Lane DALLAS, TX 75247	469/779-2700	Dallas, TX
2505	AMOL KANSAGRA	4041 Boat Club Road FORT WORTH, TX 76135	817/984-1529	Fort Worth-Arlington, TX
2064-03	MORNINGSIDE TEXAS HOLDINGS, LLC	3012 Altamesa Blvd. FORT WORTH, TX 76133	817/294-4077	Fort Worth-Arlington, TX
1846	MICHALAK TEXAS, INC.	4980 Western Center Blvd. FORT WORTH, TX 76137	817/281-7726	Fort Worth-Arlington, TX
2793-01	MTH2, LLC	5031 Bryant Irvin Road FORT WORTH, TX 76132	817/744-7900	Fort Worth-Arlington, TX
2316-01	MORNINGSIDE TEXAS HOLDINGS, LLC	5615 Broadway Blvd. GARLAND, TX 75043	972/303-2918	Dallas, TX
2939	MTH2, LLC	5161 Broadway Avenue HALTOM CITY, TX 76117	602/707-2808	Dallas, TX
008-01	4501 GESS. HOLDINGS LLC	9939 Long Point HOUSTON, TX 77055	713/461-7002	Houston, TX
2767	MAXIMO AUTO REPAIR, LLC	17711 Old Louetta Rd. HOUSTON, TX 77070	281/205-7901	Houston, TX
2874	RADVIK LABS INC.	2343 S Kirkwood Drive HOUSTON, TX 77077	832/288-5380	Houston, TX
2490-02	ZONER, LLC	13020 FM 529 HOUSTON, TX	832/779-4969	Houston, TX
1136-02	MKMEJ 1136, LLC	3515 FM 1960 East HUMBLE, TX 77338-5320	281/852-8730	Houston, TX
2506-01	FRANMA ENTERPRISES INC.	608 Grapevine Hwy. HURST, TX 76054	817/479-6360	Fort Worth-Arlington, TX
490-03	AUTOMOTIVE TODAY, LLC	1270 Rock Canyon Dr., Suite G, KATY, TX 77450-3870	281/392-5445	Houston, TX
2067-03	THE WOODS GROUP, LLC	455 Katy Fort Bend Road, #310 KATY, TX 77494	281/371-2200	Houston, TX
4241-06	MORNINGSIDE TEXAS HOLDINGS, LLC	1550 West Main Street LEWISVILLE, TX 75067	972/221-1689	Dallas, TX
2344	C3M ENTERPRISES, INC.	2972 FM 423 LITTLE ELM, TX 75068	214/705-3495	Dallas, TX

Center	Franchisee	Address	Phone	Market Area
1903	DAVID EPP	4615 34th Street LUBBOCK, TX 79410	806/792-7775	Lubbock, TX
2822	ANTALA SERVICES LLC	2900 W Eldorado Pkwy. MCKINNEY, TX 75070	469/796-5050	Dallas, TX
2487-01	DAP AUTOMOTIVE INNOVATIONS LLC	195 N. Stonebridge Drive MCKINNEY, TX 75071	469/888-4033	Dallas, TX
2791	J4 TXDYNAMICS, LLC	2104 Birch Bend MESQUITE, TX 75181	214/643-6400	Dallas, TX
430-01	JOHN MYERS AND PEYTON MYYERS	1815 Nederland Avenue NEDERLAND, TX 77627-5130	409/727-8666	Beaumont-Port Arthur, TX
2826-01	MCCC 2478, LLC	7339 Boulevard 26 NORTH RICHLAND HILLS, TX 76180	817/479-6045	Fort Worth-Arlington, TX
2479-01	MORNINGSIDE TEXAS HOLDINGS, LLC	1401 N. Dallas Avenue LANCASTER, TX 75134	214/730-0543	Dallas, TX
593-01	DEAN PIERCE	2339 North Austin Street PEARLAND, TX 77581-4003	281/485-8200	Brazoria, TX
1460-04	TEXAS ELITE SERVICES LLC	2324 West Pecan Street PFLUGERVILLE, TX 78660	512/989-3352	Austin-San Marcos,TX
2750-02	ZOTI HOLDINGS, LLC	3021 Spring Creek PLANO, TX 75023	469/366-9304	Dallas, TX
202	RANDY WARKE	4030 Avenue H ROSENBERG, TX 77471	281/342-7452	Houston, TX
477-02	477 CORPORATION	7081 Bandera Road SAN ANTONIO, TX 78238	210/680-9090	San Antonio, TX
2718	DANIEL GUTIERREZ	12761 Nacogdoches Rd. SAN ANTONIO, TX 78217	210/653-9500	San Antonio, TX
2949	TECHNIQUE MOTORCARS LLC	2719 Vance Jackson Road, SAN ANTONIO, TX 78213	210/349-3748	San Antonio, TX
1599-01	MGM AUTOMOTIVE LLC	1252 Highway 123 SAN MARCOS, TX 78666	512/396-8285	Austin-San Marcos, TX
2898	JSUPER INVESTMENTS LLC	23109 Aldine Westfield Road SPRING, TX 77373	281/288-3335	Houston, TX
2583-03	ABID DOGAR & QURATUL DOGAR	11753 W. Bellfort St., Suite 121, STAFFORD, TX 77477	281/561-8111	Houston, TX
2866-01	4N TX AUTO SERVICES LLC	2204 SW H K Dodgen Loop TEMPLE, TX 46504	254/773-8006	Kileen-Temple, TX
1577-01	CLEMENTS AUTOMOTIVE LLC	1632 Pat Booker Road, Suite 112, UNIVERSAL CITY, TX 78148	210/659-8400	San Antonio, TX
126	KENEX CORPORATION	414 NASA Parkway WEBSTER, TX 77598	281/332-5518	Houston, TX
2300-01	MTH2, LLC	3461 W. FM-544 WYLIE, TX 75098	972/442-2800	Dallas, TX
Utah (3)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2971	IV 280 S STATE STREET LLC	280 S State Street OREM UT 84058	801/607-2591	Salt Lake City-Ogden, UT
2781	APATHY MANAGEMENT LLC	395 South State Street PROVO, UT 84606	801/373-6035	Salt Lake City-Ogden, UT
70-02	JORGE CORTEZ	3149 South State Street SALT LAKE CITY, UT 84115	801/487-6016	Salt Lake City-Ogden, UT
Virginia (25)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
342-01	ELEPHANT SERVICES INC.	1906 Emmet Street CHARLOTTESVILLE, VA 22901	434/295-3474	Charlottesville, VA
1088-01	LEOPARD SERVICES, INC.	415 Oriana Road DENBIGH, VA 23608	757/874-5514	Norfolk-Virginia Beach-Newport News, VA

Center	Franchisee	Address	Phone	Market Area
950-01	RAMZIATH ADJAO	17422 Jefferson Davis Hwy. DUMFRIES, VA 22026-2200	703/221-6202	Washington, DC-MD-VA-WV
274	CSS ENTERPRISES LLC	9881 Fairfax Boulevard FAIRFAX, VA 22030-1738	703/352-5990	Washington, DC-MD-VA-WV
1499	BARRIE BUCK	18134 Forest Road FOREST, VA 24551	434/385-9322	Lynchburg, VA
1490-03	SOHAIL AHMED	10046 Jefferson Davis Hwy. FREDERICKSBURG, VA 22407	540/710-5780	Washington, DC-MD-VA-WV
766	YONT'S AUTO CARE CENTER LLC	3401A Spotsylvania Mall Dr. FREDERICKSBURG, VA 22407-1103	540/786-9785	Washington, DC-MD-VA-WV
851-01	BUFFALO SERVICES, INC.	4609 George Wash'tn Mem Hwy., GRAFTON, VA 23692	757/890-0750	Norfolk-Virginia Beach-Newport News, VA
584-01	ELAND SERVICES INC.	79 West Mercury Boulevard HAMPTON, VA 23669-2508	757/722-3319	Norfolk-Virginia Beach-Newport News, VA
1943-01	ALL SAINT LLC	1524 Spring Hill Road, Unit BB MCLEAN, VA 22102	703/942-6555	Washington, DC-MD-VA-WV
2373	YONO BROTHERS LLC	2610 Church St. NORFOLK, VA 23504	757/962-9747	Norfolk-Virginia Beach-Newport News, VA
2514	ABDUL & AMANT SONS INC.	5271 S. Laburnum Avenue RICHMOND, VA 23231	804/222-2862	Richmond-Petersburg, VA
998	CHARLES CHEESEMAN, INC.	5216 West Broad Street RICHMOND, VA 23230-3010	804/288-9214	Richmond-Petersburg, VA
1226	CHARLES CHEESEMAN, INC.	970 East Parham Road RICHMOND, VA 23228-6511	804/262-7944	Richmond-Petersburg, VA
880	FLEISHER ENTERPRISES, INC.	5026 Melrose Avenue ROANOKE, VA 24017-2340	540/986-0307	Roanoke, VA
1288-04	TOTAL AUTOMOTIVE, LLC	#9 Dorothy Lane STAFFORD, VA 22554	540/720-7369	Washington, DC-MD-VA-WV
472-01	ONE & SANGU LLC	23035 Douglas Court, Unit #132 STERLING, VA 20166	703/742-9200	Washington, DC-MD-VA-WV
2701	JOSE & TERESA DEL MUNDO	45746 Woodland Rd. STERLING, VA 20166	703/421-2211	Washington, DC-MD-VA-WV
2883	PAUL HAMMOND	1156 Portsmouth Blvd. SUFFOLK, VA	Not known	Norfolk-Virginia Beach-Newport News, VA
2038-02	RAMZIATH ADJAO	1770 Ball Street TAPPAHANNOCK, VA 22560	804/443-4283	Essex County, VA
2739-01	PAUL HAMMOND	1321 Diamond Springs Rd. VIRGINIA BEACH, VA 23455	757/500-7421	Norfolk-Virginia Beach-Newport News, VA
312	RHINO SERVICES, INC.	1837 Laskin Road VIRGINIA BEACH, VA 23454-4504	757/428-8033	Norfolk-Virginia Beach-Newport News, VA
197	SHUMBA CATERING, INC.	6399 Indian River Road VIRGINIA BEACH, VA 23464	757/420-1780	Norfolk-Virginia Beach-Newport News, VA
938-01	SABLE SERVICES, INC.	399 Second Street WILLIAMSBURG, VA 23185	757/229-8002	Norfolk-Virginia Beach-Newport News, VA
2154-02	D&D INSANG LLC	2290 Valley Avenue WINCHESTER, VA 22601	540/665-5203	Fredrick County, VA
Washington (19)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
4174	RANDY DUBOIS	6747 State Highway 303 NE BREMERTON, WA 98311	360/698-7908	Bremerton, WA

Center	Franchisee	Address	Phone	Market Area
2384-02	MCCC 2384, INC.	23900 Firdale Avenue EDMONDS, WA 98020	206/533-0072	Seattle-Bellevue-Everett, WA
2382-02	NARAV SHETH	5309 Pt. Fosdick Dr. NW GIG HARBOR, WA 98335	253/851-8473	Tacoma, WA
2383-02	MCCC 2383, INC.	10501 State Avenue MARYSVILLE, WA 98271	360/658-4263	Seattle-Bellevue-Everett, WA
2379-02	MCCC 2379, INC.	517 4th Avenue E. OLYMPIA, WA 98501	360/357-8995	Tacoma, WA
4374	TRR, LLC	1445 Olney Avenue PORT ORCHARD, WA 98366	360/871-6332	Bremerton, WA
2377-02	MCCC 2377, INC.	4021 S. Meridian PUYALLUP, WA 98373	253/845-2153	Tacoma, WA
2380-02	MCCC 2380, INC.	433 N. Meridian PUYALLUP, WA 98371	253/848-2532	Tacoma, WA
2385-02	MCCC 2385, INC.	64 Logan Avenue S. RENTON, WA 98057	425/255-8802	Seattle-Bellevue-Everett, WA
2389-02	MCCC 2389, INC.	465 S. Holgate Street SEATTLE, WA 98134	206/324-4660	Seattle-Bellevue-Everett, WA
2240-01	NARAV SHETH	2600 NW Randall Way, Suite 115, SILVERDALE, WA 98383	360/329-7697	Bremerton, WA
2253-01	SHETH & MOORE LLC	23100 Pacific Hwy. SOUTH DES MOINES, WA 98198	206/429-2334	Seattle-Bellevue-Everett, WA
2924	JEREMY B. FIXLER	3100 North Division Street SPOKANE, WA 99207	509/326-2500	Spokane, WA
2375-01	MCCC 2375, INC.	3024 6th Avenue TACOMA, WA 98406	253/627-6168	Tacoma, WA
2376-02	MCCC 2376, INC.	13101 Pacific Avenue SE TACOMA, WA 98444	253/531-2200	Tacoma, WA
2378-02	MCCC 2378, INC.	2701 Bridgeport Way W. TACOMA, WA 98466	253/564-5110	Tacoma, WA
1440-01	K & C FROST, INC.	15510 East Mill Plain Blvd. VANCOUVER, WA 98684	360/260-8585	Portland-Vancouver, OR-WA
2282-01	T. TIME, INC.	3420 E. Fourth Plain Blvd. VANCOUVER, WA 98661	360/258-1743	Portland-Vancouver, OR-WA
2926	T. TIME INC.	6900 NE Hwy. 99, Suite 3 VANCOUVER, WA	360/828/1647	Portland, OR
West Virginia (1)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2744	MARK NELSON	3766 Robert C. Byrd Drive BECKLEY, WV 25801	681/207-5024	Bluefield WV-VA
Wisconsin (7)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2136	JACS APPLETON ONE, INC.	1708 W. Wisconsin Avenue APPLETON, WI 54914	920/574-2866	Appleton-Oshkosh-Neenah, WI
2474	JOSEPH SAELENS	222 W. Cottage Grove Road COTTAGE GROVE, WI 53527	608/839-5650	Madison, WI
355	CARL KAMPMEIER	1826 S. Stoughton Road MADISON, WI 53716	608/244-3479	Madison, WI
1649	JOSEPH SAELENS	414 Commerce Drive MADISON, WI 53719	608/829-1600	Madison, WI
1675	UTKU ALP	4320 South 27th Street MILWAUKEE, WI 53221	414/282-9400	Milwaukee-Waukesha WI
2271-02	YUSUF ACIKGOZ	6006 21st Street RACINE, WI 53406	262/552-1316	Milwaukee-Waukesha WI
2057	JACS SUN PRAIRIE, INC.	2518 Ironwood Drive SUN PRAIRIE, WI 53590	608/837-0271	Madison, WI

Center	Franchisee	Address	Phone	Market Area
Wyoming (2)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
396	JP & AE ENTERPRISES, INC.	2155 Cy Avenue CASPER, WY 82604-3424	307/237-1185	Casper, WY
1347-01	RKC ENTERPRISES, LLC	1627 Del Range Blvd. CHEYENNE, WY 82009	307/638-1888	Cheyenne, WY

EXHIBIT M-2

Franchise Agreements Signed – Meineke Center Not Yet Operational as of December 30, 2023 (70)

Center	Franchisee	City	State	Phone	Market
2821	KARY AUSTIN	PHOENIX	AZ	kerry.austin@gmail.com	Phoenix, AZ
2909	JOSEPH DRURY	OCEANSIDE	CA	760/802-2417	San Diego, CA
2819	THU VU (SAM RUNG)	ONTARIO	CA	707/759-3289	Los Angeles, CA
4368	WILLIAM EDWARDS	OXNARD	CA	805/256-5299	Los Angeles, CA
4367	WILLIAM EDWARDS	OXNARD	CA	805/256-5299	Los Angeles, CA
2902	MARK SPROULE	HARTFORD	CT	mark.sproule@meinekecarcarect.com	Hartford, New Haven, CT
2903	MARK SPROULE	HARTFORD	CT	mark.sproule@meinekecarcarect.com	Hartford, New Haven, CT
2869	GARY JONES & LISA LAFOND	WASHINGTON	DC	202/550-6260	Washington, DC
2153	DAVID, LEE, & PHILIP REPASS	MILFORD	DE	302/381-3338	Salisbury, DE
2950	WILLIAM GREY & ALLEN GRAY	MIAMI	FL	503/784-1346	Miami, FL
2568	FERNANDO PIRELA & JOSE ESTEBAN	MIAMI	FL	fpirela@gmail.com	Miami, FL
2917	BARON FORBES	ORLANDO	FL	954/734-5256	Orlando, FL
2929	JEREMIAH NICHOLAS	ORLANDO	FL	262/385-0347	Orlando, FL
2930	JEREMIAH NICHOLAS	ORLANDO	FL	262/385-0347	Orlando, FL
2841	WOODROW & DEBORAH NASH	WEST PALM BEACH	FL	703/945-9600	West Palm Beach, FL
2842	WOODROW & DEBORAH NASH	WEST PALM BEACH	FL	703/945-9600	West Palm Beach, FL
2873	ABU-MECHANIC LLC/DEEB ABU-DAN	ATLANTA	GA	801/898-7044	Atlanta, GA
2959	JASMIN TIRADO, MICHAEL HICKS	CHICAGO	IL	hicks@beacon-auto-net.net	Chicago, IL
2759	DIRK SCHAUMLEFFEL	COLUMBIA	IL	618/781-3742	St. Louis, IL
2764	MATT HUDSON	TROY	IL	618/980-1922	St. Louis, MO-IL
2180	SHIVELY & SHIVELY AUTOMOTIVE, LLC	FORT WAYNE	IN	260/760-8610	Fort Wayne, IN
2182	SHIVELY HIGH PERFORMANCE, LLC	HUNTINGTON	IN	260/760-8610	Fort Wayne, IN
2336	TIMOTHY GONTERMAN	UNKNOWN	IN	317/431-8342	Indianapolis, IN
2789	KEITH ALLEY	LEXINGTON	KY	423/902-2926	Lexington, KY
2858	JOHN WOMACK	METAIRIE	LA	johnwomack@gmail.com	New Orleans, LA
2859	JOHN WOMACO	NEW ORLEANS	LA	johnwomack@gmail.com	New Orleans, LA
2848	GREG MASEWIC	BOSTON	MA	603/848-1427	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
2674	MOHAMED MEAWAD	BOSTON	MA	781/888-0234	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
2927	JAWED MIRZAI	FITCHBURG	MA	jawed.mirzai@gmail.com	Boston-Worcester-Lawrence-Lowell-Brockton, NH-MA
2933	MICHAEL KEELEY & JENNIFER RUNYON	SALISBURY	MD	732/267-1202	Salisbury, MD
2310	MATT HUDSON	ST. LOUIS	MO	618/980-1922	St. Louis, MO-IL

Center	Franchisee	City	State	Phone	Market
2807	JOSEPH COOPER	CHARLOTTE	NC	godspeedautomotives@gmail.com	Charlotte-Gastonia-Rock Hill, NC-SC
2911	HERBERT GRAY	CHARLOTTE	NC	herbgray@bellsouth.net	Charlotte-Gastonia-Rock Hill, NC-SC
2952	ROBERT FUNGAROLI	DURHAM	NC	bjfungaroli@gmail.com	Raleigh-Durham, NC
2662	ROBERT & SUSAN COLBY	GREENSBORO	NC	336/965-4928	Greensboro-Winston Salem-High Point, NC
2357	JAMES COBLENTZ	RALEIGH	NC	919/608-6163	Raleigh-Durham, NC
2353	JAMES COBLENTZ	RALEIGH	NC	919/608-6163	Raleigh-Durham, NC
2887	PURPOSEFUL ADAPTATIONS, LLC – MICHAEL BOHLING	LINCOLN	NE	402/770-2382	Lincoln, NE
2944	SAMUEL SA	JERSEY CITY	NJ	908/812-6406	New York, NJ, NY
2948	CINDY SCHULTZ	LAS VEGAS	NV	cindy.schultz@sbcglobal.net	Las Vegas, NV
2804	JAMES & CAROLE SLOAN; SETH & SUMMER BROCK	TULSA	OK	713/297-1244	Tulsa, OK
2670	TIMOTHY & HEIDI SHARPE	PHILADELPHIA	PA	215/932-8668	Philadelphia, PA-NJ
2861	GRAHAM BRIGGS & JASON PEARSON	PHILADELPHIA	PA	610/269-6203	Philadelphia, PA-NJ
2915	RANDALL BOLL	MURFREESBORO	TN	608/937-3788	Nashville, TN
2867	DAVID EPP	ABILENE	TX	westtexasmeineke@gmail.com	Abilene, TX
2872	EPILOGUE VENTURES INCORPORATED – LARA STOTT & JOHN SANDERS	AUSTIN	TX	512/483-1155	Austin, TX
2895	VUE AUTO SOLUTIONS LLC – MANFREDO MAZARIEGOS	AUSTIN	TX	931/302-4241	Austin, TX
2896	VUE AUTO SOLUTIONS LLC – MANFREDO MAZARIEGOS	AUSTIN	TX	931/302-4241	Austin, TX
2488	DAVID & KARI BERTSCH	DALLAS	TX	214/909-3610	Dallas, TX
2823	MICHELLE & JOE BRUCCOLIERE	DALLAS	TX	469/583-9056	Dallas, TX
2879	HORNWANG HOLDINGS, LLC – JOE HORN & JESSICA WANG	DALLAS	TX	940/882-5649	Dallas-Ft Worth TX
2880	HORNWANG HOLDINGS, LLC – JOE HORN & JESSICA WANG	DALLAS	TX	940/882-5649	Dallas-Ft Worth TX
2885	MCCC 2478, LLC – ISRAEL MICHEL & JOHN OLGIN	DALLAS	TX	830/377-0099	Dallas-Ft Worth TX
2886	MCCC 2478, LLC – ISRAEL MICHEL & JOHN OLGIN	DALLAS	TX	830/377-0099	Dallas-Ft Worth TX
2526	MARK & DOLLINDA OZIER	DALLAS	TX	217/254-8738	Dallas, TX
2893	FRANCISCO SANTOS	DALLAS	TX	281/344-7107	Dallas-Ft Worth TX

Center	Franchisee	City	State	Phone	Market
2891	FRANCISCO SANTOS	DALLAS	TX	281/344-7107	Dallas-Ft Worth TX
2892	FRANCISCO SANTOS	DALLAS	TX	281/344-7107	Dallas, TX
2810	SAMUEL SPADARO	DALLAS	TX	682/333-7591	Dallas TX
2874	RADVIK LABS INC. – VIKRAM RAY	HOUSTON	TX	832/684-7169	Houston, TX
2535	DAVID EPP	LUBBOCK	TX	806/670-8026	Lubbock, TX
2794	MARK ZIMMERMAN & CLAIRE L. ZIMMERMAN	MCKINNEY	TX	980/721-8860	Dallas, TX
2837	BVADD HOMER ENTERPRISES LLC - ANTHONY HOMER	MESQUITE	TX	570/972-6455	Dallas-Ft. Worth, TX
2719	HEMANTH AKKANTI	SAN ANTONIO	TX	512/988-0702	San Antonio, TX
2918	BRIAN CRELIN & ERIC CRELIN	SPRING	TX	brian@crelinandassociatescpas.com	Houston, TX
2507	AMOL KANSAGRA	UNKNOWN	TX	Unknown	Dallas-Ft. Worth, TX
2508	AMOL KANSAGRA	UNKNOWN	TX	Unknown	Dallas-Ft. Worth, TX
2856	ADJAO RAMZIATH	RICHMOND	VA	202/790-9623	Richmond, VA
2832	HEMANT SHARMA & BHAVESH CHANIYARA	WASHINGTON	VA	703/728-3126	Virginia

EXHIBIT M-3

List of Meineke Center Franchisees Who Have Left the System During 2023

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Terminations, Non-Renewals, and Ceased Operations for Other Reasons (31)

Center	Franchisee	City	State	Telephone
1981	RICHARD JANO	CATHEDRAL CITY	CA	760/328-3500
2492-02	FINDERDIRECT LLC	SANTA CLARA	CA	408/642-5931
1973	SOTELOCOR, INC.	BRADENTON	CA	941/747-3800
1906-01	SERVO DELAND INC.	DELAND	CA	386/738-2502
2929	JEREMIAH NICHOLAS	ORLANDO	FL	262/385-0347
2930	JEREMIAH NICHOLAS	ORLANDO	FL	262/385-0347
155	COLUMBUS MUFFLERS, INC.	COLUMBUS	GA	706/323-2264
505	ANTHONY FIELDS	DECATUR	GA	404/320-6609
850	KENNETH LAY	DECATUR	GA	404/288-6766
1726	SRK AUTOMOTIVE, INC.	CREST HILL	IL	815/609-2537
1982	ISHA ZALA CORP.	NAPERVILLE	IL	630/717-7900
295	ENRIQUE MUFFLER, INC.	ST. LOUIS	MO	314/383-2020
148-01	E.C.N., LLC	EDISON	NJ	732/572-7270
50	D & H DISCOUNT MUFFLER, INC.	LEVITTOWN	NY	516/735-5333
180	THE 180 CORP.	MASTIC	NY	631/281-5550
1539	NAVIN LALMAN	VALLEY STREAM	NY	516/825-5662
337	CHRIS EARLY	COL.UMBUS	OH	614/863-4711
269	ROUTE 22, INC.	KENWOOD	OH	513/791-4733
1081	ROUTE 22, INC.	LOVELAND	OH	513/583-7000
1065	CE AUTO INC.	REYNOLDSBURG	OH	614/864-2628
196-01	GOAT MKE, LLC	MADISON	TN	615/865-8424
2798-01	ABDUL AWAN	HOUSTON	TX	281/815-5439
24	J. KING CORPORATION	HOUSTON	TX	713/721-4491
210	J. KING CORPORATION	HOUSTON	TX	281/890-1061
1094	JAMES A. KING/JAMES D. KING/MELBA KING	HOUSTON	TX	713/455-8187
2826-01	MIDUKKAN, LLC SERIES M2826	NORTH RICHLAND HILLS	TX	817/479-6045
2868	PRIME AUTOMOTIVE GROUP, LLC	ALEXANDRIA	VA	571/347-7381
4333*	MCCC 4333, INC.	EVERETT	WA	425/514-5554
2388-02	MCCC 2388, INC.	SEATTLE	WA	206/764-0108
1435	KRSS.INC.	BROOKFIELD	WI	262/782-6895
1855	FRANECKI ENTERPRISES, INC,	OAK CREEK	WI	414/761-7200

***Relocated to TN.**

Resales/Transfers (71)

Center #	SELLER	CITY	State	Telephone
2742-01	KM OPM, LLC	MOBILE	AL	251/308-2329
2778-01	ERIC (MARIO) MOORE	VESTAVIA HILLS	AL	205/822-3208
4265-05	RIGHT WAY AUTOMOTIVE INC.	MESA	AZ	480/807-1366
2770-01	KADI SHPATI	AURORA	CO	303/344-0551
1688-01	COLLIN BUCKINGHAM	FALCON	CO	719/495-7767
931-01	MCCC 931, LLC	HIGHLANDS RANCH	CO	303/741-6842
2470-01	PAUL CHAMBERLIN & RICHARD CHAMBERLI	PALM BEACH	FL	561/232-6794
801-02	RICHARD LENNON	NORMAL	IL	309/452-8881
2265-01	BRYAN BROWN	CHARLETOWN	IN	812/796-1265
1898-01	TIMOTHY GONTERMAN	FRANKLIN	IN	317/346-7100
1592-01	SELKE ENTERPRISES LLC	INDIANAPOLIS	IN	317/248-8579
1913-01	MARCOR LLC	INDIANAPOLIS	IN	317/299-8870
1858	NEWBAN MANAGEMENT LLC	NEW ALBANY	IN	812/945-9792
2011	DARLIT, INC.	BURLINGTON	IA	319/752-9500
2010-01	BITTACHON, INC.	DERBY	KS	316/788-8800
2272-02	BITTACHON, INC.	HUTCHINSON	KS	620/259-6284
1380-01	ASH & M, INC.	OLATHE	KS	913/764-0507
2007-01	BITTACHON, INC	WCHITA	KS	316/681-8663
2008-01	BITTACHON, INC	WICHITA	KS	316/838-2660
2009-01	BITTACHON, INC	WICHITA	KS	316/265-7859
2615-01	MCCC 2615, LLC	WICHITA	KS	316/202-0232
2616-01	MCCC 2616, LLC	WICHITA	KS	316/202-0238
2806	BRYAN BROWN	BUCKNER	KY	502/304-8374
2687	BRYAN BROWN	ELIZABETHTOWN	KY	270/737-1160
2801	BRYAN BROWN	LOUISVILLE	KY	502/897-1643
1247	BRYAN BROWN	LOUISVILLE	KY	502/447-1667
1248	BRYAN BROWN	LOUISVILLE	KY	502/961-9116
1297	BRYAN BROWN	LOUISVILLE	KY	502/499-9727
1407	BRYAN BROWN	LOUISVILLE	KY	502/587-6811
2431	BRYAN BROWN	LOUISVILLE	KY	502/653-3580
2877	BRYAN BROWN	LOUISVILLE	KY	502/874-5080
1468	THE STANLEY GROUP, INC.	LOUISVILLE	KY	502/964-8843
2800	BRYAN BROWN	SHELBYVILLE	KY	502/487-6328
2592	BRYAN BROWN	ST. MATTHEWS	KY	502/526-5048
2881	URBAN JUNGLE MOTOR GROUP, LLC	TOWNSON	MD	410/339-5711
865	PHILIP DIBLASI	SHREWSBURY	MA	508/842-1858
1853	BRANCH INVESTMENTS, INC. (SOLD ENTITY)	OLIVE BRANCH	MS	662/893-4888
1632	SOUTHEAST INVESTMENTS, INC.	TUPELO	MS	662/620-0767
195	JOHN MCKENZIE	BRENTWOOD	MO	314/961-4228
376-01	JORDAN KIMBERG & SCOTT YANKEY	BRIDGETON	MO	314/298-0887
26-01	HUDSON AUTO SERVICES 2, LLC	FLORISSANT	MO	314/921-5555
731	BUONO KAR CARE	SEABROOK	NH	603/474-8884
353-03	SAMUEL SA	BUTLER	NJ	973/492-1771
81-03	EFT AUTO 1, LLC	ENGLEWOOD	NJ	201/567-8844
2362-02	EFT AUTO 4, LLC	FAIR LAWN	NJ	201/475-9200

Center #	SELLER	CITY	State	Telephone
2587	MICHAEL YACOVONE	GLOUCESTER TOWNSHIP	NJ	856/228-9660
2813	HIGH ROAD AUTO GROUP, LLC	HILLSBOROUGH	NJ	908/281-4337
2941	HIGH ROAD AUTO GROUP, LLC	MORRIS PLAINS	NJ	973-993-7993
239	MATE, INC.	NEWARK	NJ	973/621-2290
1740-01	EFT AUTO 3, LLC	PASSAIC	NJ	973/777-7962
2921	HIGH ROAD AUTO GROUP, LLC	ROCHELLE PARK	NJ	201/509-5544
2922	HIGH ROAD AUTO GROUP, LLC	SPRING LAKE HEIGHTS	NJ	732/449-7050
2020	ROSSINI & SONS, INC.	ALBANY	NY	518/860-1395
2774	SARAIE 2774, INC.	ALBERMARLE	NC	704/550-5094
2468	MARIA & STEWART FIELD	ARDEN	NC	828/676-2893
1596-01	STEWART FIELD	ASHEVILLE	NC	828/296-7448
2467	STEWART FIELD	ASHEVILLE	NC	828/774-5600
2884	THREE BROTHERS AUTO REPAIR, LLC	HICKORY	NC	828/855-2555
2023-03	PEANUT ISLAND ENTERPRISES, LLC	STATESVILLE	NC	704/872-7717
733-01	RICHARD G. WRIGHT, JR.	CHESTER	PA	610/874-8500
905	KDMW AUTOMOTIVE, INC.	DOYLESTOWN	PA	215/345-9326
2102-03	MAREK LIPTAK	SPARTANBURG	SC	864/576-1878
490-02	TAE KIM	KATY	TX	281/392-5445
2487	DAVID BERTSCH	MCKINNEY	TX	469/888-4033
2750-01	MTH2, LLC	PLANO	TX	469/366-9304
477-01	477 CORPORATION	SAN ANTONIO	TX	210/680-9090
2583-02	BAZZI VENTURES, INC.	STAFFORD	TX	281/561-8111
2866	DAVID EPP	TEMPLE	TX	254/773-8006
472	HOWARD CHAMBERS	STERLING	VA	703/742-9200
4333	MCCC 4333, INC.	EVERETT	WA	425/514-5554

EXHIBIT M-4

List of Co-branded Meineke/Econo Lube Franchisees as of December 30, 2023 (22)

Arizona (2)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
4089-07	FREEDOM AUTO GROUP LLC	3332 North Oracle Road TUCSON, AZ 85705	216/413-8166	Tucson, AZ
4378-06	FREEDOM AUTO GROUP LLC	6905 East Broadway Boulevard TUCSON, AZ 85710	216/413-8166	Tucson, AZ
Arkansas (2)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
4384-01	SCHMIDT, INC.	2700 West 28th Avenue PINE BLUFF, AR 71603	870/535-2700	Pine Bluff, AR
2775	LARRY RATH	3358 South Thompson SPRINGDALE, AR 72762	479/303-8201	Fayetteville-Springdale-Rogers, AR
California (10)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
4195-01	LESZEK PORADOWSKI	742 South Main Avenue FALLBROOK, CA 92028	760/451-9084	San Diego, CA
4316-03	THU VU	1641 North Carpenter Road MODESTO, CA 95351	209/238-3022	Modesto, CA
4068-03	D.U.P.A. AUTOMOTIVE	3844 Plaza Drive OCEANSIDE, CA 92056	760/945-1105	San Diego, CA
4063-03	IDEAL ENTERPRISES LLC	9025 Folsom Boulevard SACRAMENTO, CA 95826	916/368-3888	Sacramento, CA
4113-02	D&L WEST CORPORATION	2924 Damon Ave. SAN DIEGO, CA 92109	858/274-4382	San Diego, CA
4229-02	LINSEY SCHWERDTFEGER, INC.	740 Dennery Road SAN DIEGO, CA 92154	619/690-2749	San Diego, CA
2296-02	JON HORNER	4701 Hamilton Ave. SAN JOSE, CA 95130	408/378-5500	Oakland, CA
4130-03	THU VU	6970 West Lane, STOCKTON, CA 95210	209/954-9258	Stockton-Lodi, CA
2354-01	LINDA FAULKNER & DARIO GIORDANO	2725 W. Capitol Avenue WEST SACRAMENTO, CA 95691	916/372-4300	Sacramento, CA
Illinois (1)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2275	RIDE AUTOMOTIVE ENTERPRISES, INC.	376 Sundown Rd. SOUTH ELGIN, IL 60177	847/888-9644	Chicago, IL
Kansas (1)				
Center	Franchisee	Address	Phone	Market Area
4362-01	BITTACHON, INC.	3450 North Woodlawn Blvd. WICHITA, KS 67220	316/681-8663	Wichita, KS
Kentucky (1)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2171	BRYAN BROWN	2197 South Dixie Blvd. RADCLIFF, KY 40160	270/351-8473	Hardin County, KY
North Carolina (1)				
Center	**FRANCHISEE**	**Address**	**Phone**	**Market Area**
2267-01*	GODSPEED AUTOMOTIVES, LLC	5021 Beaties Ford Road CHARLOTTE, NC 28216	704/399-0570	Charlotte-Gastonia-Rock Hill, NC-SC

South Dakota (1)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2352*	2DH RAPID CITY, INC.	1224 E. Highway 44 RAPID CITY, SD 57703	605/646-2346	Rapid City, SD
Texas (1)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
2193*	SAN ANGELO CAR CARE, LLC	3201 Knickerbocker Rd. SAN ANGELO, TX 76904	325/716-2624	San Angelo, TX
Utah (1)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
4329-04	SERENITY FALLS, INC.	2085 North Hill Field Road LAYTON, UT 84041	801/896-0185	Salt Lake City-Ogden, UT
Washington (1)				
Center	**Franchisee**	**Address**	**Phone**	**Market Area**
4164-02	MCCC 4164, INC.	8724 South Tacoma Way LAKEWOOD, WA 98499	253/581-1226	Tacoma, WA
4154-04*	THU VU	9201 35th Avenue SW SEATTLE, WA 98126	206/759-3020	Seattle, WA

***Relocated from CA.**

EXHIBIT M-5

Franchise Agreements/Co-brand Addendums Signed – Co-branded Meineke/Econo Lube Center Not Yet Operational as of December 30, 2023

None.

EXHIBIT M-6

List of Co-branded Meineke/Econo Lube Franchisees Who Have Left the System During 2023

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Ceased Operations – Terminations

None.

Resales/Transfers

None.

Closed for Other Reasons – Rebranded as Meineke Only

None.

EXHIBIT N

FINANCIAL STATEMENTS

DRIVEN SYSTEMS LLC

Consolidated Financial Statements and Report of Independent Auditors

Driven Systems LLC and Subsidiaries

For the years ended
December 30, 2023 and December 31, 2022 and
for the years ended December 31, 2022,
December 25, 2021, and December 26, 2020

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Report of Independent Auditors

To the Management and Board of Directors of Driven Systems LLC

Opinion

We have audited the accompanying consolidated financial statements of Driven Systems LLC, and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 30, 2023 and December 31, 2022, and the related consolidated statements of operations, of members' equity and of cash flows for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 30, 2023 and December 31, 2022, 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 audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The consolidated financial statements of the Company as of December 25, 2021 and December 26, 2020 and for the years then ended were audited by other auditors whose report, dated May 23, 2022, expressed an unmodified opinion on those statements.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

pwc

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 US GAAS 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 consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 the Company'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company'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.

PricewaterhouseCoopers LLP

Charlotte, North Carolina
April 26, 2024

DRIVEN SYSTEMS LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(in thousands)	December 30, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$ 1,000	$ 1,000
Accounts and notes receivable, net	4,817	7,028
Total current assets	5,817	8,028
Notes receivable, net	736	454
Intangible assets, net	482,680	488,626
Goodwill	19,390	19,390
Total assets	$ 508,623	$ 516,498
Liabilities and members' equity		
Current liabilities:		
Deferred franchise revenue	$ 27,762	$ 25,682
Total liabilities	27,762	25,682
Members' equity	480,861	490,816
Total members' equity	480,861	490,816
Total liabilities and members' equity	$ 508,623	$ 516,498

The accompanying notes are an integral part of these consolidated financial statements.

DRIVEN SYSTEMS LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the years ended	
(in thousands)	**December 30, 2023**	**December 31, 2022**
Revenue:		
Franchise fee revenue	$ 245,135	$ 211,935
Other revenue	44,581	49,382
Total revenue	289,716	261,317
Costs and expenses:		
Operating expenses	84,039	75,834
Loss on sale of business	1,620	
Amortization	8,989	8,925
Total costs and expenses	94,648	84,759
Net income	$ 195,068	$ 176,558

The accompanying notes are an integral part of these consolidated financial statements.

DRIVEN SYSTEMS LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF MEMBERS' EQUITY

in thousands		
Balance as of December 25, 2021	$	509,206
Net income		176,558
Deemed distribution to Parent		(194,948)
Balance as of December 31, 2022	$	490,816
Net income		195,068
Maaco contribution		4,838
Deemed distribution to Parent		(209,861)
Balance as of December 30, 2023	$	480,861

The accompanying notes are an integral part of these consolidated financial statements.

DRIVEN SYSTEMS LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the years ended	
(in thousands)	**December 30, 2023**	**December 31, 2022**
Net income	$ 195,068	$ 176,558
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization	8,356	8,925
Loss on sale of business	1,620	3,144
Other	808	—
Changes in assets and liabilities:		
Accounts and notes receivable, net	1,930	2,352
Deferred franchise revenue	2,080	3,969
Cash provided by operating activities	209,862	194,948
Cash flows from financing activities:		
Deemed distribution to parent	(209,862)	(194,948)
Cash used in financing activities	(209,862)	(194,948)
Net change in cash	—	—
Cash, beginning of period	1,000	1,000
Cash, end of period	$ 1,000	$ 1,000

The accompanying notes are an integral part of these consolidated financial statements.

Note 1—Description of Business

Description of Business

Driven Systems LLC (the "Company") is a single member limited liability company organized in the state of Delaware on June 9, 2015. The Company, together with its subsidiaries, are referred to herein as the "Securitization Entities." The other Securitization Entities include Meineke Franchisor SPV LLC, Maaco Franchisor SPV LLC, Econo Lube Franchisor SPV LLC, Take 5 Franchisor SPV LLC, Merlin Franchisor SPV LLC, 1-800 Radiator Franchisor SPV LLC, CARSTAR Franchisor SPV LLC, FUSA Franchisor SPV LLC and ABRA Franchisor SPV LLC. The Company is a direct, wholly-owned subsidiary of Driven Brands Funding, LLC, ("Driven Funding") which is a direct, wholly-owned subsidiary of Driven Funding Holdco, LLC ("Driven Holdco"), which is a direct, wholly-owned subsidiary of Driven Brands, Inc. (the "Parent"), which is a direct, wholly-owned subsidiary of Driven Holdings, LLC ("Driven Holdings"), which is a direct, wholly-owned subsidiary of Driven Brands Holdings Inc. (the "Ultimate Parent"). The assets and liabilities of Drive N Style Franchisor SPV, LLC were sold on July 17, 2023.

As of December 30, 2023, the Parent and its subsidiaries comprised the worldwide operations of Meineke Car Care Centers ("Meineke"), Maaco Collision Repair and Auto Painting ("Maaco"), Merlin's 200,000 Miles shops ("Merlin's"), Pro Oil Change ("Pro Oil"), Take 5 Oil Change ("Take 5"), Econo-Lube N' Tune ("Econo Lube"), 1-800-Radiator & A/C ("Radiator"), Spire Supply, CARSTAR auto body repair experts ("CARSTAR"), Fix Auto USA ("FUSA") and ABRA Auto Body Repair of America ("ABRA"), (collectively, the "Driven Franchise Brands"). The Driven Franchise Brands develop, operate, franchise and license their individual business systems to provide retail and business-to-business automotive services. Driven Brands, Inc. is also comprised of Automotive Training Institute ("ATI"), Clairus Group ("Clairus"), and Auto Glass Now ("AGN"), which are not contributed to the Securitization Entities. ATI provides automotive business training services to assist shop owners with efficiencies and profitability, and Clairus and AGN are providers of on-demand auto glass, calibration services, and auto appearance services. As of December 30, 2023, the Securitization Entities and its subsidiaries encompassed 3,880 units worldwide, with 83% located within the United States and the remainder located in Canada. Approximately 77% of the units were franchised. These financial statements only represent the securitization entities within the United States.

Meineke, Merlin's, Pro Oil, and Econo Lube each provide automotive repair and maintenance services through retail locations. Maaco, CARSTAR, FUSA and ABRA provide auto body repairs and painting services through retail locations. Radiator provides certain automotive parts to automotive repair stores, automotive parts stores, body shops and service stations. Take 5 is an operator of oil change centers, offering rapid oil changes and light maintenance services within the United States and Canada.

On July 31, 2015, the Parent contributed to the Securitization Entities, through Driven Holdco, Driven Funding, and the Company, substantially all of its U.S. and Canadian intellectual property, trademarks/tradenames, franchise agreements, development agreements, and all rights to develop and expand the Driven Franchise Brands excluding Radiator, CARSTAR, Take 5, and ABRA (collectively, the "Securitization IP") along with certain franchisee notes receivable, collectively the "Managed Assets". The Parent, certain non-securitization Canadian subsidiaries, and the Securitization Entities entered into the Driven Brands License Agreement, Econo Lube License Agreement, Pro Oil Canadian Franchisor License Agreement, Meineke Canadian Franchisor License Agreement and Maaco Canadian Franchisor License Agreement (collectively, the "License Agreements") pursuant to which the Securitization Entities, collectively, granted to Parent (i) a non-exclusive license to use and sublicense to non-Securitization Entities the Securitization IP in connection with owning and operating the company-owned store locations and (ii) an exclusive license to use and sublicense the Securitization IP in connection with other products and services for a royalty varying in amount according to brand and license use.

On April 24, 2018, the Parent contributed to Take 5 Franchisor SPV LLC, CARSTAR Franchisor SPV LLC, and 1-800 Radiator Franchisor SPV LLC through Driven Holdco, Driven Funding, and the Company, substantially all of its U.S. and Canadian intellectual property, trademarks/tradenames, franchise agreements, development agreements, and all rights to develop and expand the franchise brands (collectively, the "Take 5, CARSTAR and Radiator Securitization IPs") along with 1-800 Radiator franchisee note receivables (collectively the "Radiator

Managed Assets"). Take 5 Franchisor SPV LLC was established on April 24, 2018 and the Parent contributed intangible assets at a value of $31 million. The Parent, certain non-securitization subsidiaries, Take 5 Franchisor SPV LLC, CARSTAR Franchisor SPV LLC, and 1-800 Radiator Franchisor SPV LLC entered into the 2018 Amended and Restated Master License Agreement whereby Take 5 Franchisor SPV LLC, CARSTAR Franchisor SPV LLC, and 1-800 Radiator Franchisor SPV granted to Parent (i) a non-exclusive license to use and sublicense to Non-Securitization Entities the Take 5, CARSTAR and Radiator Securitization IPs in connection with an (i) an exclusive license to use and sublicense the Take 5, CARSTAR and Radiator Securitization IPs in connection with other products and services for a royalty varying by brand and licensed use.

On October 4, 2019, the Parent contributed to ABRA Franchisor SPV LLC, through the Company and Driven Brands Funding, LLC, substantially all of its U.S. intellectual property, trademarks/tradenames, franchise agreements, and all rights to develop and expand the ABRA franchise brand (collectively, the "ABRA Securitization IP") at a value of approximately $38 million. The Parent, certain non-securitization subsidiaries, and ABRA Franchisor SPV LLC entered into the 2019 Amended and Restated Master License Agreement whereby ABRA Franchisor SPV LLC granted to Parent an exclusive license to use and sublicense the ABRA Securitization IP in connection with other products and services for a royalty varying by brand and licensed use.

On July 6, 2020, the Parent contributed to FUSA Franchisor SPV LLC, through the Company and Driven Brands Funding, LLC, substantially all of its U.S. intellectual property, trademarks/tradenames, franchise agreements, and all rights to develop and expand the Fix Auto franchise brand (collectively, the "FUSA Securitization IP") at a value of approximately $34 million, which included $19 million of goodwill. The Parent, certain non-securitization subsidiaries, and FUSA Franchisor SPV LLC entered into the 2020 Mondofix License Assignment Agreement whereby FUSA Franchisor SPV LLC was granted an exclusive license to use and sublicense the FUSA Securitization IP in connection with other products and services for a royalty varying by brand and licensed use.

The contributions of the Take 5 Securitization IP, CARSTAR Securitization IP, FUSA Securitization IP, Radiator Securitization IPs, Radiator Managed Assets, ABRA Securitization IP, cash, and franchisee notes receivable are between entities under common control and were recorded at book value. No gain or loss was recognized on the transactions.

The Securitization Entities entered into a Management Agreement dated April 24, 2018, as amended on October 4, 2019 and July 6, 2020 ("the Management Agreement"), which obligates the Parent (the "Manager") to manage and service the Managed Assets, Take 5 Securitization IP, CARSTAR Securitization IP, Radiator Securitization IPs, FUSA Securitization IP, and ABRA Securitization IP as defined in the Management Agreement. The primary responsibilities of the Manager under the Management Agreement include administering collections and otherwise managing the Managed Assets, Take 5 Securitization IP, CARSTAR Securitization IP, Radiator Securitization IPs, FUSA Securitization IP, and ABRA Securitization IP on behalf of the Securitization Entities, and to perform certain franchising, marketing, intellectual property and operation and reporting services on behalf of the Securitization Entities with respect to the Managed Assets. In performing its obligations under the Management Agreement, the Manager acts solely as an independent contractor of the Securitization Entities, except to the extent the Manager is deemed to be an agent of the Securitization Entities by virtue of engaging in franchise sales activities or receiving payments on behalf of the Securitization Entities. In exchange for providing such services, the Manager is entitled to receive certain management fees on a weekly basis.

Note 2—Summary of Significant Accounting Policies

Fiscal Year

The Company operates and reports financial information on a 52 or 53-week year with the fiscal year ending on the last Saturday in December and fiscal quarters ending on the 13th Saturday of each quarter (or 14th Saturday when applicable with respect to the fourth fiscal quarter). Our fiscal year ending December 30, 2023 consisted of 52 weeks, and our fiscal year ending December 31, 2022 reflected the results of operations for 53 weeks.

Basis of Presentation

The consolidated financial statements include the accounts of the Securitization Entities. Intercompany accounts and transactions have been eliminated in consolidation. The preparation of financial statements in conformity with generally accepted accounting principles in the United States ("GAAP") requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities, if any, at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates are made in the valuation of notes receivable, intangible assets and goodwill, as well as impairment of intangible assets and goodwill. On an ongoing basis, the Company evaluates its estimates based on historical experience, current conditions and various other assumptions that are believed to be reasonable under the circumstances. The Company adjusts such estimates and assumptions when facts and circumstances dictate. Actual results could differ from those estimates.

The year ended December 30, 2023 includes an adjustment to the Consolidated Balance Sheet and Statement of Members' Equity for items that originated in prior years. The adjustment increased intangible assets, net and members' equity by $4.9 million and $4.9 million, respectively. The Company evaluated the materiality of the adjustments on prior period financial statements and recorded the adjustments in the current period and concluded the effect of the adjustments were immaterial to both the current and prior financial statements.

Summary of Significant Accounting Policies

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits and short-term, highly liquid investments with original maturities of three months or less. These investments are carried at cost, which approximates fair value. The Company maintains cash balances in non-interest bearing transaction accounts with various financial institutions, which are insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250 thousand. Although the Company maintains balances that exceed the federally insured limit, we have not experienced any losses related to this balance, and the Company believes credit risk to be minimal.

Accounts and Notes Receivable

The Company's accounts receivable consists principally of amounts due related to product sales, supply sales, and franchise fees. These receivables are generally due within 30 days of the period in which the corresponding sales occur and are classified as accounts and notes receivable, net on the consolidated balance sheets. Accounts receivable are reported at their estimated net realizable value.

Notes receivable are primarily from franchisees and relate to financing arrangements for certain past due balances. The notes are typically collateralized by the assets of the franchisee shop with interest, depending on the level of credit risk and payment terms. Interest income recognized on these notes is included in revenue on the accompanying consolidated statements of operations. The Company places notes receivable on a non-accrual status based on management's determination if it is probable that the principal balance is not expected to be repaid per the contractual terms. When the Company places a note on non-accrual status, interest or fee income ceases to be recognized. Notes receivable are reported at their estimated net realizable value.

Goodwill and Intangible Assets

Goodwill is recorded when the aggregate purchase price of an acquisition exceeds the estimated fair value of the net identified tangible and intangible assets acquired. Intangible assets resulting from an acquisition are accounted for using the purchase method of accounting and are estimated by management based on the fair value of the assets acquired. The Company's identifiable intangible assets are comprised of trademarks. Identifiable intangible assets with finite lives (franchise agreements and license agreements) are amortized over the period of estimated benefit using the straight-line method.

Goodwill and intangible assets considered to have an indefinite life (trade names) are not subject to amortization. The determination of indefinite life is subject to reassessment if changes in facts and circumstances indicate the period of benefit has become finite. Goodwill and indefinite-lived intangible assets are assessed

annually for impairment as of the first day of the fiscal fourth quarter, or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit or the fair value of an indefinite-lived intangible asset below its carrying value.

Management tests goodwill for impairment on the first day of the fourth quarter every year or more frequently if events or changes in circumstances indicate the asset might be impaired. We have completed our annual test of goodwill and indefinite-lived intangibles for impairment and have determined there was no impairment.

Allowance for Uncollectible Receivables

Expected credit losses for uncollectible receivable balances consider both current conditions and reasonable and supportable forecasts of future conditions. Current conditions considered include pre-defined aging criteria, as well as specified events that indicate the balance due is not collectible. Reasonable and supportable forecasts used in determining the probability of future collection consider publicly available macroeconomic data and whether future credit losses are expected to differ from historical losses.

The Company is not party to any off-balance sheet arrangements that would require an allowance for credit losses in accordance with this accounting standard.

Revenue Recognition

In accordance with the Management Agreement, 2016 Amended and Restated Master License Agreement, 2018 Amended and Restated Master License Agreement and License Agreements, and the 2019 Amended and Restated Master License Agreement and License Agreements, revenue is recognized for amounts received or due to the Company for the use of the Company's intellectual property. Franchise revenue is comprised of royalties generated from franchisee fees as well as the Parent's company owned stores. Franchise fee royalty revenue is based on the fee agreements defined in the subsidiaries' franchise agreements. Royalties generated from the Parent's company owned stores are based on the fee agreements defined in the Management Agreement, Amended and Restated Master License Agreement, and any applicable sub-license agreements. Product distribution margin revenue is based on paint and supply products delivered to franchisees. Initial franchise fees are recognized on a straight-line basis over the life of the franchise agreement as the performance obligation is satisfied.

Income Taxes

The Company is a limited liability company treated as a partnership for federal and state income tax purposes with all income tax liabilities and/or benefits of the Company being passed through to the member. As such, no recognition of federal or state income taxes for the Company or its subsidiaries that are organized as limited liability companies have been provided for in the accompanying consolidated financial statements. Any uncertain tax position taken by the member is not an uncertain position of the Company.

As it pertains to the Company and the impact on the Ultimate Parent, the Company follows applicable authoritative guidance with respect to the accounting for uncertainty in income taxes recognized in the Company's consolidated financial statements. It prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken, or expected to be taken, in a tax return. The Company records any interest and penalties associated as additional income tax expense in the consolidated statements of income. Based on management analysis, the Company does not believe any unrecognized tax benefits significantly changed in the current period. Furthermore, the Company does not believe any remaining unrecognized tax benefits will significantly change in the next fiscal year.

Note 3 - Accounts and Notes Receivable, net

Accounts and notes receivable, net consisted of the following:

(in thousands)	December 30, 2023	December 31, 2022
Accounts receivable	$ 7,673	$ 12,835
Notes receivable	927	645
Accounts and notes receivables, gross	8,600	13,480
Less:		
Allowance for doubtful accounts	(3,047)	(5,998)
Accounts and notes receivables, net	$ 5,553	$ 7,482
Accounts and notes receivable long-term	$ 736	$ 454
Accounts and notes receivable current	4,817	7,028
Accounts and notes receivables, net	$ 5,553	$ 7,482

Note 4 - Intangible Assets

Intangible assets consisted of the following:

(in thousands)	December 30, 2023		
	Gross carrying value	Accumulated amortization	Net Carrying Value
Definite-lived intangible assets			
Franchise Agreements	$ 196,363	$ 58,863	137,500
License Agreements	10,700	5,458	5,242
	207,063	64,321	142,742
Indefinite-lived intangible assets			
Trademarks	339,938	—	339,938
Total intangible assets	$ 547,001	$ 64,321	$ 482,680

(in thousands)	December 31, 2022		
	Gross carrying value	Accumulated amortization	Net Carrying Value
Definite-lived intangible assets			
Franchise Agreements	$ 198,874	$ 51,998	$ 146,876
License Agreements	10,517	3,967	6,550
	209,391	55,965	153,426
Indefinite-lived intangible assets			
Trademarks	335,200	—	335,200
Total intangible assets	$ 544,591	$ 55,965	$ 488,626

The year ended December 30, 2023 indefinite-lived trademarks gross carrying value includes an adjustment for items that originated in prior years. Refer to Note 2 for additional information.

Intangible assets with definite lives are being amortized on a straight-line basis over the estimated useful life of each asset. Intangible asset amortization expense was $9 million for the years ended December 30, 2023 and December 31, 2022.

Amortization expense related to intangible assets for the next five fiscal years and thereafter is as follows:

(in thousands)		
2024	$	8,859
2025		8,859
2026		8,859
2027		8,091
2028		7,759
Thereafter		100,315
Total amortization	$	142,742

Note 5 - Related Party Transactions

Cash collections from revenue and cash disbursements for management fees, interest expense and other operating expenses are made at Driven Holdco. Because the revenue and expenses related to these cash flows are recorded on the consolidated financial statements of the Company, the Company has recorded deemed distributions to Driven Holdco of $210 million and $195 million, for the years ended December 30, 2023 and December 31, 2022, respectively.

In exchange for providing management services, the Parent is entitled to receive certain management fees on a weekly basis. The Company's management fees to the Parent were $40 million and $36 million for the years ended December 30, 2023 and December 31, 2022 respectively. These fees are included in operating expenses on the consolidated statements of operations.

Driven Brands Funding, LLC (the "Issuer") holds approximately $2 billion in debt in the form of six Senior Notes maturing in April 2048, April 2049, October 2049, January 2051, October 2051, and October 2052. The Senior Notes are secured by substantially all assets of the Issuer and guaranteed by Driven Holdco and subsidiaries of the Issuer. The interest expense allocated to the Company was $44 million and $40 million, and for the years ended December 30, 2023 and December 31, 2022, respectively. These amounts are included in operating expenses on the consolidated statements of operations.

Note 6 - Subsequent Events

The Company evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through April 26, 2024, the date the financial statements were available to be issued and determined that there were no such events requiring recognition or disclosure in the financial statements.

DRIVEN SYSTEMS LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(in thousands)	December 31, 2022	December 25, 2021
Assets		
Current assets:		
Cash and cash equivalents	$ 1,000	$ 1,000
Accounts and notes receivable, net	7,028	9,743
Total current assets	8,028	10,743
Notes receivable, net	454	91
Intangible assets, net	488,626	500,695
Goodwill	19,390	19,390
Total assets	$ 516,498	$ 530,919
Liabilities and members' equity		
Current liabilities:		
Deferred franchise revenue	$ 25,682	$ 21,713
Total liabilities	25,682	21,713
Members' equity	490,816	509,206
Total members' equity	490,816	509,206
Total liabilities and members' equity	$ 516,498	$ 530,919

The accompanying notes are an integral part of these consolidated financial statements.

DRIVEN SYSTEMS LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands)	For the years ended December 31, 2022	December 25, 2021	December 26, 2020
Revenue:			
Franchise fee revenue	$ 211,935	$ 173,404	$ 134,239
Other revenue	49,382	35,360	23,276
Total revenue	261,317	208,764	157,515
Costs and expenses:			
Operating expenses	75,834	66,909	62,024
Amortization	8,925	8,925	9,206
Total costs and expenses	84,759	75,834	71,230
Net income	$ 176,558	$ 132,930	$ 86,285

The accompanying notes are an integral part of these consolidated financial statements.

DRIVEN SYSTEMS LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF MEMBERS' EQUITY

in thousands	
Balance as of December 28, 2019	502,723
Net income	86,285
FUSA contribution	34,317
Deemed distribution to Parent	(99,761)
Balance as of December 26, 2020	$ 523,564
Net income	132,930
Deemed distribution to Parent	(147,288)
Balance as of December 25, 2021	$ 509,206
Net income	176,558
Deemed distribution to Parent	(194,948)
Balance as of December 31, 2022	$ 490,816

The accompanying notes are an integral part of these consolidated financial statements.

DRIVEN SYSTEMS LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)	For the years ended December 31, 2022	December 25, 2021	December 26, 2020
Net income	$ 176,558	$ 132,930	$ 86,285
Adjustments to reconcile net income to net cash provided by operating activities:			
Amortization	8,925	8,925	9,206
Other, net	3,144	—	1,800
Changes in assets and liabilities:			
Accounts and notes receivable, net	2,352	(775)	(1,244)
Deferred franchise revenue	3,969	6,208	3,714
Cash provided by operating activities	194,948	147,288	99,761
Cash flows from financing activities:			
Deemed distribution to parent	(194,948)	(147,288)	(99,761)
Cash used in financing activities	(194,948)	(147,288)	(99,761)
Net change in cash	—	—	—
Cash, beginning of period	1,000	1,000	1,000
Cash, end of period	$ 1,000	$ 1,000	$ 1,000
			1,000
Supplemental cash flow disclosures - non-cash items:			
FUSA contribution	$ —	$ —	$ 34,317

The accompanying notes are an integral part of these consolidated financial statements.

Note 1—Description of Business

Description of Business

Driven Systems LLC (the "Company") is a single member limited liability company organized in the state of Delaware on June 9, 2015. The Company, together with its subsidiaries, are referred to herein as the "Securitization Entities." The other Securitization Entities include Meineke Franchisor SPV LLC, Maaco Franchisor SPV LLC, Econo Lube Franchisor SPV LLC, Take 5 Franchisor SPV LLC, Drive N Style Franchisor SPV LLC, Merlin Franchisor SPV LLC, 1-800 Radiator Franchisor SPV LLC, CARSTAR Franchisor SPV LLC, FUSA Franchisor SPV LLC and ABRA Franchisor SPV LLC. The Company is a direct, wholly-owned subsidiary of Driven Brands Funding, LLC, ("Driven Funding") which is a direct, wholly-owned subsidiary of Driven Funding Holdco, LLC ("Driven Holdco"), which is a direct, wholly-owned subsidiary of Driven Brands, Inc. (the "Parent"), which is a direct, wholly-owned subsidiary of Driven Holdings, LLC ("Driven Holdings"), which is a direct, wholly-owned subsidiary of Driven Brands Holdings Inc. (the "Ultimate Parent").

As of December 31, 2022, the Parent and its subsidiaries comprised the worldwide operations of Meineke Car Care Centers ("Meineke"), Maaco Collision Repair and Auto Painting ("Maaco"), Merlin's 200,000 Miles shops ("Merlin's"), Pro Oil Change ("Pro Oil"), Take 5 Oil Change ("Take 5"), Econo-Lube N' Tune ("Econo Lube"), 1-800-Radiator & A/C ("Radiator"), Spire Supply, Drive N Style, CARSTAR auto body repair experts ("CARSTAR"), Fix Auto USA ("FUSA") and ABRA Auto Body Repair of America ("ABRA"), (collectively, the "Driven Franchise Brands"). The Driven Franchise Brands develop, operate, franchise and license their individual business systems to provide retail and business-to-business automotive services. Driven Brands, Inc. is also comprised of Automotive Training Institute ("ATI"), Clairus Group ("Clairus"), and Auto Glass Now ("AGN"), which are not contributed to the Securitization Entities. ATI provides automotive business training services to assist shop owners with efficiencies and profitability, and Clairus and AGN are providers of on-demand auto glass, calibration services, and auto appearance services. As of December 31, 2022, the Parent and its subsidiaries encompassed 3,694 units worldwide, with 82% located within the United States and the remainder located in Canada. Approximately 78% of the units were franchised. These financial statements only represent the securitization entities within the United States.

Meineke, Merlin's, Pro Oil, and Econo Lube each provide automotive repair and maintenance services through retail locations. Maaco, CARSTAR, FUSA and ABRA provide auto body repairs and painting services through retail locations. Drive N Style provides automotive appearance services to customers through mobile vans. Radiator provides certain automotive parts to automotive repair stores, automotive parts stores, body shops and service stations. Take 5 is an operator of oil change centers, offering rapid oil changes and light maintenance services within the United States and Canada.

On July 31, 2015, the Parent contributed to the Securitization Entities, through Driven Holdco, Driven Funding, and the Company, substantially all of its U.S. and Canadian intellectual property, trademarks/tradenames, franchise agreements, development agreements, and all rights to develop and expand the Driven Franchise Brands excluding Radiator, CARSTAR, Take 5, and ABRA (collectively, the "Securitization IP") along with certain franchisee notes receivable, collectively the "Managed Assets". The Parent, certain non-securitization Canadian subsidiaries, and the Securitization Entities entered into the Driven Brands License Agreement, Econo Lube License Agreement, Pro Oil Canadian Franchisor License Agreement, Meineke Canadian Franchisor License Agreement and Maaco Canadian Franchisor License Agreement (collectively, the "License Agreements") pursuant to which the Securitization Entities, collectively, granted to Parent (i) a non-exclusive license to use and sublicense to non-Securitization Entities the Securitization IP in connection with owning and operating the company-owned store locations and (ii) an exclusive license to use and sublicense the Securitization IP in connection with other products and services for a royalty varying in amount according to brand and license use.

On April 24, 2018, the Parent contributed to Take 5 Franchisor SPV LLC, CARSTAR Franchisor SPV LLC, and 1-800 Radiator Franchisor SPV LLC through Driven Holdco, Driven Funding, and the Company, substantially all of its U.S. and Canadian intellectual property, trademarks/tradenames, franchise agreements, development agreements, and all rights to develop and expand the franchise brands (collectively, the "Take 5, CARSTAR and Radiator Securitization IPs") along with 1-800 Radiator franchisee note receivables (collectively the "Radiator

Managed Assets"). Take 5 Franchisor SPV LLC was established on April 24, 2018 and the Parent contributed intangible assets at a value of $31 million. The Parent, certain non-securitization subsidiaries, Take 5 Franchisor SPV LLC, CARSTAR Franchisor SPV LLC, and 1-800 Radiator Franchisor SPV LLC entered into the 2018 Amended and Restated Master License Agreement whereby Take 5 Franchisor SPV LLC, CARSTAR Franchisor SPV LLC, and 1-800 Radiator Franchisor SPV granted to Parent (i) a non-exclusive license to use and sublicense to Non-Securitization Entities the Take 5, CARSTAR and Radiator Securitization IPs in connection with an (i) an exclusive license to use and sublicense the Take 5, CARSTAR and Radiator Securitization IPs in connection with other products and services for a royalty varying by brand and licensed use.

On October 4, 2019, the Parent contributed to ABRA Franchisor SPV LLC, through the Company and Driven Brands Funding, LLC, substantially all of its U.S. intellectual property, trademarks/tradenames, franchise agreements, and all rights to develop and expand the ABRA franchise brand (collectively, the "ABRA Securitization IP") at a value of approximately $38 million. The Parent, certain non-securitization subsidiaries, and ABRA Franchisor SPV LLC entered into the 2019 Amended and Restated Master License Agreement whereby ABRA Franchisor SPV LLC granted to Parent an exclusive license to use and sublicense the ABRA Securitization IP in connection with other products and services for a royalty varying by brand and licensed use.

On July 6, 2020, the Parent contributed to FUSA Franchisor SPV LLC, through the Company and Driven Brands Funding, LLC, substantially all of its U.S. intellectual property, trademarks/tradenames, franchise agreements, and all rights to develop and expand the Fix Auto franchise brand (collectively, the "FUSA Securitization IP") at a value of approximately $34 million, which included $19 million of goodwill. The Parent, certain non-securitization subsidiaries, and FUSA Franchisor SPV LLC entered into the 2020 Mondofix License Assignment Agreement whereby FUSA Franchisor SPV LLC was granted an exclusive license to use and sublicense the FUSA Securitization IP in connection with other products and services for a royalty varying by brand and licensed use.

The contributions of the Take 5 Securitization IP, CARSTAR Securitization IP, FUSA Securitization IP, Radiator Securitization IPs, Radiator Managed Assets, ABRA Securitization IP, cash, and franchisee notes receivable are between entities under common control and were recorded at book value. No gain or loss was recognized on the transactions.

The Securitization Entities entered into a Management Agreement dated April 24, 2018, as amended on October 4, 2019 and July 6, 2020 ("the Management Agreement"), which obligates the Parent (the "Manager") to manage and service the Managed Assets, Take 5 Securitization IP, CARSTAR Securitization IP, Radiator Securitization IPs, FUSA Securitization IP, and ABRA Securitization IP as defined in the Management Agreement. The primary responsibilities of the Manager under the Management Agreement include administering collections and otherwise managing the Managed Assets, Take 5 Securitization IP, CARSTAR Securitization IP, Radiator Securitization IPs, FUSA Securitization IP, and ABRA Securitization IP on behalf of the Securitization Entities, and to perform certain franchising, marketing, intellectual property and operation and reporting services on behalf of the Securitization Entities with respect to the Managed Assets. In performing its obligations under the Management Agreement, the Manager acts solely as an independent contractor of the Securitization Entities, except to the extent the Manager is deemed to be an agent of the Securitization Entities by virtue of engaging in franchise sales activities or receiving payments on behalf of the Securitization Entities. In exchange for providing such services, the Manager is entitled to receive certain management fees on a weekly basis.

Note 2—Summary of Significant Accounting Policies

Fiscal Year

The Company operates and reports financial information on a 52 or 53 week year with the fiscal year ending on the last Saturday in December. Our fiscal year ended December 31, 2022 consisted of 53 weeks, and our fiscal years ended December 25, 2021 and December 26, 2020 reflected the results of operations for 52 weeks.

Basis of Presentation

The consolidated financial statements include the accounts of the Securitization Entities. Intercompany accounts and transactions have been eliminated in consolidation. The preparation of financial statements in

conformity with generally accepted accounting principles in the United States ("GAAP") requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities, if any, at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates are made in the valuation of notes receivable, intangible assets and goodwill, as well as impairment of intangible assets and goodwill. On an ongoing basis, the Company evaluates its estimates based on historical experience, current conditions and various other assumptions that are believed to be reasonable under the circumstances. The Company adjusts such estimates and assumptions when facts and circumstances dictate. Actual results could differ from those estimates.

Summary of Significant Accounting Policies

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits and short-term, highly liquid investments with original maturities of three months or less. These investments are carried at cost, which approximates fair value. The Company maintains cash balances in non-interest bearing transaction accounts with various financial institutions, which are insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250 thousand. Although the Company maintains balances that exceed the federally insured limit, we have not experienced any losses related to this balance, and the Company believes credit risk to be minimal.

Accounts and Notes Receivable

The Company's accounts receivable consists principally of amounts due related to product sales, supply sales, and franchise fees. These receivables are generally due within 30 days of the period in which the corresponding sales occur and are classified as Accounts and notes receivable, net on the consolidated balance sheets. Accounts receivable are reported at their estimated net realizable value.

Notes receivable are primarily from franchisees and relate to financing arrangements for certain past due balances. The notes are typically collateralized by the assets of the franchisee shop with interest rates up to 12%, depending on the level of credit risk and payment terms. Interest income recognized on these notes is included in revenue on the accompanying consolidated statements of operations. The Company places notes receivable on a non-accrual status based on management's determination if it is probable that the principal balance is not expected to be repaid per the contractual terms. When the Company places a note on non-accrual status, interest or fee income ceases to be recognized. Notes receivable are reported at their estimated net realizable value.

Goodwill and Intangible Assets

Goodwill is recorded when the aggregate purchase price of an acquisition exceeds the estimated fair value of the net identified tangible and intangible assets acquired. Intangible assets resulting from an acquisition are accounted for using the purchase method of accounting and are estimated by management based on the fair value of the assets acquired. The Company's identifiable intangible assets are comprised primarily of trademarks, franchise agreements, license agreement and software. Identifiable intangible assets with finite lives (franchise agreements, license agreements and software) are amortized over the period of estimated benefit using the straight-line method.

Goodwill and intangible assets considered to have an indefinite life (trade names) are not subject to amortization. The determination of indefinite life is subject to reassessment if changes in facts and circumstances indicate the period of benefit has become finite. Goodwill and indefinite-lived intangible assets are assessed annually for impairment as of the first day of the fiscal fourth quarter, or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit or the fair value of an indefinite-lived intangible asset below its carrying value.

We have completed our annual test of goodwill and indefinite-lived intangibles for impairment and have determined there was no impairment.

Allowance for Uncollectible Receivables

The Company adopted ASU 2016-13, *Financial Instruments - Credit Losses*, on December 26, 2020, which was retroactively applied as of the first day of fiscal year 2020. 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, the Company recorded incurred loss reserves against receivable balances based on current and historical information. The Company adopted this guidance using the modified retrospective adoption method on December 26, 2020, which was retroactively applied as of the first day of fiscal year 2020. Upon adoption of the this guidance, the Company recognized an increase to its allowance for credit losses of $2 million and a corresponding adjustment to retained earnings, net of tax.

Expected credit losses for uncollectible receivable balances consider both current conditions and reasonable and supportable forecasts of future conditions. Current conditions considered include pre-defined aging criteria, as well as specified events that indicate the balance due is not collectible. Reasonable and supportable forecasts used in determining the probability of future collection consider publicly available macroeconomic data and whether future credit losses are expected to differ from historical losses.

The Company is not party to any off-balance sheet arrangements that would require an allowance for credit losses in accordance with this accounting standard.

Revenue Recognition

In accordance with the Management Agreement, 2016 Amended and Restated Master License Agreement, 2018 Amended and Restated Master License Agreement and License Agreements, and the 2019 Amended and Restated Master License Agreement and License Agreements, revenue is recognized for amounts received or due to the Company for the use of the Company's intellectual property. Franchise revenue is comprised of royalties generated from franchisee fees as well as the Parent's company owned stores. Franchise fee royalty revenue is based on the fee agreements defined in the subsidiaries' franchise agreements. Royalties generated from the Parent's company owned stores are based on the fee agreements defined in the Management Agreement, Amended and Restated Master License Agreement, and any applicable sub-license agreements. Canadian royalty revenue is based on agreed upon fees defined in the Pro Oil Canadian Franchisor License Agreement, Meineke Canadian Franchisor License Agreement, 1-800 Radiator Canadian Franchisor License Agreement, and Maaco Canadian Franchisor License Agreement. Product distribution margin revenue is based on paint and supply products delivered to franchisees. Initial franchise fees are recognized on a straight-line basis over the life of the franchise agreement as the performance obligation is satisfied.

Income Taxes

The Company is a limited liability company treated as a partnership for federal and state income tax purposes with all income tax liabilities and/or benefits of the Company being passed through to the member. As such, no recognition of federal or state income taxes for the Company or its subsidiaries that are organized as limited liability companies have been provided for in the accompanying consolidated financial statements. Any uncertain tax position taken by the member is not an uncertain position of the Company.

As it pertains to the Company and the impact on the Ultimate Parent, the Company follows applicable authoritative guidance with respect to the accounting for uncertainty in income taxes recognized in the Company's consolidated financial statements. It prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken, or expected to be taken, in a tax return. The Company records any interest and penalties associated as additional income tax expense in the consolidated statements of income. Based on management analysis, the Company does not believe any unrecognized tax benefits significantly changed in the current period. Furthermore, the Company does not believe any remaining unrecognized tax benefits will significantly change in the next fiscal year.

Recently Issued Accounting Standards

We reviewed all other recently issued accounting pronouncements and concluded they were either not applicable or not expected to have a significant impact on the Company's consolidated financial statements.

Note 3 - Accounts and Notes Receivable, net

Accounts and notes receivable, net consisted of the following:

(in thousands)	December 31, 2022	December 25, 2021
Accounts receivable	$ 12,835	$ 13,498
Notes receivable	645	631
Accounts and notes receivables, gross	13,480	14,129
Less:		
Allowance for doubtful accounts	(5,998)	(4,295)
Accounts and notes receivables, net	$ 7,482	$ 9,834
Accounts and notes receivable long-term	$ 454	$ 91
Accounts and notes receivable current	7,028	9,743
Accounts and notes receivables, net	$ 7,482	$ 9,834

Note 4 - Intangible Assets

Intangible assets consisted of the following:

(in thousands)	December 31, 2022		
	Gross carrying value	Accumulated amortization	Net Carrying Value
Definite-lived intangible assets			
Franchise Agreements	$ 198,874	$ 51,998	146,876
License Agreements	10,517	3,967	6,550
	209,391	55,965	153,426
Indefinite-lived intangible assets			
Trademarks	335,200	—	335,200
Total intangible assets	$ 544,591	$ 55,965	$ 488,626

(in thousands)	December 25, 2021		
	Gross carrying value	Accumulated amortization	Net Carrying Value
Definite-lived intangible assets			
Franchise Agreements	$ 198,874	$ 44,347	$ 154,527
License Agreements	10,517	2,695	7,822
	209,391	47,042	162,349
Indefinite-lived intangible assets			
Trademarks	338,346	—	338,346
Total intangible assets	$ 547,737	$ 47,042	$ 500,695

Intangible assets with definite lives are being amortized on a straight-line basis over the estimated useful life of each asset. Intangible asset amortization expense was $9 million for the years ended December 31, 2022, December 25, 2021, and December 26, 2020.

Amortization expense related to intangible assets for the next five fiscal years and thereafter is as follows:

(in thousands)		
2023	$	8,925
2024		8,925
2025		8,925
2026		8,925
2027		8,192
Thereafter		109,534
Total amortization	$	153,426

Note 5 - Related Party Transactions

Cash collections from revenue and cash disbursements for management fees, interest expense and other operating expenses are made at Driven Holdco. Because the revenue and expenses related to these cash flows are recorded on the consolidated financial statements of the Company, the Company has recorded deemed distributions to Driven Holdco of $195 million, $147 million, and $100 million for the years ended December 31, 2022, December 25, 2021, and December 26, 2020, respectively.

In exchange for providing management services, the Parent is entitled to receive certain management fees on a weekly basis. The Company's management fees to the Parent were $36 million, $32 million, and $26 million for each of the years ended December 31, 2022, December 25, 2021, and December 26, 2020, respectively. These fees are included in operating expenses on the consolidated statements of operations.

Driven Brands Funding, LLC (the "Issuer") holds approximately $2.1 billion in debt in the form of six Senior Notes maturing in April 2048, April 2049, October 2049, January 2051, October 2051, and October 2052. The Senior Notes are secured by substantially all assets of the Issuer and guaranteed by Driven Holdco and subsidiaries of the Issuer. The interest expense allocated to the Company was $40 million, $35 million, and $36 million for the years ended December 31, 2022, December 25, 2021, and December 26, 2020, respectively. These amounts are included in operating expenses on the consolidated statements of operations.

Note 6 - Subsequent Events

The Company evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through June 2, 2023, the date the financial statements were available to be issued and determined that there were no such events requiring recognition or disclosure in the financial statements.

THE FOLLOWING FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED AN OPINION WITH REGARD TO THE CONTENT OR FORM

Consolidated Financial Statements
(Unaudited)

Driven Systems LLC and Subsidiaries

For the three months ended
March 30, 2024 and April 1, 2023

DRIVEN SYSTEMS LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

(in thousands)	March 30, 2024	December 30, 2023
Assets		
Current assets:		
Cash and cash equivalents	$ 1,000	$ 1,000
Accounts and notes receivable, net	7,896	4,817
Total current assets	8,896	5,817
Notes receivable, net	721	736
Intangible assets, net	480,460	482,680
Goodwill	19,390	19,390
Total assets	$ 509,467	$ 508,623
Liabilities and members' equity		
Current liabilities:		
Deferred franchise revenue	$ 28,867	$ 27,762
Total liabilities	28,867	27,762
Members' equity	480,600	480,681
Total members' equity	480,600	480,681
Total liabilities and members' equity	$ 509,467	$ 508,443

DRIVEN SYSTEMS LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three months ended	
(in thousands)	**March 30, 2024**	**April 1, 2023**
Revenue:		
Franchise fee revenue	$ 53,105	$ 50,871
Other revenue	6,878	12,942
Total revenue	59,983	63,813
Costs and expenses:		
Operating expenses	16,848	19,650
Amortization	2,220	2,247
Total costs and expenses	19,068	21,897
Net income	$ 40,915	$ 41,916

DRIVEN SYSTEMS LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF MEMBERS' EQUITY
(UNAUDITED)

in thousands

Balance as of December 31, 2022	$	490,816
Net income		41,916
Deemed distribution to Parent		(42,480)
Balance as of April 1, 2023	$	490,252
Balance as of December 30, 2023	$	480,861
Net income		40,915
Deemed distribution to Parent		(41,176)
Balance as of March 30, 2024	$	480,600

DRIVEN SYSTEMS LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Three months ended	
(in thousands)	**March 30, 2024**	**April 1, 2023**
Net income	$ 40,915	$ 41,916
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization	2,220	2,247
Changes in assets and liabilities:		
Accounts and notes receivable, net	(3,064)	(2,347)
Deferred franchise revenue	1,105	664
Cash provided by operating activities	41,176	42,480
Cash flows from financing activities:		
Distributions to parent	(41,176)	(42,480)
Cash used in financing activities	(41,176)	(42,480)
Net change in cash	—	—
Cash, beginning of period	1,000	1,000
Cash, end of period	$ 1,000	$ 1,000

DRIVEN BRANDS, INC.

Consolidated Financial Statements and Report of Independent Auditor

Driven Brands, Inc. and Subsidiaries

For the years ended
December 30, 2023 and December 31, 2022 and
for the years ended December 31, 2022,
December 25, 2021, and December 26, 2020

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Report of Independent Auditors

To the Management and Board of Directors of Driven Brands, Inc.

Opinion

We have audited the accompanying consolidated financial statements of Driven Brands, Inc. and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 30, 2023 and December 31, 2022, and the related consolidated statements of income, of comprehensive income, of shareholders' equity and of cash flows for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 30, 2023 and December 31, 2022, 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 audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The consolidated financial statements of the Company as of December 25, 2021 and December 26, 2020 and for the years then ended were audited by other auditors whose report, dated April 29, 2022, expressed an unmodified opinion on those statements.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 US GAAS 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 consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 the Company'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company'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.

PricewaterhouseCoopers LLP

Charlotte, North Carolina
April 26, 2024

DRIVEN BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(in thousands)	December 30, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$ 150,581	$ 158,799
Restricted cash	657	657
Accounts and notes receivable, net	146,295	167,249
Inventory	63,612	54,696
Prepaid and other assets	25,031	26,878
Related party receivable	328,953	258,476
Income tax receivable	3,680	1,698
Advertising fund assets, restricted	45,627	36,421
Total current assets	764,436	704,874
Related party receivable	128,144	128,144
Property and equipment, net	361,330	303,893
Operating lease right-of-use assets	397,211	335,760
Deferred commissions	6,312	7,121
Intangibles, net	703,573	727,646
Goodwill	1,238,504	1,225,457
Deferred tax asset	2,576	1,827
Other assets	55,248	28,414
Total assets	$ 3,657,334	$ 3,463,136
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	$ 51,280	$ 41,348
Income taxes payable	42,446	4,834
Accrued expenses and other liabilities	146,104	184,561
Current portion of long-term debt	26,426	27,605
Advertising fund liabilities	23,392	36,726
Total current liabilities	289,648	295,074
Long-term debt, net	2,177,283	2,213,218
Operating lease liabilities	371,404	313,644
Deferred tax liabilities	141,909	139,568
Deferred revenue	30,507	29,310
Accrued expenses and other long-term liabilities	3,749	5,947
Total liabilities	3,014,500	2,996,761
Shareholders' equity:		
Class A common stock, $.01 par value, authorized 60,000,000 voting shares; 56,560,217 shares issued and outstanding at December 30, 2023 and December 31, 2022	565	565
Class B common stock, $.01 par value, authorized 12,461,152 non-voting shares; 0 shares issued and outstanding at December 30, 2023 and December 31, 2022	—	—
Additional paid-in-capital	291,426	274,922
Retained earnings	364,781	209,246
Accumulated other comprehensive loss	(14,321)	(18,728)
Total shareholders' equity attributable to Driven Brands Holdings Inc.	642,451	466,005
Non-controlling interests	383	370
Total shareholders' equity	642,834	466,375
Total liabilities and shareholders' equity	$ 3,657,334	$ 3,463,136

The accompanying notes are an integral part of these consolidated financial statements.

DRIVEN BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except per share amounts)	Fiscal year ended December 30, 2023	Fiscal year ended December 31, 2022
Revenue:		
Franchise royalties and fees	$ 190,367	$ 171,734
Company-operated store sales	1,130,996	933,906
Advertising contributions	98,850	87,750
Supply and other revenue	286,072	247,084
Total revenue	1,706,285	1,440,474
Operating expenses:		
Company-operated store expenses	697,317	553,650
Advertising expenses	97,290	87,986
Supply and other expenses	154,586	140,107
Selling, general and administrative expenses	357,192	325,462
Acquisition costs	7,589	9,657
Store opening costs	4,885	2,809
Depreciation and amortization	75,933	55,892
Asset impairment charges	4,542	107
Total operating expenses	1,399,334	1,175,670
Operating income	306,951	264,804
Other (income) expense, net		
Interest expense, net	108,002	88,124
Loss (gain) on foreign currency transactions, net	(1,997)	5,511
Total other expenses, net	106,005	93,635
Income before taxes	200,946	171,169
Income tax expense	45,411	17,538
Net income	155,535	153,631
Net income attributable to Driven Brands, Inc.	$ 155,535	$ 153,631

The accompanying notes are an integral part of these consolidated financial statements.

DRIVEN BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Fiscal year ended	
(in thousands)	**December 30, 2023**	**December 31, 2022**
Net income	$ 155,535	$ 153,631
Other comprehensive gain (loss):		
Foreign currency translation adjustment	1,062	(15,275)
Gain/(Loss) on swap, net	3,345	(1,866)
Other comprehensive gain (loss), net	4,407	(17,141)
Total comprehensive income	159,942	136,490
Comprehensive gain (loss) attributable to non-controlling interests	13	$ (36)
Comprehensive income attributable to Driven Brands, Inc.	$ 159,929	$ 136,526

The accompanying notes are an integral part of these consolidated financial statements.

DRIVEN BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

in thousands	Common stock, Class A and B	Additional paid-in-capital	Retained earnings	Accumulated other comprehensive income (loss)	Non-controlling interests	Total equity
Balance as of December 25, 2021	$ 565	$ 247,505	$ 55,615	$ (1,623)	$ 406	$ 302,468
Net income	—	—	153,631	—	—	153,631
Other comprehensive (loss)	—	—	—	(17,105)	(36)	(17,141)
Equity-based compensation expense	—	20,583	—	—	—	20,583
Contributions	—	6,834	—	—	—	6,834
At-Pac divestiture	—	—	—	—		—
Balance as of December 31, 2022	$ 565	$ 274,922	$ 209,246	$ (18,728)	$ 370	$ 466,375
Net income	—	—	155,535	—	—	155,535
Other comprehensive income	—	—	—	4,407	13	4,420
Equity-based compensation expense	—	15,300	—	—	—	15,300
Contributions	—	1,204	—	—	—	1,204
Balance as of December 30, 2023	$ 565	$ 291,426	$ 364,781	$ (14,321)	$ 383	$ 642,834

The accompanying notes are an integral part of these consolidated financial statements.

DRIVEN BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)	Year Ended December 30, 2023	Year Ended December 31, 2022
Net income	$ 155,535	$ 153,631
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	75,933	55,892
Equity-based compensation expense	15,300	20,583
Loss (gain) on foreign denominated transactions	(4,581)	10,287
Loss (gain) on foreign currency derivative	2,584	(4,776)
Gain on sale of fixed assets	(3,787)	(13,918)
Bad debt expense	1,838	5,746
Asset impairment costs	4,542	107
Amortization of deferred financing costs and bond discounts	8,558	7,058
Provision for deferred income taxes	373	2,467
Other, net	16,723	1,104
Changes in assets and liabilities:		
Accounts and notes receivable, net	6,064	(49,043)
Inventory	(9,515)	(16,836)
Prepaid and other assets	3,014	(9,333)
Related party receivable	(69,840)	126,011
Advertising fund assets and liabilities, restricted	(16,861)	13,495
Other assets	(41,677)	(22,907)
Deferred commissions	418	3,407
Deferred revenue	1,937	1,925
Accounts payable	10,402	(31,122)
Accrued expenses and other liabilities	(27,272)	(51,271)
Income tax receivable	35,497	352
Cash provided by operating activities	165,185	202,859
Cash flows from investing activities:		
Capital expenditures	(158,225)	(103,239)
Cash used in business acquisitions, net of cash acquired	(36,727)	(405,011)
Proceeds from sale-leaseback transactions	39,168	16,107
Proceeds from sale or disposal of businesses and fixed assets	8,234	19,918
Cash used in investing activities	(147,550)	(472,225)
Cash flows from financing activities:		
Payment of debt issuance cost	—	(7,172)
Proceeds from the issuance of long-term debt	—	365,000
Repayment of long-term debt	(22,971)	(20,159)
Repayment of principal portion of finance lease liability	(3,844)	(2,561)
Contribution from (distribution to) parent	(3,118)	6,834
Stock option exercises	—	340
Other, net	227	(19)

Cash provided by financing activities		(29,706)		342,263
Effect of exchange rate changes on cash		9,519		(2,489)
Net change in cash, cash equivalents, restricted cash, and cash included in advertising fund assets, restricted		(2,552)		70,408
Cash and cash equivalents, beginning of period		158,799		82,676
Cash included in advertising fund assets, restricted, beginning of period		32,871		38,586
Restricted cash, beginning of period		657		657
Cash, cash equivalents, restricted cash, and cash included in advertising fund assets, restricted, beginning of period		192,327		121,919
Cash and cash equivalents, end of period		150,581		158,799
Cash included in advertising fund assets, restricted, end of period		38,537		32,871
Restricted cash, end of period		657		657
Cash, cash equivalents, restricted cash, and cash included in advertising fund assets, restricted, end of period	$	189,775	$	192,327
Supplemental cash flow disclosures - non-cash items:				
Capital expenditures included in accrued expenses and other liabilities	$	2,127	$	4,942
Deferred consideration included in accrued expenses and other liabilities		2,630	$	27,303
Supplemental cash flow disclosures - cash paid for:				
Interest	$	108,119	$	88,655
Income taxes		—	$	13,202

The accompanying notes are an integral part of these consolidated financial statements.

Note 1—Description of Business

Description of Business

Driven Brands, Inc. and Subsidiaries (collectively,"the Company") comprises the worldwide operations of Meineke Car Care Centers ("Meineke"), Maaco Collision Repair and Auto Painting ("Maaco"), Fix Auto USA ("FUSA"), Merlin's 200,000 Miles shops ("Merlin's"), Uniban ("Go Glass"), Econo-Lube N' Tune ("Econo"), 1-800-Radiator & A/C ("Radiator"), Spire Supply, Drive N Style, Take 5 Oil Change ("Take 5"), CARSTAR auto body repair experts ("CARSTAR"), ABRA Auto Body Repair of America ("ABRA"), and Clairus Group ("Clairus") (collectively, the "Driven Franchise Brands"). The Driven Franchise Brands develop, operate, franchise and license their individual business systems to provide retail and business-to-business automotive services. The Company is also comprised of Automotive Training Institute ("ATI"), which provides business-to-business automotive training services, and Auto Glass Now ("AGN"), which is comprised of our U.S. Glass business. As of December 30, 2023, the Driven Franchise Brands and AGN encompass 3,880 units worldwide, with 83% located within the United States and the remainder located primarily in Canada. Approximately 77% of the units are franchised. The Company is a direct, wholly-owned subsidiary of Driven Holdings, LLC, which is a direct wholly-owned subsidiary of Driven Brands Holdings Inc. (the "Ultimate Parent"). The assets and liabilities of Drive N Style Franchisor SPV, LLC were sold on July 17, 2023.

Meineke, Merlin's, and Econo each provide automotive repair and maintenance services through retail locations. Maaco, CARSTAR, FUSA, and ABRA, provide auto body repairs and painting services through retail locations. Radiator provides certain automotive parts to automotive repair stores, automotive parts stores, body shops and service stations. Take 5 is an operator of oil change centers, offering rapid oil changes and light maintenance services within the United States and Canada. Spire Supply and PH Glass are distribution and sourcing companies serving as a single point for inventory sourcing for the Company. AGN, Driven Glass, Go Glass, and Clairus are providers of on-demand auto glass, calibration services, and auto appearance services. ATI provides automotive business training services to assist shop owners with efficiencies and profitability. The Company has also completed acquisition transactions, and in certain circumstances has retained the target's brand name.

Note 2—Summary of Significant Accounting Policies

Fiscal Year

The Company operates and reports financial information on a 52 or 53-week year with the fiscal year ending on the last Saturday in December. Our fiscal year ending December 30, 2023 reflects the results of operations for the 52-week and December 31, 2022 reflects the results of operations for the 53-week year ended .

Basis of Presentation

The consolidated financial statements include the accounts of the the Company. Intercompany accounts and transactions have been eliminated in consolidation. The preparation of financial statements in conformity with generally accepted accounting principles in the United States ("GAAP") requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities, if any, at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates are made in the valuation of intangible assets and goodwill, as well as impairment of intangible assets and goodwill, income tax, allowance for credit losses, valuation of derivatives, and self-insurance claims. On an ongoing basis, the Company evaluates its estimates based on historical experience, current conditions and various other assumptions that are believed to be reasonable under the circumstances. The Company adjusts such estimates and assumptions when facts and circumstances dictate. Actual results could differ from those estimates.

Summary of Significant Accounting Policies

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits and short-term, highly liquid investments with original maturities of three months or less. These investments are carried at cost, which approximates fair value. The Company continually monitors its positions with, and the credit quality of, the financial institutions in which it maintains its deposits. As of December 30, 2023 and December 31, 2022, the Company maintained balances in various cash accounts in excess of federally insured limits.

Restricted Cash

The Company had total restricted cash of $39 million and $34 million at December 30, 2023 and December 31, 2022, respectively, which primarily consisted of funds from franchisees pursuant to franchise agreements, the usage of which was restricted to advertising activities, and letters of credit collateral. Advertising funds are presented within advertising fund assets, restricted, on the consolidated balance sheet.

Accounts and Notes Receivable

The Company's accounts receivable consists principally of amounts due related to product sales, centrally billed commercial fleet work, centrally billed insurance claims, advertising, franchise fees, rent due from franchisees and training services. These receivables are generally due within 30 days of the period in which the corresponding sales occur and are classified as Accounts and notes receivable, net on the consolidated balance sheets. Accounts receivable are reported at their estimated net realizable value.

Notes receivable are primarily from franchisees and relate to financing arrangements for certain past due balances or to partially finance the acquisition of company-operated stores or refranchising locations. The notes are typically collateralized by the assets of the store being purchased. Interest income recognized on these notes is included in supply and other revenue on the accompanying consolidated statements of income. The Company places notes receivable on a non-accrual status based on management's determination if it is probable that the principal balance is not expected to be repaid per the contractual terms. When the Company places a note receivable on a non-accrual status, interest income recorded on the note is reversed through supply and other revenue. The Company recorded an immaterial amount of interest income related to its notes receivables during the years ended December 30, 2023 and December 31, 2022.

Allowance for Credit Losses

Expected credit losses for uncollectible receivable balances consider both current conditions and reasonable and supportable forecasts of future conditions. Current conditions considered include predefined aging criteria, as well as specified events that indicate the balance due is not collectible. Reasonable and supportable forecasts used in determining the probability of future collection consider publicly available macroeconomic data and whether future credit losses are expected to differ from historical losses.

Inventory

Inventory is stated at the lower of cost or net realizable value. The Company primarily purchases its oil, lubricants, and auto glass in bulk quantities to take advantage of volume discounts and to ensure inventory availability to complete services. Inventories are presented net of volume rebates.

Property and Equipment, net

Property and equipment are stated at cost less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the respective assets. Leasehold improvements are depreciated over the shorter of the estimated useful life or the remaining lease term of the related asset.

Estimated useful lives are as follows:

Buildings and improvements	5 to 40 years
Furniture and fixtures	5 to 7 years
Store equipment	5 to 15 years
Leasehold improvements	5 to 15 years
Vehicles	3 to 5 years
Computer equipment and software	3 to 5 years

Cloud computing arrangements

The Company capitalizes qualified cloud computing implementation costs associated with the application development stage and subsequently amortize these costs over the term of the hosting arrangement and stated renewal period, if it is reasonably certain we will renew. Capitalized costs are included in other assets on the consolidated balance sheet. During the year ended December 30, 2023, we recorded cloud computing amortization of $2 million. As of December 31, 2022 no cloud computing arrangements were in service.

Leases

The lease standard requires the lessee in an operating lease to record a balance sheet gross-up upon lease commencement by recognizing an ROU asset and lease liability equal to the present value of the lease payments over the expected lease term. The ROU asset and lease liability are derecognized in a manner that effectively yields a straight-line lease expense over the lease term. In addition to the changes to the lessee operating lease accounting requirements, the amendments also change the types of costs that can be capitalized related to a lease agreement for both lessees and lessors.

Finance lease ROU assets are depreciated on a straight-line basis over the lesser of the useful life of the leased asset or lease term. Finance lease liabilities are recognized using the effective interest method, with interest determined as the amount that results in a constant periodic discount rate on the remaining balance of the liability. Interest associated with finance lease liabilities is recognized in interest expense, net, on the consolidated statements of operations and is included in changes in accrued expenses and other liabilities in the consolidated statements of cash flows.

At contract inception, we determine whether the contract is or contains a lease based on the terms and conditions of the contract. Lease contracts are recognized on our consolidated balance sheet as ROU assets and lease liabilities; however, we have elected not to recognize ROU assets and lease liabilities on leases with terms of one year or less. Variable lease payments that are dependent on usage, output, or may vary for other reasons are excluded from lease payments in the measurement of the ROU assets and lease liabilities and are recognized as lease expense in the period the obligation is incurred. For lease agreements entered into or reassessed after the adoption of Topic 842, we combine lease and non-lease components. The Company's vehicle and equipment leases are comprised of a single lease component.

If a lease does not provide enough information to determine the implicit interest rate in the agreements, the Company uses its incremental borrowing rate in calculating the lease liability. The Company determines its incremental borrowing rate for each lease by reference to yield rates on collateralized debt issuances, which approximates borrowings on a collateralized basis, by companies of a similar credit rating as the Company, with adjustments for differences in years to maturity and implied company-specific credit spreads.

Certain leases include renewal and termination options and the option to renew is under our sole discretion. These leases are included in the lease term in determining the ROU assets and liabilities when we are reasonably certain we will exercise the option.

The ROU asset also includes initial direct costs paid less lease incentives received from the lessor. The Company also records lease income for subleases of franchise stores to certain franchisees. Lease income from sublease rentals is recognized on a straight-line basis over the lease term.

Impairment of Long-Lived Assets

Long-lived assets that are used in operations are tested for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable through undiscounted future cash flows. Recognition and measurement of a potential impairment is performed on assets grouped with other assets and liabilities at the lowest level where identifiable cash flows are largely independent of the cash flows of other assets and liabilities. An impairment loss is the amount by which the carrying amount of a long-lived asset or asset group exceeds its estimated fair value. Fair value is generally estimated by internal specialists based on the present value of anticipated future cash flows or, if required, with the assistance of independent third-party valuation specialists, depending on the nature of the assets or asset group.

Goodwill and Intangible Assets

Goodwill is recorded when the aggregate purchase price of an acquisition exceeds the estimated fair value of the net identified tangible and intangible assets acquired. The Company's indefinite-lived intangibles are comprised of trademarks and tradenames. Management tests goodwill for impairment on the first day of the fourth quarter every year or more frequently if events or changes in circumstances indicate the asset might be impaired.

In performing a quantitative test for impairment of goodwill, we primarily use the income approach method of valuation that includes the discounted cash flow method and the market approach that includes the guideline public company method to determine the fair value of goodwill and indefinite-lived intangible assets. Significant assumptions are made by management in estimating fair value under the discounted cash flow model including future trends in sales and terminal growth rates, operating expenses, overhead expenses, tax depreciation, capital expenditures, and changes in working capital, along with an appropriate discount rate based on our estimated cost of equity capital and after-tax cost of debt. Significant assumptions used to determine fair value under the guideline public company method include the selection of guideline companies and the valuation multiples applied.

In the process of a quantitative test of our tradename intangible assets, we primarily use the relief-from-royalty method under the income approach method of valuation. Significant assumptions used to determine fair value under the relief of royalty method include future trends in sales, a royalty rate, and a discount rate to be applied to the forecast revenue stream.

There is an inherent degree of uncertainty in preparing any forecast of future results. Future trends in system-wide sales are dependent to a significant extent on national, regional, and local economic conditions. Any decreases in customer traffic or average repair order due to these or other reasons could reduce gross sales at franchise locations, resulting in lower royalty and other payments from franchisees, as well as lower sales at company-operated locations. This could reduce the profitability of franchise locations, potentially impacting the ability of franchisees to make royalty payments owed to us when due (which could adversely impact our current cash flow from franchise operations), and company-operated sites.

The determination of indefinite life is subject to reassessment if changes in facts and circumstances indicate the period of benefit has become finite. On October 1, 2023, the first day of the fourth quarter, the Company performed its annual impairment assessment of goodwill and indefinite-lived intangibles and has determined there was no impairment in the years ended December 30, 2023 and December 31, 2022.

Definite Lived Intangible Assets

The Company's definite lived intangible assets are comprised primarily of trademarks, franchise agreements, license agreements, membership agreements, customer relationships, and developed technology.

Intangible assets with definite lives are being amortized on a straight-line basis over the estimated useful life of each asset as follows:

	Estimated Useful Life
Tradenames	2 to 3 years
Franchise agreements	3 to 30 years
License agreements	7 to 19 years
Membership agreements	7 to 9 years
Customer relationships	13 to 16 years
Developed technology	5 to 8 years

The lives of definite lived intangibles are reviewed and reduced if changes in their planned use occurs. If changes in the assets planned use is identified, management reviews the useful life and carrying value of the asset to assess the recoverability of the assets if facts and circumstances indicate the carrying value may not be recoverable. The recoverability test requires management to compare the undiscounted cash flows expected to be generated by the intangible asset or asset group to the carrying value. If the carrying amounts of the intangible asset is not recoverable on an undiscounted cash flow basis, an impairment charge is recognized to the extent the carrying value exceeds its fair value.

Management reviews business combinations to identify intangible assets, which are typically tradenames and customer relationships, and value the assets based on information and assumptions available to us at the date of purchase utilizing income and market approaches to determine fair value.

Assets Held for Sale

Assets currently available for sale and expected to be sold within one year are classified as assets held for sale. There were no assets designated as held for sale as of December 30, 2023 or December 31, 2022.

Derivative instruments

We utilize derivative financial instruments to manage our interest rate and foreign exchange exposure. For derivatives instruments where we have not elected hedge accounting, the change in fair value is recognized in earnings. For derivative instruments where we have elected hedge accounting, the changes in the derivative and the hedged item attributable to the hedged risks are recognized in the same line within our consolidated statement of operations. For derivatives designated as cash flow hedges, changes in the fair value of the derivative is initially recorded in accumulated other comprehensive income (loss) and subsequently recorded to the statement of operations when the hedged item impacts earnings. Derivatives designated as hedge accounting are assessed at inception and on an ongoing basis whether the instrument is, and will continue to be, highly effective in offsetting cash flow or fair value of the hedged item and whether it remains probable the forecasted transaction will occur. Changes in the fair value for derivative instruments that do not qualify as hedge accounting are recognized in the consolidated statement of operations.

Revenue Recognition

Franchise royalties and fees

Franchisees are required to pay an upfront license fee prior to the opening of a location. The initial license payment received is recognized ratably over the life of the franchise agreement. Franchisees will also pay continuing royalty fees, at least monthly, based on a percentage of the store level retail sales or a flat amount, depending on the brand. The royalty income is recognized as the underlying sales occur. In addition to the initial fees and royalties, the Company also recognizes revenue associated with development fees charged to franchisees, which are

recognized as income over the life of the associated franchise agreement. Development fees relate to the right of a franchisee to open additional locations in an agreed upon territory.

Company-operated store sales

Company-operated store sales are recognized, net of sales discounts, upon delivery of services and the service-related product.

The states and municipalities in which the Company operates impose sales tax on all of the Company's nonexempt revenue. The Company collects the sales tax from its customers and remits the entire amount to the appropriate taxing authority. The Company's policy is to exclude the tax collected and remitted from net revenue and direct costs. The Company accrues sales tax liabilities as it records sales, maintaining the amount owed to the taxing authorities in accrued expenses and other liabilities in the consolidated balance sheet.

Advertising contributions

Franchised and company-operated stores are generally required to contribute advertising dollars according to the terms of their respective contract (typically based on a percentage of sales) that are used for, among other activities, advertising the brand on a national and local basis, as determined by the brand's franchisor. The Company's franchisees make their contributions to a marketing fund which in turn administers and distributes their advertising contributions directly to the franchisor. This advertising fee revenue is recognized as the underlying sales occur. Advertising expenses are recorded as incurred. Revenues and expenses related to these advertising collections and expenditures are reported on a gross basis in the consolidated statements of operations. The assets related to the advertising fund are considered restricted and disclosed as such on the Company's consolidated balance sheets.

Any excess or deficiency of advertising fee revenue compared to advertising expenditures is recognized in the fourth quarter of the Company's fiscal year. Any excess of revenue over expenditures is recognized only to the extent of previously recognized deficits. When advertising revenues exceed the related advertising expenses and there is no recovery of a previously recognized deficit of advertising revenues, advertising costs are accrued up to the amount of revenues.

Supply and other revenue

Supply and other revenue includes revenue related to product sales, vendor incentive revenue, insurance licensing fees, store leases, software maintenance fees and automotive training services revenue. Supply and other revenue is recognized once title of goods is transferred to franchisees or other independent parties, as the sales of the related products occur, or ratably. Vendor incentive revenue is recognized as sales of the related product occur. Insurance licensing fee revenue is generated when the Company is acting as an agent on behalf of its franchisees and is recognized once title of goods is transferred to franchisees. The insurance license revenue is presented net of any related expense with any residual revenue reflecting the management fee the Company charges for the program. Store lease revenue is recognized ratably over the underlying property lease term. Software maintenance fee revenue is recognized monthly in connection with providing and servicing software. Automotive training services provided to third party shop owner/operators in accordance with agreed upon contract terms. These contracts may be for one-time shop visits or agreements to receive access to education and training programs for multiple years. For one-time shop visits, revenue is recognized at the time the service is rendered. For the multi-year education and training contracts, revenue is recognized ratably over the contract term.

Assets Recognized from the Costs to Obtain a Contract with a Customer:

The Company has elected a practical expedient to expense costs as incurred for costs to obtain a contract when the amortization period would have been one year or less. The Company records contract assets for the incremental costs of obtaining a contract with a customer if we expect the benefit of those costs to be longer than one year and if such costs are material. Commission expenses, a primary cost associated with the sale of franchise licenses, are amortized to selling, general and administrative expenses in the consolidated statements of income ratably over the life of the associated franchise agreement.

Contract Balances

The Company generally records a contract liability when cash is provided for a contract with a customer before the Company has completed its contractual performance obligation. This includes cash payments for initial

franchise fees as well as upfront payments on store owner consulting and education contracts. Franchise fees and shop owner consulting contract payments are recognized over the life of the agreement, which range from five to 20 and three to four year terms, respectively.

Company-Operated Store Expenses

Company-operated store expenses consist of payroll and benefit costs for employees at company-operated locations, as well as rent, costs associated with procuring materials from suppliers, and other store-level operating costs. The Company receives volume rebates based on a variety of factors which are included in accounts receivable on the accompanying consolidated balance sheet and accounted for as a reduction of company-operated store expenses as they are earned. Sales discounts received from suppliers are recorded as a reduction of the cost of inventory. Advanced rebates are included in accrued expenses and other liabilities on the accompanying consolidated balance sheet and are accounted for as a reduction of company-operated store expenses as they are earned over the term of the supply agreement. Additionally, the Company includes subleasing expense associated with the subleasing of store buildings to franchisees within supply and other expenses in the consolidated statements of income.

Store Opening Costs

Store opening costs consist of employee, facility, and grand opening marketing costs that company-operated stores incur prior to opening. The Company typically incurs store opening costs when opening new company-operated stores and when converting independently branded, acquired company-operated stores to one of its brands. These expenses are charged to expense as incurred.

Equity-based Compensation

The Company recognizes expense related to equity-based compensation awards over the service period (generally the vesting period) in the consolidated financial statements based on the estimated fair value of the award on the grant-date.

Fair Value of Financial Instruments

Fair value measurements enable the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. The Company classifies and discloses assets and liabilities carried at fair value in one of the following three categories.

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity as the ability to access at the measurement date,

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; or

Level 3: Inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

Financial assets and liabilities measured at fair value on a recurring basis as of December 30, 2023 are summarized as follows:

(in thousands)	Level 1	Significant other observable inputs (Level 2)	Total
Derivative assets, recorded in other assets	—	285	285
Derivative liabilities, recorded in accrued expenses and other liabilities	—	233	233

Financial assets and liabilities measured at fair value on a recurring basis as of December 31, 2022 are summarized as follows:

(in thousands)	Level 1	Significant other observable inputs (Level 2)	Total
Mutual fund investments held in rabbi trust	$ 758	$ —	$ 758
Derivative liabilities, recorded in accrued expenses and other liabilities	—	2,148	2,148
Derivative liabilities, recorded in long-term accrued expenses and other liabilities	—	165	165

The fair value of the Company's derivative instruments are derived from valuation models, which use observable inputs such as quoted market prices, interest rates and forward yield curves.

The Company estimates the fair values of financial instruments using available market information and appropriate valuation methodologies. However, considerable judgment is required in interpreting market data to develop estimates of fair value for non-traded financial instruments. Accordingly, such estimates are not necessarily indicative of the amounts that the Company would realize in a current market exchange. The carrying amount for cash and cash equivalents, accounts receivable, inventory, other current assets, accounts payable and accrued expenses approximate fair value because of their short maturities.

The carrying value and estimated fair value of total long-term debt were as follows:

	December 30, 2023		December 31, 2022	
(in thousands)	Carrying value	Estimated fair value	Carrying value	Estimated fair value
Long-term debt	$ 2,231,959	$ 2,067,579	$ 2,277,675	$ 1,998,250

Income Taxes

The Company accounts for income taxes under the liability method whereby deferred tax assets and liabilities are measured using enacted tax laws and rates expected to apply to taxable income in the years in which the assets and liabilities are expected to be recovered or settled. The effects on deferred tax assets and liabilities of subsequent changes in the tax laws and rates are recognized in income during the year the changes are enacted.

In assessing the realizability of deferred tax assets, management considers whether it is more-likely-than-not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

The Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized on the consolidated financial statements from such positions are measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon settlement with tax authorities. The Company records any interest and penalties associated as additional income tax expense in the consolidated statements of income.

Deferred Financing Costs

The costs related to the issuance of debt are presented in the balance sheet as a direct deduction from the carrying amount of that debt and amortized over the terms of the related debt agreements as interest expense using the effective interest method.

Insurance Reserves

The Company is partially self-insured for employee medical coverage. The Company records a liability for the ultimate settlement of claims incurred as of the balance sheet date based upon estimates provided by the third-party that administers the claims on the Company's behalf. The Company also reviews historical payment trends and knowledge of specific claims in determining the reasonableness of the reserve. Adjustments to the reserve are made when the facts and circumstances of the underlying claims change. If the actual settlements of the medical claims are greater than the estimated amount, additional expense will be recognized.

Foreign Currency Translation

We translate assets and liabilities of non-U.S. operations into U.S. dollars at rates of exchange in effect at the balance sheet date, and revenues and expenses at the average exchange rates prevailing during the period. Resulting translation adjustments are recorded as a separate component of other comprehensive income (loss). Transactions resulting in foreign exchange gains and losses are included in the consolidated statements of income.

Recently Issued Accounting Standards

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. This ASU provides optional expedients and exceptions for applying generally accepted accounting principles to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. In response to the concerns about structural risks of interbank offered rates and, particularly, the risk of cessation of LIBOR, regulators in several jurisdictions around the world have undertaken reference rate reform initiatives to identify alternative reference rates that are more observable or transaction based and less susceptible to manipulation. The ASU provides companies with optional guidance to ease the potential accounting burden associated with transitioning away from reference rates that are expected to be discontinued. This guidance is effective immediately and the amendments may be applied prospectively through December 31, 2024. The Company is evaluating the impact of adopting this new accounting guidance and does not believe it will have a material impact on the Company's consolidated financial statements.

Note 3—Accounts and Notes Receivable, net

Accounts and notes receivable, net consisted of the following:

(in thousands)	December 30, 2023	December 31, 2022
Accounts receivable	$ 157,653	$ 185,569
Notes receivable	3,816	4,335
Total gross receivables	161,469	189,904
Less allowance for doubtful accounts	(11,604)	(19,504)
Less current portion of accounts and notes receivable	(146,295)	(167,249)
Notes receivable, long term	$ 3,570	$ 3,151

The changes in the allowance for accounts and notes receivable for the year ended December 30, 2023 and December 31, 2022 were as follows:

(in thousands)		
Balance as of December 25, 2021	$	18,421
Bad debt expense		5,745
Write-off of uncollectible receivables		(4,662)
Balance at December 31, 2022	$	19,504
Bad debt expense, net of recoveries		1,837
Write-off of uncollectible receivables		(9,737)
Balance at December 30, 2023	$	11,604

Note 4—Business Combinations

The Company strategically acquires companies in order to increase its footprint and offer products and services that diversify its existing offerings, primarily through asset purchase agreements. These acquisitions are accounted for as business combinations using the acquisition method, whereby the purchase price is allocated to the assets acquired and liabilities assumed, based on their estimated fair values at the date of the acquisition with the remaining amount recorded in goodwill.

The Company completed six acquisitions in the Maintenance business unit during the year ended December 30, 2023, representing six sites. The aggregate cash consideration for these acquisitions, net of cash acquired and liabilities assumed, was approximately $9 million.

The Company completed two acquisitions in the Paint, Collision & Glass business unit during the year ended December 30, 2023, representing two sites. The aggregate cash consideration for these acquisitions, net of cash acquired and liabilities assumed, was approximately $6 million.

The Company estimated the fair value of acquired assets and liabilities as of the date of acquisition based on information currently available. As the Company finalizes the fair value of assets acquired and liabilities assumed, additional purchase price adjustments may be recorded during the measurement period. The provisional amounts for assets acquired and liabilities assumed for the 2023 acquisitions are as follows:

2023 Maintenance Business unit

(in thousands)		**Maintenance**
Assets:		
Operating lease right-of-use assets	$	3,693
Property and equipment, net		3,855
Assets acquired		**7,548**
Liabilities:		
Accrued expenses and other liabilities		275
Operating lease liabilities		3,394
Total liabilities assumed		**3,669**
Cash consideration, net of cash acquired		8,108
Deferred consideration		490
Total consideration, net of cash acquired	**$**	**8,598**
Goodwill	**$**	**4,719**

2023 Paint, Collision & Glass Business unit

(in thousands)	Paint, Collision & Glass
Assets:	
Inventory	$ 35
Property and equipment, net	667
Assets acquired	**702**
Cash consideration, net of cash acquired	4,947
Deferred consideration	695
Total consideration, net of cash acquired	**$ 5,642**
Goodwill	**$ 4,940**

Goodwill represents the excess of the consideration paid over the fair value of net assets acquired and includes the expected benefit of synergies within the existing business units and intangible assets that do not qualify for separate recognition. Goodwill, which was allocated to the Maintenance and Paint, Collision & Glass business units, is substantially all deductible for income tax purposes.

2022 Acquisitions

The Company completed 6 acquisitions in the Maintenance business unit during the year ended December 31, 2022, representing 14 sites, each individually immaterial, which were deemed to be business combinations. The aggregate cash consideration for these acquisitions, net of cash acquired and liabilities assumed, was $25 million.

The Company completed 10 acquisitions in the Paint, Collision & Glass business unit during the year ended December 31, 2022 representing 174 sites, which were deemed to be business combinations. The aggregate cash consideration for these acquisitions, net of cash acquired, was $406 million. On December 30, 2021 the Company acquired AGN, which was comprised of 79 sites at the time of the Company's acquisition, for a total consideration of $171 million. The purchase price allocation resulted in the recognition of $49 million of intangible assets, $37 million of which was a trade name intangible asset. The fair value of the acquired trade name was estimated using an income approach, specifically, the relief-from-royalty method. The Company utilized assumptions with respect to forecasted sales, the discount rate, and the royalty rate in determining the fair value of the acquired trade name. The purchase price allocation was considered complete for AGN as of December 31, 2022. On April 28, 2022, the Company acquired All Star Glass ("ASG"), which was comprised of 31 sites at the time of the acquisition for a total consideration of $36 million. On July 6, 2022, the Company acquired K&K Glass, which was comprised of 8 sites for a total consideration of $40 million. On July 27, 2022, the Company acquired Jack Morris Auto Glass, which was comprised of 9 sites for a total consideration of $54 million. On September 8, 2022, the Company acquired Auto Glass Fitters Inc., which was comprised of 24 sites for a total consideration of $72 million. The Company will amortize the acquired lease right of use assets, customer list intangibles, and definite lived trade name over their estimated remaining lives of 4 years, 13 years, and 1 year, respectively.

2022 Paint, Collision & Glass Business unit

The provisional amounts for assets acquired and liabilities assumed for the 2022 Paint, Collision & Glass acquisitions are as follows:

(in thousands)	Auto Glass Fitters Inc.	Jack Morris Auto Glass	K&K Glass	All Star Glass	Auto Glass Now	All Other Paint, Collision & Glass	Total PC&G
Assets:							
Accounts and notes receivable, net	5,264	1,162	—	2,349	—	832	9,607
Inventory	134	1,150	1,067	546	—	1,518	4,415
Prepaid and other assets	64	70	—	119	—	14	267
Property and equipment, net	417	418	1,553	568	1,064	1,628	5,648
Operating lease right-of-use assets	1,016	1,558	587	5,943	11,177	2,865	23,146
Intangibles, net	20,600	16,100	16,600	8,500	49,100	—	110,900
Goodwill	48,038	35,651	20,836	26,548	119,569	29,689	280,331
Deferred tax asset	—	—	—	—	—	84	84
Total assets acquired	**75,533**	**56,109**	**40,643**	**44,573**	**180,910**	**36,630**	**434,398**
Liabilities:							
Accounts payable	2,010	630	—	1,825	—	229	4,694
Accrued expenses and other liabilities	817	644	195	2,152	1,932	768	6,508
Current portion of long-term debt	—	—	—	10	31	—	41
Long-term debt, net	—	—	—	21	89	—	110
Operating lease liabilities	262	1,030	392	4,223	8,229	2,024	16,160
Deferred tax liabilities	375	19	—	—	—	—	394
Total liabilities assumed	**3,464**	**2,323**	**587**	**8,231**	**10,281**	**3,021**	**27,907**
Cash Consideration, net of cash acquired	**56,044**	**48,386**	**40,056**	**36,342**	**170,629**	**30,209**	**381,666**
Deferred Consideration	16,025	5,400	—	—	—	3,400	24,825
Consideration, net of cash acquired	**$ 72,069**	**$ 53,786**	**$ 40,056**	**$ 36,342**	**$ 170,629**	**$ 33,609**	**$ 406,491**

2022 Maintenance Business unit

The provisional amounts for assets acquired and liabilities assumed for the 2022 Maintenance acquisitions are as follows:

(in thousands)	Maintenance
Assets:	
Inventory	362
Property and equipment, net	5,040
Operating lease right-of-use assets	10,323
Goodwill	18,542
Deferred tax asset	844
Total assets acquired	**35,111**
Liabilities:	
Accrued expenses and other liabilities	792
Operating lease liabilities	9,402
Total liabilities assumed	10,194
Cash Consideration, net of cash acquired	22,849
Deferred Consideration	2,068
Total Consideration, net of cash acquired	**$ 24,917**

Goodwill represents the excess of the consideration paid over the fair value of net assets acquired and includes the expected benefit of synergies within the existing business units and intangible assets that do not qualify for separate recognition. Goodwill, which was allocated to the Maintenance and Paint, Collision & Glass business units, is substantially all deductible for income tax purposes.

Purchase accounting allocations are complete for all 2022 acquisitions as of December 30, 2023.

Deferred Consideration and Transaction Costs

Deferred consideration is typically paid six months to one-year after the acquisition closing date once all conditions under the purchase agreement have been satisfied. Included in the total consideration amounts above for the acquisitions in 2023 was $1 million of consideration not paid on the closing date. The Company had $3 million and $27 million of deferred consideration related to acquisitions at December 30, 2023 and December 31, 2022, respectively. The Company paid $24 million and less than $1 million of deferred consideration related to prior acquisitions during the years ended December 30, 2023 and December 31, 2022, respectively. Deferred consideration is recorded within investing activities at the time of payment.

The Company incurred less than $1 million and $3 million of transaction costs during the years ended December 30, 2023 and December 31, 2022 respectively.

Note 5 —Property and Equipment

Property and equipment at December 30, 2023 and December 31, 2022 consisted of the following:

(in thousands)	December 30, 2023	December 31, 2022
Buildings	$ 35,468	$ 20,967
Land	16,633	2,864
Furniture and fixtures	32,449	23,464
Computer equipment and software	75,788	35,607
Shop equipment	34,921	30,053
Leasehold improvements	239,533	201,416
Finance lease right-of-use assets	16,567	36,246
Vehicles	8,448	7,527
Construction in progress	54,416	59,669
Total property and equipment	514,223	417,813
Less: accumulated depreciation	(152,893)	(113,920)
Total property and equipment, net	$ 361,330	$ 303,893

Depreciation expense was $51 million and $33 million for the years ended December 30, 2023 and December 31, 2022, respectively.

Note 6 —Goodwill and Other Intangible Assets

Changes in the carrying amount of goodwill for the years ended December 30, 2023 and December 31, 2022 are as follows:

(in thousands)	Total
Balance at December 25, 2021	$ 938,137
Acquisitions	298,873
Sale of business unit	(3,495)
Purchase price adjustments	(34)
Foreign exchange	(8,024)
Balance at December 31, 2022	1,225,457
Acquisitions	9,659
Sale of business unit	(587)
Purchase price adjustments	2,324
Foreign exchange	1,651
Balance at December 30, 2023	$ 1,238,504

Intangible assets for the years ended December 30, 2023 and December 31, 2022 are as follows:

(in thousands)	Balance at December 30, 2023		
	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Definite-Lived Amortizable			
Franchise agreements	$ 221,996	$ (69,643)	$ 152,353
License agreements	11,998	(5,949)	6,049
Membership agreements	11,600	(6,173)	5,427
Customer relationships	129,730	(25,627)	104,103
Developed technology	25,923	(22,046)	3,877
Trademarks & other	14,244	(13,968)	276
Total definite lived amortizable	415,491	(143,406)	272,085
Indefinite-Lived			
Trademarks	431,488	—	431,488
Total	$ 846,979	$ (143,406)	$ 703,573

	Balance at December 31, 2022		
	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Definite-Lived Amortizable			
Franchise agreements	$ 222,617	$ (59,466)	$ 163,151
License agreements	11,968	(4,354)	7,614
Membership agreements	11,600	(5,480)	6,120
Customer relationships	128,127	(16,369)	111,758
Developed technology	25,717	(19,788)	5,929
Trademarks & other	12,571	(11,336)	1,235
Total definite-lived amortizable	412,600	(116,793)	295,807
Indefinite-Lived			
Trademarks	431,839	—	431,839
Total	$ 844,439	$ (116,793)	$ 727,646

Amortization expense was $25 million and $23 million for the years ended December 30, 2023 and December 31, 2022, respectively.

Amortization expense related to intangible assets for the next five fiscal years and thereafter is as follows:

(in thousands)	
2024	$ 24,042
2025	22,535
2026	22,056
2027	20,079
2028	18,942
Thereafter	164,431
Total amortization	$ 272,085

Note 7— Revenue from Contracts with Customers

The Company records contract assets for the incremental costs of obtaining a contract with a customer if it expects the benefit of those costs to be longer than one year and if such costs are material. Commission expenses, a primary cost associated with the sale of franchise licenses, are amortized to selling, general and administrative expenses in the consolidated statements of income ratably over the life of the associated franchise agreement.

Capitalized costs to obtain a contract as of December 30, 2023 and December 31, 2022 were $6 million and $7 million, respectively, and were presented within deferred commissions on the consolidated balance sheets. The Company recognized an immaterial amount of costs during the years ended December 30, 2023 and December 31, 2022, respectively, that were recorded as a contract asset at the beginning of the year.

Contract liabilities consist primarily of deferred franchise fees and deferred development fees. The Company has contract liabilities of $31 million and $29 million as of December 30, 2023 and December 31, 2022, respectively, which are presented within deferred revenue on the consolidated balance sheets. The Company recognized $4 million in revenue relating to contract liabilities during the year ended December 30, 2023 and December 31, 2022, respectively.

Note 8—Long-term Debt

Our long-term debt obligations consist of the following:

(in thousands)	December 30, 2023	December 31, 2022
Series 2018-1 Securitization Senior Notes, Class A-2	$ 259,188	$ 261,938
Series 2019-1 Securitization Senior Notes, Class A-2	285,000	288,000
Series 2019-2 Securitization Senior Notes, Class A-2	263,313	266,063
Series 2020-1 Securitization Senior Notes, Class A-2	168,875	170,625
Series 2020-2 Securitization Senior Notes, Class A-2	436,500	441,000
Series 2021-1 Securitization Senior Notes, Class A-2	439,875	444,375
Series 2022-1 Securitization Senior Notes, Class A-2	360,438	364,088
Other debt [1]	18,770	41,586
Total debt	2,231,959	2,277,675
Less: debt issuance costs	(28,250)	(36,852)
Less: current portion of long-term debt	(26,426)	(27,605)
Total long-term debt, net	$ 2,177,283	$ 2,213,218

(1) Amount primarily consists of finance lease obligations. See Note 9.

2018-1 Securitization Senior Notes

In April 2018, Driven Brands Funding, LLC (the "Issuer") issued $275 million Series 2018-1 Securitization Senior Secured Notes (the "2018-1 Senior Notes") bearing a fixed interest rate of 4.739% per annum. The 2018-1 Senior Notes have a final legal maturity date in April 2048 and an anticipated repayment date in April 2025. The 2018-1 Senior Notes are secured by substantially all assets of the Issuer and are are guaranteed by Driven Brands Funding, LLC and Driven Brands Canada Funding Corporation (together, the "Co-Issuers") of the Senior Notes, Funding Holdco, Franchisor Holdco, SPV Product Sales Holder, Radiator Product Sales Holder, the other U.S. SPV Franchising Entities, Take 5 Properties, FUSA Properties and any Future Securitization Entities organized in the United States or any State thereof (collectively, the "Securitization Entities"). The Company capitalized $7 million of debt issuance costs related to the 2018-1 Senior Notes.

2019-1 Securitization Senior Notes

In March 2019, the Issuer issued $300 million of Series 2019-1 Securitization Senior Notes (the "2019-1 Senior Notes") bearing a fixed interest rate of 4.641% per annum. The 2019-1 Senior Notes have a final legal maturity date in April 2049 and an anticipated repayment date in April 2026. The 2019-1 Senior Notes are secured by substantially all assets of the Issuer and are guaranteed by the Securitization Entities. The Company capitalized $6 million of debt issuance costs related to the 2019-1 Senior Notes.

2019-2 Securitization Senior Notes

In September 2019, the Issuer issued $275 million Series 2019-2 Securitization Senior Secured Notes (the "2019-2 Senior Notes") bearing a fixed interest rate of 3.981% per annum. The 2019-2 Senior Notes have a final legal maturity date in October 2049 and an anticipated repayment date in October 2026. The 2019-2 Senior Notes are secured by substantially all assets of the Issuer and are guaranteed by the Securitization Entities. The Company capitalized $6 million of debt issuance costs related to the 2019-2 Senior Notes.

Series 2019-3 Variable Funding Securitization Senior Notes

In December 2019, the Issuer issued Series 2019-3 Variable Funding Senior Notes (the "2019 VFN") in the revolving amount of $115 million. The 2019 VFN have a final legal maturity date in January 2050. The commitment under the 2019 VFN was set to expire in July 2022, with the option of three one-year extensions. In July 2023, the Company exercised the second of three one-year extension options.. The 2019 VFN are secured by substantially all assets of the Issuer and are guaranteed by the Securitization Entities. The Issuer may elect interest at the Base Rate plus an applicable margin or London Interbank Offered Rate ("LIBOR") plus an applicable margin (the LIBOR rate as the applicable interest rate). The Company capitalized $1 million of debt issuance costs related to the 2019-3 VFN. No amounts were outstanding under the 2019 VFN as of December 31, 2022 and December 25, 2021. As of December 31, 2022, there were $24.5 million of outstanding letters of credit that reduced the borrowing availability under the 2019 VFN.

2020-2 Securitization Senior Notes

In December 2020, Driven Brands Funding, LLC and Driven Brands Canada Funding Corporation (together, the "Co-Issuers") issued $450 million 2020-2 Securitization Senior Notes (the "2020-2 Senior Notes") bearing a fixed interest rate of 3.237% per annum. The 2020-2 Senior Notes have a final legal maturity date in January 2051; and an anticipated repayment date in January 2028. The 2020-2 Senior Notes are secured by substantially all assets of the Co-Issuers and are guaranteed by the Securitization Entities. The Company capitalized $8 million of debt issuance costs related to the 2020-2 Senior Notes.

2021-1 Securitization Senior Notes

In September 2021, the Co-Issuers issued $450 million of 2021-1 Securitization Senior Notes (the "2021-1 Senior Notes") bearing a fixed interest rate of 2.791% per annum. The 2021-1 Senior Notes have a final legal maturity date in October 2051 and an anticipated repayment date in October 2028. The 2021-1 Senior Notes are secured by substantially all assets of the Co-issuers and are guaranteed by the U.S. Securitization Entities collectively U.S. Funding Holdco and various subsidiaries of the U.S. Co-Issuer. The Company capitalized $10 million of debt issuance costs related to the 2021-1 Senior Notes.

2022-1 Securitization Senior Notes

In October 2022, the Co-Issuers issued $365 million of 2022-1 Securitization Senior Notes (the "2022-1 Senior Notes"), bearing a fixed interest rate of 7.393% per annum. The 2022-1 Senior Notes have a final legal maturity date in October 2052, and an anticipated repayment date in October 2027. The 2022-1 Senior Notes are secured by substantially all assets of the Co-issuers and are guaranteed by the Securitization Entities. The proceeds from the issuance of the 2022-1 Senior Notes were used for general corporate purposes, including the repayment of the

Revolving Credit Facility creating capacity to invest in continued growth. In conjunction with the issuance of the 2022-1 Senior Notes, the Co-Issuers also issued Series 2022-1 Class A-1 Notes in the amount of $135 million, which can be accessed at the Issuer's option if certain conditions are met. The Company capitalized $7 million of debt issuance costs related to the 2022-1 Senior Notes.

Scheduled debt repayments for the next five fiscal years and thereafter is as follows:

(in thousands)		
2024	$	26,426
2025		279,691
2026		554,003
2027		524,325
2028		841,945
Thereafter		5,569
Total future repayments	$	2,231,959

Covenants of the Notes

Substantially all of the assets of the Company, including most of the domestic and certain of the foreign revenue-generating assets, which principally consist of franchise-related agreements, certain company-operated stores, certain product distribution agreements, intellectual property and license agreements for the use of intellectual property, are owned by subsidiaries of the Issuer of the Securitization entities, and are pledged to secure the Notes and indebtedness under the Credit Agreement (together the "Indebtedness"). The restrictions placed on the Issuer and its subsidiaries require that interest and principal (if any) on the Notes be paid prior to any residual distributions to the Company, and amounts are segregated weekly to ensure appropriate funds are reserved to pay the quarterly interest and principal (if any) amounts due. The amount of weekly cash flow that exceeds all expenses and obligations of the Issuer and its subsidiaries (including required reserve amounts) is generally remitted to the Company in the form of a dividend.

The Notes are subject to certain quantitative covenants related to debt service coverage and leverage ratios. In addition, the agreements related to the Notes also contain various affirmative and negative operating and financial reporting covenants which are customary for such debt instruments. These covenants, among other things, limit the ability of the Issuer and its subsidiaries to sell assets; engage in mergers, acquisitions, and other business combinations; declare dividends or redeem or repurchase capital stock; incur, assume, or permit to exist additional indebtedness or guarantees; make loans and investments; incur liens; and enter into transactions with affiliates. In the event that certain covenants are not met, the Notes may become fully due and payable on an accelerated schedule. In addition, the Issuer may voluntarily prepay, in part or in full, any series of Class A-2 Notes at any time, subject to certain make-whole obligations.

As of December 30, 2023, the Issuers was in compliance with all covenants under the agreements discussed above.

Driven Brands, Inc. has no material separate cash flows or assets or liabilities as of December 30, 2023. All business operations are conducted through its operating subsidiaries and it has no material independent operations. Driven Brands, Inc. has no other material commitments or guarantees. As a result of the restrictions described above, certain of the subsidiaries' net assets are effectively restricted in their ability to be transferred to Driven Brands, Inc. as of December 30, 2023.

Note 9— Leases

The Company's lease and sublease portfolio primarily consists of the real property leases related to franchisee service centers and company-operated service center locations, as well as office space and various vehicle and equipment leases. Leases for real property generally have terms ranging from five to 25 years, with most having one or more renewal options ranging from one to 10 years. The Company does not include option periods in its determination of the lease term unless renewals are deemed reasonably certain to be exercised. Equipment and

vehicle leases generally have terms ranging from one to five years. The Company's portfolio of leases does not contain any material residual value guarantees or restrictive covenants.

The following table details our total investment in operating and finance leases where the Company is the lessee:

(in thousands)	Balance Sheet Location	December 30, 2023	December 31, 2022
Right-of-use assets			
Finance leases	Property and equipment, net	$ 16,534	$ 36,213
Operating leases	Operating lease right-of-use assets	397,211	335,760
Total right-of-use assets		$ 413,745	$ 371,973
Current lease liabilities			
Finance leases	Current portion of long-term debt	$ 3,387	$ 3,317
Operating leases	Accrued expenses and other liabilities	44,603	33,689
Total current lease liabilities		$ 47,990	$ 37,006
Long-term lease liabilities			
Finance leases	Long-term debt	$ 13,775	$ 35,390
Operating leases	Operating lease liabilities	371,404	313,644
Total long-term lease liabilities		$ 385,179	$ 349,034

The lease cost for operating and finance leases recognized in the consolidated statement of income were as follows:

(in thousands)	December 30, 2023	December 31, 2022
Finance lease expense:		
Amortization of right-of-use assets	$ 1,446	$ 2,928
Interest on lease liabilities	845	1,715
Operating lease expense	67,403	59,550
Short-term lease expense	145	430
Variable lease expense	1,615	1,522
Total lease expense, net	$ 71,454	$ 66,145

The Company also subleases certain facilities to franchisees and recognized $5 million and $5 million and in sublease revenue during the years ended December 30, 2023 and December 31, 2022, respectively, as a component of supply and other revenue on the consolidated statements of income.

For the year ended December 30, 2023, the Company sold 25 maintenance properties in various locations throughout the U. S. for a total of $39 million, resulting in a net gain of less than $4 million. Concurrently with the closing of these sales, the Company entered into various operating lease agreements pursuant to which the Company leased back the properties. These lease agreements have terms ranging from 15 to 20 years and provide the Company with the option of extending the lease for up to 20 additional years. The Company does not include option periods in its determination of the lease term unless renewals are deemed reasonably certain to be exercised. The Company recorded an operating lease right-of-use asset and operating lease liability of approximately $25 million and $25 million, respectively, related to these lease arrangements.

For the year ended December 31, 2022, the Company sold 11 maintenance properties in various locations throughout the U. S. for a total of $16 million, resulting in a net gain of $3 million. Concurrently with the closing of these sales, the Company entered into various operating lease agreements pursuant to which the Company leased

back the properties. These lease agreements have terms ranging from 15 to 20 years and provide the Company with the option of extending the lease for up to 20 additional years. The Company does not include option periods in its determination of the lease term unless renewals are deemed reasonably certain to be exercised. The Company recorded an operating lease right-of-use asset and operating lease liability of approximately $12 million and $12 million, respectively, related to these lease arrangements.

	December 30, 2023	December 31, 2022
Weighted average remaining lease terms (years)		
Operating	10.10	15.58
Financing	10.50	12.04
Weighted average remaining lease terms (years)		
Operating	5.91 %	5.27 %
Financing	4.42 %	5.02 %

Supplemental cash flow information related to the Company's lease arrangements were as follows:

(in thousands)	December 30, 2023	December 31, 2022
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows used in operating leases	$ 60,991	$ 56,678
Operating cash flows used in finance leases	845	1,715
Financing cash flows used in finance leases	993	1,641
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	$ 103,193	$ 59,772
Finance leases	—	10,906

As of December 30, 2023, future minimum lease payments under noncancellable leases were as follows:

(in thousands)	Finance	Operating	Income from subleases
2024	$ 3,585	$ 72,650	$ 5,499
2025	3,269	68,296	4,822
2026	2,933	62,051	4,392
2027	2,329	55,153	3,988
2028	1,661	47,459	2,823
Thereafter	4,644	264,781	5,485
Total undiscounted cash flows	18,421	570,390	$ 27,009
Less: Present value discount	1,259	154,383	
Less: Current lease liabilities	3,387	44,603	
Long-term lease liabilities	$ 13,775	$ 371,404	

Note 10—Income Taxes

The components of our income tax expense were as follows:

	Year Ended	
(in thousands)	**December 30, 2023**	**December 31, 2022**
Current:		
Federal	$ 38,916	$ 7,568
State	6,706	5,158
Foreign	(680)	600
Deferred:		
Federal	(10,273)	12,984
State	11,502	(13,067)
Foreign	(760)	4,295
Total income tax expense	$ 45,411	$ 17,538

Deferred tax assets (liabilities) are comprised of the following:

(in thousands)	**December 30, 2023**	**December 31, 2022**
Deferred tax asset		
Accrued liabilities	$ 1,572	$ 6,159
Accounts receivable allowance	3,289	5,046
Net operating loss carryforwards	2,960	9,054
Lease liabilities	101,835	82,669
Interest expense limitation	27,249	8,537
Deferred revenue	7,283	6,693
Other deferrred assets	5,632	5,091
Total deferred tax asset	149,820	123,249
Less valuation allowance	(1,112)	(1,216)
Net deferred tax asset	148,708	122,033
Deferred tax liabilities		
Goodwill and intangible assets	166,614	156,429
Right of use lease assets	97,577	80,156
Fixed asset basis differences	21,150	17,317
Unrealized foreign exchange differences	(371)	(920)
Other deferred liabilities	3,071	6,793
Total deferred liabilities	288,041	259,775
Net deferred liabilities	$ 139,333	$ 137,742

The Company's effective tax rate for the year ended December 30, 2023, differs from the federal statutory rate primarily due to state tax expense, non-deductible stock compensation, and favorable tax credits and transfer pricing adjustments. The Company's effective tax rate for the year ended December 31, 2022 differs from the federal statutory rate primarily due to state tax expense, non-deductible stock compensation, and favorable return-to-provision adjustments driven by a check-the-box election made during 2022.

As of December 30, 2023, Driven Brands had a liability for uncertain tax positions of approximately $373 thousand. During 2023, the Company reduced the liability for uncertain tax positions by over $1 million. The Company has elected to treat interest and penalties associated with uncertain tax position as tax expense. The Company does not estimate any change to the position in the next 12 months. Based on management analysis, the

Company does not believe any historical unrecognized tax benefits significantly changed during the years ended December 30, 2023 or December 31, 2022. The Company does not believe any remaining unrecognized tax benefits will significantly change in the next fiscal year.

The Company files income tax returns in the U.S., Canada, and various state jurisdictions. Examinations by various taxing authorities covering years 2018 to 2021 are on-going. The Company is generally subject to income tax examinations for years 2017 through 2022 and believes appropriate provisions for all outstanding matters have been made for all jurisdictions and open years.

As of December 30, 2023, the Company has no pre-tax federal operating loss carry forwards. State tax effected net operating loss carryforwards are $3 million. As of December 30, 2023, the Company has no net operating loss carryforwards in Canada. As of December 30, 2023, the Company had $502 million of goodwill that was deductible for tax purposes.

The Company has designated the undistributed earnings of its foreign operations as indefinitely reinvested and as a result the Company does not provide for deferred income taxes on the unremitted earnings of these subsidiaries. As of December 30, 2023, the determination of the amount of such unrecognized deferred tax liability is not practicable.

Note 11—Related-Party Transactions

The Company has an Related party receivable of $457 million at December 30, 2023 with the Driven Holdings LCC, its parent company, of which $329 million and $128 million is classified as current and noncurrent, respectively, on the Consolidated Balance Sheet. The Company had an Related party receivable of $387 million at December 31, 2022 with the Driven Holdings LCC, its parent company, of which $258 million and $128 million is classified as current and noncurrent, respectively on the Consolidated Balance Sheet. The funds advanced were obtained from the issuance of Series 2021-1 Securitization Senior Notes and existing cash.

The Company made payments for facilities maintenance services in the aggregate amount of approximately $7 million and $6 million during the years ended December 30, 2023 and December 31, 2022 to Divisions Maintenance Group, an entity owned by affiliates of Roark Capital Management, LLC, which is related to the company's principal stockholders (Driven Equity Sub LLC, Driven Equity LLC, RC IV Cayman ICW Holdings Sub LLC and RC IV Cayman ICW Holdings LLC). The transactions were reviewed, ratified, and approved by the Audit Committee of the Ultimate Parent's Board of Directors in accordance with the our Related Person Transactions Policy.

Note 12—Employee Benefit Plans

The Company has a 401(k) plan that covers eligible employees as defined by the plan agreement. Employer contributions to the plan were $4 million, $2 million 2023 and 2022, respectively.

The Company has a rabbi trust to fund the obligations of its non-qualified deferred compensation plan for its executive level employees, which became effective as of January 1, 2018. The rabbi trust comprises various mutual fund investments selected by plan participants. The Company records the mutual fund investment assets at fair value with any subsequent changes in fair value recorded in the consolidated statements of income. As such, offsetting changes in the asset values and defined contribution plan obligations would be recorded in earnings in the same period. The trust asset balance and the deferred compensation plan liability balance were $1 million as of December 31, 2022. During the year ended December 30, 2023, the company liquidated the rabbi trust assets. As of December 30, 2023, the deferred compensation plan liability balance was $2 million. The trust assets and liabilities are recorded within prepaid and other assets and accrued expenses and other liabilities, respectively, within the consolidated balance sheets.

Note 13—Equity Agreements and Incentive Equity Plan

On April 17, 2015, Driven Investor LLC established the Driven Investor LLC Incentive Equity Plan (the "Equity Plan"). The Equity Plan, among other things, established the ownership of certain membership units in Driven Investor LLC and defined the distribution rights and allocations of profits and losses associated with those membership units. Additionally, the Equity Plan calls for certain restrictions regarding transfers of units, corporate governance and board of director representation. In April 2015, Driven Investor LLC established certain profits interest units as part of the award agreements (the "Award Agreements") granted pursuant to the Equity Plan. The Award Agreements provide for grants of certain profits interest units to employees, directors or consultants of Driven Investor LLC and Subsidiaries. For both the Profits Interest Time Units and Profits Interest Performance Units, if the grantee's continuous service terminated for any reason, the grantee forfeits all right, title, and interest in and to any unvested units as of the date of such termination, unless the grantee's continuous service period is terminated by the Company without cause within the six-month period prior to the date of consummation of the change in control. In addition, the grantee forfeits all right, title, and interest in and to any vested units if the grantee was terminated for cause, breaches any post-termination covenants, or fail to execute any general release required to be executed. The Profits Interest Performance Units were also subject to certain performance criteria which may cause the units not to vest.

On January 6, 2021, the Ultimate Parent's board of directors approved the 2021 Omnibus Incentive Plan (the "Plan") and, effective January 14, 2021, the Ultimate Parent's shareholders adopted and approved the Plan. The Plan provides for the granting of stock options, stock appreciation rights, restricted stock awards, restricted stock units, other stock-based awards, other cash-based awards, or any combination of the foregoing to current and prospective employees and directors of, and consultants and advisors to, the Ultimate Parent and its affiliates. The maximum number of shares of common stock available for issuance under the Plan is 12,533,984 shares. In conjunction with the closing of the IPO, our Ultimate Parent's Board granted awards under the Plan to certain of our employees, representing an aggregate of 5,582,522 shares of common stock.

Profits Interest Units

Prior to IPO, the Ultimate Parent's equity awards included Profits Interest Units as noted above. There were two forms of Profits Interest - Time Units and Performance Units. Time Units generally vested in five installments of 20% on each of the first five anniversaries of the grant date or vesting date, provided that the employee remained in continuous service on each vesting date. All outstanding Time Units were to vest immediately prior to the effective date of a consummated sale transaction. The Time Units were exchanged for time-based restricted stock awards in connection with the IPO. In addition, the Ultimate Parent granted time-based and performance-based options in connection with the IPO to most employees with Profit Interests (each an "IPO Option"). The exchange of Profits Interest - Time Units for time based time-based restricted stock awards did not require modification accounting.

The Performance Units were to vest immediately prior to the effective date of a consummated sale transaction or qualified public offering, including the IPO (a "Liquidity Event"). The percentage of vesting was based on achieving certain performance criteria. No vesting occurred as a result of the IPO as the minimum performance criteria threshold was not achieved. In connection with the IPO, the Performance Units were exchanged for performance-based restricted stock awards. The vesting conditions of the performance-based restricted stock awards were modified to vest subject to an additional performance condition. Employees who received IPO Options have the same vesting conditions for the performance-based portion of the IPO Options as the performance-based restricted stock awards.

In October 2023, the Company converted 2,963,829 performance-based restricted stock awards to time-based awards that vest in full on April 30, 2025, subject to a continuous service requirement through the vesting date.

There was approximately $31 million of unrecognized compensation expense related to the time-based restricted stock awards at December 30, 2023, which is expected to be recognized over a weighted-average vesting period of 1.3 years.

There was approximately $3 million of unrecognized compensation expense related to the performance-based restricted stock awards at December 30, 2023. For the years ended December 30, 2023 and December 31, 2022 , no

compensation cost was recognized for the performance-based restricted stock awards given the performance criteria was not met or probable. Certain former employees continued to hold performance-based awards after the IPO.

There were no stock grants, forfeitures or repurchases for the period from December 26, 2020 through January 14, 2021. The existing Profits Interest - Time and Performance units were converted into new time and performance awards on January 14, 2021.

	Unvested Time Awards	Weighted Average Grant Date Fair Value, per unit	Unvested Performance Awards	Weighted Average Grant Date Fair Value, per unit
Outstanding as of January 14, 2021	610,477	$ 12.65	4,178,246	$ 15.79
Forfeited/Cancelled	(17,304)	21.27	(84,737)	13.55
Vested	(164,868)	10.04	—	—
Outstanding as of December 25, 2021	428,305	$ 13.31	4,093,509	$ 15.84
Forfeited/Cancelled	(30,869)	10.34	(77,760)	15.34
Vested	(107,767)	12.95	—	—
Outstanding as of December 31, 2022	289,669	$ 13.76	4,015,749	$ 15.84
Modifications	2,963,829	11.15	(2,963,829)	15.94
Forfeited/Cancelled	(53,865)	12.74	(251,895)	12.86
Vested	(96,542)	12.97	—	—
Outstanding as of December 30, 2023	3,103,091	$ 11.31	800,025	$ 16.22

Restricted Stock Units and Performance Stock Units

The Ultimate Parent established other new awards in connection with and subsequent to the IPO, including restricted stock units ("RSUs") and performance stock units ("PSUs"). Awards are eligible to vest provided that the employee remains in continuous service on each vesting date. The RSUs vest ratably in three installments on each of the first three anniversaries of the grant date. The PSUs vest after a three-year performance period. The number of PSUs that vest is contingent on the Ultimate Parent achieving certain performance goals, one being a performance condition and the other being a market condition. The number of PSU shares that vest may range from 0% to 200% of the original grant, based upon the level of performance. The awards are considered probable of meeting vesting requirements, and therefore, the Company has started recognizing expense. For both RSUs and PSUs, if the grantee's continuous service terminates for any reason, the grantee shall forfeit all right, title, and interest in any unvested units as of the termination date.

For RSUs and PSUs with a performance condition the grant date fair value is based upon the market price of the Ultimate Parent's common stock on the date of the grant. For PSUs with a market condition, the Company estimates the grant date fair value using the Monte Carlo valuation model. For all PSUs, the Company reassesses the probability of the achievement of the performance condition at each reporting period.

The range of assumptions used for issued PSUs with a market condition valued using the Monte Carlo model were as follows:

	For the Year Ended	
	December 30, 2023	December 31, 2022
Annual dividend yield	—%	—%
Expected term (years)	2.6-2.8	2.7-3.0
Risk-free interest rate	3.65-4.51%	2.32-3.05%
Expected volatility	37.9-38.8%	40.9-43.9%
Correlation to the index peer group	60.2-60.3%	50.7-59.5%

There was approximately $13 million of total unrecognized compensation cost related to the unvested RSUs at December 30, 2023, which is expected to be recognized over a weighted-average vesting period of 2.1 years. In addition, there was approximately $4 million of total unrecognized compensation cost related to the unvested PSUs, which are expected to be recognized over a weighted-average vesting period of 1.9 years.

The following are the Ultimate Parent's restricted stock units and performance stock units granted in conjunction with or after the IPO:

	Unvested Time Units	Weighted Average Grant Date Fair Value, per unit	Unvested Performance Units	Weighted Average Grant Date Fair Value, per unit
Outstanding as of January 14, 2021 (pre-IPO)	—	$ —	—	$ —
Granted post-IPO	81,160	23.11	144,735	24.52
Forfeited/Cancelled	(18,735)	22.18	(37,439)	24.36
Outstanding as of December 25, 2021	62,425	23.38	107,296	24.58
Granted	300,067	27.96	488,488	32.39
Forfeited/Cancelled	(20,424)	26.18	(46,024)	29.22
Vested	(20,465)	23.41	—	—
Outstanding as of December 31, 2022	321,603	$ 27.49	549,760	$ 31.13
Granted	716,904	20.29	647,359	30.54
Forfeited/Cancelled	(126,822)	27.87	(283,131)	31.06
Performance achievement	—	—	13,808	24.69
Vested	(105,149)	27.31	(82,848)	24.69
Outstanding as of December 30, 2023	806,536	21.07	844,948	31.24

Stock Options

The Company also established and granted stock options, which vest provided that the employee remains in continuous service on the vesting date. The stock options were granted at the stock price of the Company on the grant date and permit the holder to exercise them for 10 years from the grant date.

In October 2023, the Company converted 2,438,643 performance-based options to time-based awards that vest in full on April 30, 2025, subject to a continuous service requirement through the vesting date. The remaining stock options generally vest on the fourth anniversary of the grant date or ratably over a five years vesting period, but such vesting could accelerate for certain options based on certain conditions under the award.

The following are the Ultimate Parent's stock options granted in conjunction with or after the IPO:

	Time Based Stock Options Outstanding	Weighted Average Exercise Price	Performance Based Stock Options Outstanding	Weighted Average Exercise Price
Outstanding as of December 25, 2021	3,685,560	26.63	3,469,480	22.00
Forfeited/Cancelled	(68,510)	19.50	(190,544)	22.00
Exercised	(23,721)	21.70	—	—
Outstanding as of December 31, 2022	3,593,329	$ 26.79	3,278,936	$ 22.00
Modified	2,438,643	4.15	(2,438,643)	—
Forfeited/Cancelled	(448,028)	16.01	(553,038)	7.14
Exercised	(270,376)	22.00	—	—
Outstanding as of December 30, 2023	5,313,568	$ 17.64	287,255	$ 7.53
Exercisable as of December 30, 2023	634,594	$ 21.91	—	$ —

There was approximately $20 million of total unrecognized compensation cost related to the unvested stock options at December 30, 2023, which is expected to be recognized over a weighted-average vesting period of 2.0 years.

There was less than $1 million of unrecognized compensation expense related to the performance-based stock options at December 30, 2023. For the years ended December 30, 2023, December 31, 2022 and December 25, 2021, no compensation cost was recognized for the performance-based stock options given the performance criteria was not met or probable. Certain former employees continued to hold performance-based options after the IPO.

The fair value of all time based units granted was estimated using a Black-Scholes option pricing model using the following weighted-average assumptions for each of fiscal 2023 and 2021:

	For the Year Ended	
	December 30, 2023	December 25, 2021
Annual dividend yield	—%	—%
Weighted-average expected life (years)	6.5	7.0
Risk-free interest rate	4.82%	1.3%
Expected volatility	49.8%	40.1%

The expected term of the incentive units is based on evaluations of historical and expected future employee behavior. The risk-free interest rate is based on the U.S. Treasury rates at the date of grant with maturity dates approximately equal to the expected life at the grant date. Volatility is based on the historical volatility of guideline public entities that are similar to the Ultimate Parent, as the Ultimate Parent does not have sufficient historical transactions of its own shares to calculate expected volatility. As of December 30, 2023 , the Ultimate Parent does not intend to pay dividends or distributions in the future.

Employee Stock Purchase Plan

On January 6, 2021, the Ultimate Parent's Board of Directors approved the Employee Stock Purchase Plan (the "ESPP") and effective January 14, 2021, the Ultimate Parent's shareholders adopted and approved the ESPP. On March 22, 2021, the Ultimate Parent's Board of Directors approved the International Employee Stock Purchase Plan (the "International ESPP"). The ESPP and International ESPP provide employees of certain designated subsidiaries of the Ultimate Parent with an opportunity to purchase the Ultimate Parent's common stock at a discount, subject to certain limitations set forth in the ESPP and International ESSP. The ESPP and International ESSP plans authorized the issuance of 1,790,569 shares of the Ultimate Parent's common stock. Total contributions to the ESPP were $1 million for the year ended December 30, 2023, 82,546 shares of common stock were purchased under the ESPP as of December 30, 2023. 111,924 of the shares of common stock were purchased on December 28, 2021 related to employee contributions during the year ended December 25, 2021.

The Company recognized equity-based compensation expense of $15 million and $21 million in 2023 and 2022 respectively.

Note 14 - Subsequent Events

The Company evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through April 26, 2024, the date the financial statements were available to be issued and determined that there were no such events requiring recognition or disclosure in the financial statements.

DRIVEN BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(in thousands)	December 31, 2022	December 25, 2021
Assets		
Current assets:		
Cash and cash equivalents	$ 158,799	$ 82,676
Restricted cash	657	657
Accounts and notes receivable, net	167,249	105,838
Inventory	54,696	34,092
Prepaid and other assets	26,878	17,644
Related parties receivable	258,476	384,432
Income tax receivable	1,698	1,539
Assets held for sale	—	3,275
Advertising fund assets, restricted	36,421	45,360
Total current assets	704,874	675,513
Related parties receivable	128,144	128,144
Property and equipment, net	303,893	222,870
Operating lease right-of-use assets	335,760	312,470
Deferred commissions	7,121	10,567
Intangibles, net	727,646	645,816
Goodwill	1,225,457	938,137
Deferred tax asset	1,827	—
Other assets	28,414	2,184
Total assets	$ 3,463,136	$ 2,935,701
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	$ 41,348	$ 67,897
Income taxes payable	4,834	5,109
Accrued expenses and other liabilities	184,561	190,016
Current portion of long-term debt	27,605	21,527
Advertising fund liabilities	36,726	26,441
Total current liabilities	295,074	310,990
Long-term debt, net	2,213,218	1,860,144
Operating lease liabilities	313,644	295,897
Deferred tax liabilities	139,568	136,007
Deferred revenue	29,310	27,456
Accrued expenses and other long-term liabilities	5,947	2,739
Total liabilities	2,996,761	2,633,233
Shareholders' equity:		
Class A common stock, $.01 par value, authorized 60,000,000 voting shares; 56,560,217 shares issued and outstanding at December 31, 2022 and December 25, 2021	565	565
Class B common stock, $.01 par value, authorized 12,461,152 non-voting shares; 0 shares issued and outstanding at December 31, 2022 and December 25, 2021	—	—
Additional paid-in-capital	274,922	247,505
Retained earnings	209,246	55,615
Accumulated other comprehensive loss	(18,728)	(1,623)
Total shareholders' equity attributable to Driven Brands Holdings Inc.	466,005	302,062
Non-controlling interests	370	406
Total shareholders' equity	466,375	302,468
Total liabilities and shareholders' equity	$ 3,463,136	$ 2,935,701

The accompanying notes are an integral part of these consolidated financial statements.

DRIVEN BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except per share amounts)	Fiscal year ended December 31, 2022	December 25, 2021	December 26, 2020
Revenue:			
Franchise royalties and fees	$ 171,734	$ 144,413	$ 117,126
Company-operated store sales	933,906	566,528	409,298
Advertising contributions	87,750	75,599	59,672
Supply and other revenue	247,084	193,305	168,425
Total revenue	1,440,474	979,845	754,521
Operating expenses:			
Company-operated store expenses	553,650	336,280	256,370
Advertising expenses	87,986	74,765	61,989
Supply and other expenses	140,107	108,121	92,016
Selling, general and administrative expenses	325,462	244,761	195,648
Acquisition costs	9,657	57,659	12,884
Store opening costs	2,809	2,331	2,799
Depreciation and amortization	55,892	43,571	36,012
Asset impairment charges	107	582	8,142
Total operating expenses	1,175,670	868,070	665,860
Operating income	264,804	111,775	88,661
Other (income) expense, net			
Interest expense, net	88,124	71,748	72,398
Loss on debt extinguishment	—	54	5,490
Loss (gain) on foreign currency transactions, net	5,511	(1,472)	(8,625)
Total other expenses, net	93,635	70,330	69,263
Income before taxes	171,169	41,445	19,398
Income tax expense	17,538	26,242	13,405
Net income	153,631	15,203	5,993
Net loss attributable to non-controlling interests	—	(19)	(62)
Net income attributable to Driven Brands, Inc.	$ 153,631	$ 15,222	$ 6,055

The accompanying notes are an integral part of these consolidated financial statements.

DRIVEN BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in thousands)	Fiscal year ended December 31, 2022	December 25, 2021	December 26, 2020
Net income	$ 153,631	$ 15,203	$ 5,993
Other comprehensive loss:			
Foreign currency translation adjustment	(15,275)	(2,537)	(2,069)
Unrealized gain cash flow hedge, net of tax	(1,866)	(672)	—
Other comprehensive loss, net	(17,141)	(3,209)	(2,069)
Total comprehensive income	136,490	11,994	3,924
Comprehensive loss attributable to non-controlling interests	(36)	$ (10)	$ (38)
Comprehensive income attributable to Driven Brands, Inc.	$ 136,526	$ 12,004	$ 3,962

The accompanying notes are an integral part of these consolidated financial statements.

DRIVEN BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

in thousands	Common stock, Class A and B	Additional paid-in-capital	Retained earnings	Accumulated other comprehensive income (loss)	Non-controlling interests	Total equity
Balance as of December 28, 2019	$ 565	$ 242,240	$ 40,147	$ 3,626	$ 1,464	$ 288,042
Cumulative effect of ASU 2016-02 adoption	$ —	$ —	$ (4,012)	$ —	$ —	$ (4,012)
Cumulative effect of ASU 2016-13 adoption	$ —	$ —	$ (1,797)	$ —	$ —	$ (1,797)
Balance as of December 29, 2019	$ 565	$ 242,240	$ 34,338	$ 3,626	$ 1,464	$ 282,233
Net income (loss)	—	—	6,055	—	(62)	5,993
Other comprehensive loss	—	—	—	(2,031)	(38)	(2,069)
Equity-based compensation expense	—	1,323	—	—	—	1,323
Contributions	—	2,609	—	—	—	2,609
Balance as of December 26, 2020	$ 565	$ 246,172	$ 40,393	$ 1,595	$ 1,364	$ 290,089
Net income (loss)	—	—	15,222	—	(19)	15,203
Other comprehensive income (loss)	—	—	—	(3,218)	9	(3,209)
Equity-based compensation expense	—	4,301	—	—	—	4,301
Distributions	—	(2,968)	—	—	—	(2,968)
Net distributions	—	—	—	—		—
At-Pac divestiture	—	—	—	—	(948)	(948)
Balance as of December 25, 2021	$ 565	$ 247,505	$ 55,615	$ (1,623)	$ 406	$ 302,468
Net income	—	—	153,631	—	—	153,631
Other comprehensive (loss)	—	—	—	(17,105)	(36)	(17,141)
Equity-based compensation expense	—	20,583	—	—	—	20,583
Contributions	—	6,834	—	—	—	6,834
Balance as of December 31, 2022	$ 565	$ 274,922	$ 209,246	$ (18,728)	$ 370	$ 466,375

The accompanying notes are an integral part of these consolidated financial statements.

DRIVEN BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)	Year Ended December 31, 2022	December 25, 2021	December 26, 2020
Net income	$ 153,631	$ 15,203	$ 5,993
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	55,892	43,571	36,012
Equity-based compensation expense	20,583	4,301	1,323
Loss (gain) on foreign denominated transactions	10,287	(1,108)	(8,625)
Gain on foreign currency derivative	(4,776)	(364)	—
Gain (loss) on sale of fixed assets	(13,918)	707	630
Bad debt expense	5,746	1,763	7,002
Asset impairment costs	107	582	8,142
Amortization of deferred financing costs and bond discounts	7,058	6,155	5,557
Amortization of interest rate hedge	—	—	—
Provision for deferred income taxes	2,467	15,294	6,952
Loss on extinguishment of debt	—	54	5,490
Other, net	1,104	(1,382)	203
Changes in assets and liabilities:			
Accounts and notes receivable, net	(49,043)	(28,325)	(9,910)
Inventory	(16,836)	(6,585)	(2,220)
Prepaid and other assets	(9,333)	16,964	(18,139)
Related parties receivable	126,011	(512,576)	—
Advertising fund assets and liabilities, restricted	13,495	8,554	(369)
Other assets	(22,907)	1,486	—
Deferred commissions	3,407	(1,899)	(1,927)
Deferred revenue	1,925	6,678	6,278
Accounts payable	(31,122)	17,127	(1,943)
Accrued expenses and other liabilities	(51,271)	81,521	26,801
Income tax receivable	352	3,452	3,817
Cash provided by (used in) operating activities	202,859	(328,827)	71,067
Cash flows from investing activities:			
Capital expenditures	(103,239)	(55,650)	(42,879)
Cash used in business acquisitions, net of cash acquired	(405,011)	(77,450)	(31,006)
Proceeds from sale-leaseback transactions	16,107	6,117	—
Proceeds from disposition of business	19,918	1,529	—
Cash used in investing activities	(472,225)	(125,454)	(73,885)
Cash flows from financing activities:			
Payment of contingent consideration related to acquisitions	—	—	(2,783)
Payment of debt issuance cost	(7,172)	(8,508)	(22,932)
Proceeds from the issuance of long-term debt	365,000	450,000	625,000
Repayment of long-term debt	(20,159)	(17,489)	(445,417)
Repayment of variable funding securitization senior notes	—	—	(386,800)
Proceeds from variable funding securitization senior notes	—	—	327,301
Repayment of principal portion of finance lease liability	(2,561)	(1,164)	(343)
Contribution from (distribution to) parent	6,834	(2,968)	—

Stock option exercises	340	—	—
Proceeds from failed sale-leaseback transactions	—	538	2,201
Proceeds from issuance of equity shares	—	—	2,609
Other, net	(14)	152	—
Cash provided by financing activities	342,268	420,561	98,836
Effect of exchange rate changes on cash	(2,489)	174	1,421
Net change in cash, cash equivalents, restricted cash, and cash included in advertising fund assets, restricted	70,413	(33,546)	97,439
Cash and cash equivalents, beginning of period	82,676	129,208	34,935
Cash included in advertising fund assets, restricted, beginning of period	38,586	19,369	23,091
Restricted cash, beginning of period	657	6,888	—
Cash, cash equivalents, restricted cash, and cash included in advertising fund assets, restricted, beginning of period	121,919	155,465	58,026
Cash and cash equivalents, end of period	158,804	82,676	129,208
Cash included in advertising fund assets, restricted, end of period	32,871	38,586	19,369
Restricted cash, end of period	657	657	6,888
Cash, cash equivalents, restricted cash, and cash included in advertising fund assets, restricted, end of period	$ 192,332	$ 121,919	$ 155,465

Supplemental cash flow disclosures - non-cash items:			
Capital expenditures included in accrued expenses and other liabilities	$ 4,942	$ 3,430	$ 3,839
Deferred consideration included in accrued expenses and other liabilities	27,303	415	—
Contingent consideration	—	56,000	4,309
Supplemental cash flow disclosures - cash paid for:			
Interest	$ 88,655	$ 71,308	$ 68,119
Income taxes	13,202	7,936	4,591

The accompanying notes are an integral part of these consolidated financial statements.

Note 1—Description of Business

Description of Business

Driven Brands, Inc. and Subsidiaries (collectively,"the Company") comprises the worldwide operations of Meineke Car Care Centers ("Meineke"), Maaco Collision Repair and Auto Painting ("Maaco"), Fix Auto USA ("FUSA"), Merlin's 200,000 Miles shops ("Merlin's"), Uniban ("Go Glass"), Econo-Lube N' Tune ("Econo"), 1-800-Radiator & A/C ("Radiator"), Spire Supply, Drive N Style, Take 5 Oil Change ("Take 5"), CARSTAR auto body repair experts ("CARSTAR"), ABRA Auto Body Repair of America ("ABRA"), and Clairus Group ("Clairus") (collectively, the "Driven Franchise Brands"). The Driven Franchise Brands develop, operate, franchise and license their individual business systems to provide retail and business-to-business automotive services. The Company is also comprised of Automotive Training Institute ("ATI"), which provides business-to-business automotive training services, and Auto Glass Now ("AGN"), which is comprised of our U.S. Glass business. As of December 31, 2022, the Driven Franchise Brands and AGN encompass 3,694 units worldwide, with 82% located within the United States and the remainder located primarily in Canada. Approximately 78% of the units are franchised. The Company is a direct, wholly-owned subsidiary of Driven Holdings, LLC, which is a direct wholly-owned subsidiary of Driven Brands Holdings Inc. (the "Ultimate Parent").

Meineke, Merlin's, and Econo each provide automotive repair and maintenance services through retail locations. Maaco, CARSTAR, FUSA, and ABRA, provide auto body repairs and painting services through retail locations. Driven N Style provides automotive appearance services to customers through mobile vans. Radiator provides certain automotive parts to automotive repair stores, automotive parts stores, body shops and service stations. Take 5 is an operator of oil change centers, offering rapid oil changes and light maintenance services within the United States and Canada. Spire Supply and PH Glass are distribution and sourcing companies serving as a single point for inventory sourcing for the Company. AGN, Driven Glass, Go Glass, and Clairus are providers of on-demand auto glass, calibration services, and auto appearance services. ATI provides automotive business training services to assist shop owners with efficiencies and profitability. The Company has also completed acquisition transactions, and in certain circumstances has retained the target's brand name.

Note 2—Summary of Significant Accounting Policies

Fiscal Year

The Company operates and reports financial information on a 52- or 53-week year with the fiscal year ending on the last Saturday in December. The fiscal year for the Company ending December 31, 2022 consisted of of 53 weeks and the 2021 and 2020 fiscal years ending December 25, 2021 and December 26, 2020, respectively, consisted of 52 weeks.

Basis of Presentation

The consolidated financial statements include the accounts of the the Company. Intercompany accounts and transactions have been eliminated in consolidation. The preparation of financial statements in conformity with generally accepted accounting principles in the United States ("GAAP") requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities, if any, at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates are made in the valuation of intangible assets and goodwill, as well as impairment of intangible assets and goodwill, income tax, allowance for credit losses, valuation of derivatives, and self-insurance claims. On an ongoing basis, the Company evaluates its estimates based on historical experience, current conditions and various other assumptions that are believed to be reasonable under the circumstances. The Company adjusts such estimates and assumptions when facts and circumstances dictate. Actual results could differ from those estimates.

Summary of Significant Accounting Policies

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits and short-term, highly liquid investments with original maturities of three months or less. These investments are carried at cost, which approximates fair value. The Company continually monitors its positions with, and the credit quality of, the financial institutions in which it maintains its deposits. As of December 31, 2022 and December 25, 2021, the Company maintained balances in various cash accounts in excess of federally insured limits.

Restricted Cash

The Company had total restricted cash of $34 million and $39 million at December 31, 2022 and December 25, 2021, respectively, which primarily consisted of funds from franchisees pursuant to franchise agreements, the usage of which was restricted to advertising activities, and letters of credit collateral. Advertising funds are presented within advertising fund assets, restricted, on the consolidated balance sheet.

Accounts and Notes Receivable

The Company's accounts receivable consists principally of amounts due related to product sales, centrally billed commercial fleet work, centrally billed insurance claims, advertising, franchise fees, rent due from franchisees and training services. These receivables are generally due within 30 days of the period in which the corresponding sales occur and are classified as Accounts and notes receivable, net on the consolidated balance sheets. Accounts receivable are reported at their estimated net realizable value.

Notes receivable are primarily from franchisees and relate to financing arrangements for certain past due balances or to partially finance the acquisition of company-operated stores or refranchising locations. The notes are typically collateralized by the assets of the store being purchased. Interest income recognized on these notes is included in supply and other revenue on the accompanying consolidated statements of income. The Company places notes receivable on a non-accrual status based on management's determination if it is probable that the principal balance is not expected to be repaid per the contractual terms. When the Company places a note receivable on a non-accrual status, interest income recorded on the note is reversed through supply and other revenue. The Company recorded an immaterial amount of interest income related to its notes receivables during the years ended December 31, 2022, December 25, 2021, and December 26, 2020.

Allowance for Uncollectible Receivables

The Company adopted ASU 2016-13, *Financial Instruments - Credit Losses*, on December 26, 2020, which was retroactively applied as of the first day of fiscal year 2020. 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, the Company recorded incurred loss reserves against receivable balances based on current and historical information. The Company adopted this guidance using the modified retrospective adoption method on December 26, 2020, which was retroactively applied as of the first day of fiscal year 2020. Upon adoption of the this guidance, the Company recognized an increase to its allowance for credit losses of $2 million and a corresponding adjustment to retained earnings, net of tax.

Expected credit losses for uncollectible receivable balances consider both current conditions and reasonable and supportable forecasts of future conditions. Current conditions considered include pre-defined aging criteria, as well as specified events that indicate the balance due is not collectible. Reasonable and supportable forecasts used in determining the probability of future collection consider publicly available macroeconomic data and whether future credit losses are expected to differ from historical losses.

The Company is not party to any off-balance sheet arrangements that would require an allowance for credit losses in accordance with this accounting standard.

Inventory

Inventory is stated at the lower of cost or net realizable value. The Company primarily purchases its oil, lubricants, and auto glass in bulk quantities to take advantage of volume discounts and to ensure inventory availability to complete services. Inventories are presented net of volume rebates.

Property and Equipment, net

Property and equipment are stated at cost less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the respective assets. Leasehold improvements are depreciated over the shorter of the estimated useful life or the remaining lease term of the related asset.

Estimated useful lives are as follows:

Buildings and improvements	5 to 40 years
Furniture and fixtures	5 to 7 years
Store equipment	5 to 15 years
Leasehold improvements	5 to 15 years
Vehicles	3 to 5 years
Computer equipment and software	3 to 5 years

Cloud computing arrangements

The Company capitalizes qualified cloud computing implementation costs associated with the application development stage and subsequently amortize these costs over the term of the hosting arrangement and stated renewal period, if it is reasonably certain we will renew. Capitalized costs are included in other assets on the consolidated balance sheet. As of December 31, 2022, no cloud computing arrangements were in service.

Leases

The lease standard requires the lessee in an operating lease to record a balance sheet gross-up upon lease commencement by recognizing an ROU asset and lease liability equal to the present value of the lease payments over the expected lease term. The ROU asset and lease liability are derecognized in a manner that effectively yields a straight-line lease expense over the lease term. In addition to the changes to the lessee operating lease accounting requirements, the amendments also change the types of costs that can be capitalized related to a lease agreement for both lessees and lessors.

Finance lease ROU assets are depreciated on a straight-line basis over the lesser of the useful life of the leased asset or lease term. Finance lease liabilities are recognized using the effective interest method, with interest determined as the amount that results in a constant periodic discount rate on the remaining balance of the liability. Interest associated with finance lease liabilities is recognized in interest expense, net, on the consolidated statements of operations and is included in changes in accrued expenses and other liabilities in the consolidated statements of cash flows.

At contract inception, we determine whether the contract is or contains a lease based on the terms and conditions of the contract. Lease contracts are recognized on our consolidated balance sheet as ROU assets and lease liabilities; however, we have elected not to recognize ROU assets and lease liabilities on leases with terms of one year or less. Variable lease payments that are dependent on usage, output, or may vary for other reasons are excluded from lease payments in the measurement of the ROU assets and lease liabilities and are recognized as lease expense in the period the obligation is incurred. For lease agreements entered into or reassessed after the adoption of Topic 842, we combine lease and non-lease components. The Company's vehicle and equipment leases are comprised of a single lease component.

If a lease does not provide enough information to determine the implicit interest rate in the agreements, the Company uses its incremental borrowing rate in calculating the lease liability. The Company determines its incremental borrowing rate for each lease by reference to yield rates on collateralized debt issuances, which

approximates borrowings on a collateralized basis, by companies of a similar credit rating as the Company, with adjustments for differences in years to maturity and implied company-specific credit spreads.

Certain leases include renewal and termination options and the option to renew is under our sole discretion. These leases are included in the lease term in determining the ROU assets and liabilities when we are reasonably certain we will exercise the option.

The ROU asset also includes initial direct costs paid less lease incentives received from the lessor. The Company also records lease income for subleases of franchise stores to certain franchisees. Lease income from sublease rentals is recognized on a straight-line basis over the lease term.

The Company adopted Accounting Standards Update ("ASU") 2016-02, *Leases*, as of the first day of fiscal year 2020. We determine whether the contract is or contains a lease based on the terms and conditions of the contract. Lease contracts are recognized on our consolidated balance sheet as right-of-use ("ROU") assets and lease liabilities; however, we have elected not to recognize ROU assets and lease liabilities on leases with terms of one year or less. Lease liabilities and their corresponding ROU assets are recorded based on the present value of the future lease payments over the expected lease term. As the Company's leases do not provide enough information to determine the implicit interest rate in the agreements, the Company uses its incremental borrowing rate in calculating the lease liability. The Company determines its incremental borrowing rate for each lease by reference to yield rates on collateralized debt issuances, which approximates borrowings on a collateralized basis, by companies of a similar credit rating as the Company, with adjustments for differences in years to maturity and implied company-specific credit spreads. The ROU asset also includes initial direct costs paid less lease incentives received from the lessor. Our lease contracts are generally classified as operating and, as a result, we recognize a single lease cost within operating expenses on the consolidated statement of income on a straight-line basis over the lease term. The Company also records lease income for subleases of franchise stores to certain franchisees. Lease income from sublease rentals are recognized on a straight-line basis over the lease term.

We adopted ASU 2016-02 and the subsequent ASUs that modified ASU 2016-02 (collectively, "the amendments") during the year ended December 26, 2020 and retroactively adopted the amendments as of December 29, 2019. We elected not to adjust prior period comparative information and will continue to disclose prior period financial information in accordance with the previous lease accounting guidance. We have elected certain practical expedients permitted within the amendments that allow us to not reassess (i) current lease classifications, (ii) whether existing contracts meet the definition of a lease under the amendments to the lease guidance, and (iii) whether current initial direct costs meet the new criteria for capitalization, for all existing leases as of the adoption date. We made an accounting policy election to calculate the impact of adoption using the remaining minimum lease payments and remaining lease term for each contract that was identified as a lease, discounted at our incremental borrowing rate as of the adoption date.

The adoption of the amendments as of December 29, 2019 resulted in a ROU asset of approximately $324 million primarily from operating leases for our company-owned stores, a $4 million reduction to retained earnings, net of taxes, and a lease liability of $330 million. The remaining impact related to the derecognition of certain liabilities and assets that had been recorded in accordance with GAAP that had been applied prior to the adoption of the amendments.

Impairment of Long-Lived Assets

Long-lived assets that are used in operations are tested for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable through undiscounted future cash flows. Recognition and measurement of a potential impairment is performed on assets grouped with other assets and liabilities at the lowest level where identifiable cash flows are largely independent of the cash flows of other assets and liabilities. An impairment loss is the amount by which the carrying amount of a long-lived asset or asset group exceeds its estimated fair value. Fair value is generally estimated by internal specialists based on the present value of anticipated future cash flows or, if required, with the assistance of independent third-party valuation specialists, depending on the nature of the assets or asset group.

Goodwill and Intangible Assets

Goodwill is recorded when the aggregate purchase price of an acquisition exceeds the estimated fair value of the net identified tangible and intangible assets acquired. The Company's indefinite-lived intangibles are comprised of trademarks and tradenames.

In performing a quantitative test for impairment of goodwill, we primarily use the income approach method of valuation that includes the discounted cash flow method and the market approach that includes the guideline public company method to determine the fair value of goodwill and indefinite-lived intangible assets. Significant assumptions are made by management in estimating fair value under the discounted cash flow model including future trends in sales and terminal growth rates, operating expenses, overhead expenses, tax depreciation, capital expenditures, and changes in working capital, along with an appropriate discount rate based on our estimated cost of equity capital and after-tax cost of debt. Significant assumptions used to determine fair value under the guideline public company method include the selection of guideline companies and the valuation multiples applied.

In the process of a quantitative test of our tradename intangible assets, we primarily use the relief-from-royalty method under the income approach method of valuation. Significant assumptions used to determine fair value under the relief of royalty method include future trends in sales, a royalty rate, and a discount rate to be applied to the forecast revenue stream.

There is an inherent degree of uncertainty in preparing any forecast of future results. Future trends in system-wide sales are dependent to a significant extent on national, regional, and local economic conditions. Any decreases in customer traffic or average repair order due to these or other reasons could reduce gross sales at franchise locations, resulting in lower royalty and other payments from franchisees, as well as lower sales at company-operated locations. This could reduce the profitability of franchise locations, potentially impacting the ability of franchisees to make royalty payments owed to us when due (which could adversely impact our current cash flow from franchise operations), and company-operated sites.

The determination of indefinite life is subject to reassessment if changes in facts and circumstances indicate the period of benefit has become finite.

We have completed our annual test of goodwill and indefinite-lived intangibles for impairment and have determined there was no impairment.

Definite Lived Intangible Assets

The Company's definite lived intangible assets are comprised primarily of trademarks, franchise agreements, license agreements, membership agreements, customer relationships, and developed technology.

Intangible assets with definite lives are being amortized on a straight-line basis over the estimated useful life of each asset as follows:

	Estimated Useful Life
Tradenames	1 to 3 years
Franchise agreements	13 to 30 years
License agreements	7 to 19 years
Membership agreements	7 to 9 years
Customer relationships	13 to 16 years
Developed technology	5 to 8 years

The lives of definite lived intangibles are reviewed and reduced if changes in their planned use occurs. If changes in the assets planned use is identified, management reviews the useful life and carrying value of the asset to assess the recoverability of the assets if facts and circumstances indicate the carrying value may not be recoverable. The recoverability test requires management to compare the undiscounted cash flows expected to be generated by the intangible asset or asset group to the carrying value. If the carrying amounts of the intangible asset is not recoverable on an undiscounted cash flow basis, an impairment charge is recognized to the extent the carrying value exceeds its fair value.

Management reviews business combinations to identify intangible assets, which are typically tradenames and customer relationships, and value the assets based on information and assumptions available to us at the date of purchase utilizing income and market approaches to determine fair value.

Assets Held for Sale

Assets currently available for sale and expected to be sold within one year are classified as assets held for sale. There were no assets designated as held for sale as of December 31, 2022.

Derivative instruments

We utilize derivative financial instruments to manage our interest rate and foreign exchange exposure. For derivatives instruments where we have not elected hedge accounting, the change in fair value is recognized in earnings. For derivative instruments where we have elected hedge accounting, the changes in the derivative and the hedged item attributable to the hedged risks are recognized in the same line within our consolidated statement of operations. For derivatives designated as cash flow hedges, changes in the fair value of the derivative is initially recorded in accumulated other comprehensive income (loss) and subsequently recorded to the statement of operations when the hedged item impacts earnings. Derivatives designated as hedge accounting are assessed at inception and on an ongoing basis whether the instrument is, and will continue to be, highly effective in offsetting cash flow or fair value of the hedged item and whether it remains probable the forecasted transaction will occur. Changes in the fair value for derivative instruments that do not qualify as hedge accounting are recognized in the consolidated statement of operations.

Revenue Recognition

Franchise royalties and fees

Franchisees are required to pay an upfront license fee prior to the opening of a location. The initial license payment received is recognized ratably over the life of the franchise agreement. Franchisees will also pay continuing royalty fees, at least monthly, based on a percentage of the store level retail sales or a flat amount, depending on the brand. The royalty income is recognized as the underlying sales occur. In addition to the initial fees and royalties, the Company also recognizes revenue associated with development fees charged to franchisees, which are recognized as income over the life of the associated franchise agreement. Development fees relate to the right of a franchisee to open additional locations in an agreed upon territory.

Company-operated store sales

Company-operated store sales are recognized, net of sales discounts, upon delivery of services and the service-related product.

The states and municipalities in which the Company operates impose sales tax on all of the Company's nonexempt revenue. The Company collects the sales tax from its customers and remits the entire amount to the appropriate taxing authority. The Company's policy is to exclude the tax collected and remitted from net revenue and direct costs. The Company accrues sales tax liabilities as it records sales, maintaining the amount owed to the taxing authorities in accrued expenses and other liabilities in the consolidated balance sheet.

Advertising contributions

Franchised and company-operated stores are generally required to contribute advertising dollars according to the terms of their respective contract (typically based on a percentage of sales) that are used for, among other activities, advertising the brand on a national and local basis, as determined by the brand's franchisor. The Company's franchisees make their contributions to a marketing fund which in turn administers and distributes their advertising contributions directly to the franchisor. This advertising fee revenue is recognized as the underlying sales occur. Advertising expenses are recorded as incurred. Revenues and expenses related to these advertising collections and expenditures are reported on a gross basis in the consolidated statements of operations. The assets related to the advertising fund are considered restricted and disclosed as such on the Company's consolidated balance sheets.

Any excess or deficiency of advertising fee revenue compared to advertising expenditures is recognized in the fourth quarter of the Company's fiscal year. Any excess of revenue over expenditures is recognized only to the

extent of previously recognized deficits. When advertising revenues exceed the related advertising expenses and there is no recovery of a previously recognized deficit of advertising revenues, advertising costs are accrued up to the amount of revenues.

Supply and other revenue

Supply and other revenue includes revenue related to product sales, vendor incentive revenue, insurance licensing fees, store leases, software maintenance fees and automotive training services revenue. Supply and other revenue is recognized once title of goods is transferred to franchisees or other independent parties, as the sales of the related products occur, or ratably. Vendor incentive revenue is recognized as sales of the related product occur. Insurance licensing fee revenue is generated when the Company is acting as an agent on behalf of its franchisees and is recognized once title of goods is transferred to franchisees. The insurance license revenue is presented net of any related expense with any residual revenue reflecting the management fee the Company charges for the program. Store lease revenue is recognized ratably over the underlying property lease term. Software maintenance fee revenue is recognized monthly in connection with providing and servicing software. Automotive training services provided to third party shop owner/operators in accordance with agreed upon contract terms. These contracts may be for one-time shop visits or agreements to receive access to education and training programs for multiple years. For one-time shop visits, revenue is recognized at the time the service is rendered. For the multi-year education and training contracts, revenue is recognized ratably over the contract term.

Assets Recognized from the Costs to Obtain a Contract with a Customer:

The Company has elected a practical expedient to expense costs as incurred for costs to obtain a contract when the amortization period would have been one year or less. The Company records contract assets for the incremental costs of obtaining a contract with a customer if we expect the benefit of those costs to be longer than one year and if such costs are material. Commission expenses, a primary cost associated with the sale of franchise licenses, are amortized to selling, general and administrative expenses in the consolidated statements of income ratably over the life of the associated franchise agreement.

Contract Balances

The Company generally records a contract liability when cash is provided for a contract with a customer before the Company has completed its contractual performance obligation. This includes cash payments for initial franchise fees as well as upfront payments on store owner consulting and education contracts. Franchise fees and shop owner consulting contract payments are recognized over the life of the agreement, which range from five to 20 and three to four year terms, respectively.

Company-Operated Store Expenses

Company-operated store expenses consist of payroll and benefit costs for employees at company-operated locations, as well as rent, costs associated with procuring materials from suppliers, and other store-level operating costs. The Company receives volume rebates based on a variety of factors which are included in accounts receivable on the accompanying consolidated balance sheet and accounted for as a reduction of company-operated store expenses as they are earned. Sales discounts received from suppliers are recorded as a reduction of the cost of inventory. Advanced rebates are included in accrued expenses and other liabilities on the accompanying consolidated balance sheet and are accounted for as a reduction of company-operated store expenses as they are earned over the term of the supply agreement. Additionally, the Company includes subleasing expense associated with the subleasing of store buildings to franchisees within supply and other expenses in the consolidated statements of income.

Store Opening Costs

Store opening costs consist of employee, facility, and grand opening marketing costs that company-operated stores incur prior to opening. The Company typically incurs store opening costs when opening new company-operated stores and when converting independently branded, acquired company-operated stores to one of its brands. These expenses are charged to expense as incurred.

Equity-based Compensation

The Company recognizes expense related to equity-based compensation awards over the service period (generally the vesting period) in the consolidated financial statements based on the estimated fair value of the award on the grant-date.

Fair Value of Financial Instruments

Fair value measurements enable the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. The Company classifies and discloses assets and liabilities carried at fair value in one of the following three categories.

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity as the ability to access at the measurement date,

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; or

Level 3: Inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

Financial assets and liabilities measured at fair value on a recurring basis as of December 31, 2022 are summarized as follows:

(in thousands)	Level 1	Significant other observable inputs (Level 2)	Total
Mutual fund investments held in rabbi trust	758	$ —	$ 758
Derivative assets, recorded in other assets	—	2,148	2,148
Derivative liabilities, recorded in accrued expenses and other liabilities	—	165	165

Financial assets and liabilities measured at fair value on a recurring basis as of December 25, 2021 are summarized as follows:

(in thousands)	Level 1	Significant other observable inputs (Level 2)	Total
Mutual fund investments held in rabbi trust	$ 976	$ —	$ 976
Derivative liabilities, recorded in accrued expenses and other liabilities	—	336	336
Derivative liabilities, recorded in long-term accrued expenses and other liabilities	—	200	200

The fair value of the Company's derivative instruments are derived from valuation models, which use observable inputs such as quoted market prices, interest rates and forward yield curves.

The Company estimates the fair values of financial instruments using available market information and appropriate valuation methodologies. However, considerable judgment is required in interpreting market data to develop estimates of fair value for non-traded financial instruments. Accordingly, such estimates are not necessarily indicative of the amounts that the Company would realize in a current market exchange. The carrying amount for cash and cash equivalents, accounts receivable, inventory, other current assets, accounts payable and accrued expenses approximate fair value because of their short maturities.

The carrying value and estimated fair value of total long-term debt were as follows:

	December 31, 2022		December 25, 2021	
(in thousands)	Carrying value	Estimated fair value	Carrying value	Estimated fair value
Long-term debt	$ 2,277,675	$ 1,998,250	$ 1,881,671	$ 1,913,792

Income Taxes

The Company accounts for income taxes under the liability method whereby deferred tax assets and liabilities are measured using enacted tax laws and rates expected to apply to taxable income in the years in which the assets and liabilities are expected to be recovered or settled. The effects on deferred tax assets and liabilities of subsequent changes in the tax laws and rates are recognized in income during the year the changes are enacted.

In assessing the realizability of deferred tax assets, management considers whether it is more-likely-than-not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

The Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized on the consolidated financial statements from such positions are measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon settlement with tax authorities. The Company records any interest and penalties associated as additional income tax expense in the consolidated statements of income.

Deferred Financing Costs

The costs related to the issuance of debt are presented in the balance sheet as a direct deduction from the carrying amount of that debt and amortized over the terms of the related debt agreements as interest expense using the effective interest method.

Insurance Reserves

The Company is partially self-insured for employee medical coverage. The Company records a liability for the ultimate settlement of claims incurred as of the balance sheet date based upon estimates provided by the third-party that administers the claims on the Company's behalf. The Company also reviews historical payment trends and knowledge of specific claims in determining the reasonableness of the reserve. Adjustments to the reserve are made when the facts and circumstances of the underlying claims change. If the actual settlements of the medical claims are greater than the estimated amount, additional expense will be recognized.

Foreign Currency Translation

We translate assets and liabilities of non-U.S. operations into U.S. dollars at rates of exchange in effect at the balance sheet date, and revenues and expenses at the average exchange rates prevailing during the period. Resulting translation adjustments are recorded as a separate component of other comprehensive income (loss). Transactions resulting in foreign exchange gains and losses are included in the consolidated statements of income.

Recently Issued Accounting Standards

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. This ASU provides optional expedients and exceptions for applying generally accepted accounting principles to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. In response to the concerns about structural risks of interbank offered rates and, particularly, the risk of cessation of LIBOR, regulators in several jurisdictions around the world have undertaken reference rate reform initiatives to identify alternative reference rates that are more observable or transaction based and less susceptible to manipulation. The ASU provides companies with optional guidance to ease the potential accounting burden associated with transitioning away from reference rates that are expected to be

discontinued. This guidance is effective immediately and the amendments may be applied prospectively through December 31, 2024. The Company is evaluating the impact of adopting this new accounting guidance and does not believe it will have a material impact on the Company's consolidated financial statements.

Note 3—Accounts and Notes Receivable, net

Accounts and notes receivable, net consisted of the following:

(in thousands)	December 31, 2022	December 25, 2021
Accounts receivable	$ 185,180	$ 121,717
Notes receivable	4,335	4,726
Total gross receivables	189,515	126,443
Less allowance for doubtful accounts	(19,504)	(18,421)
Less current portion of accounts and notes receivable	(166,860)	(105,838)
Notes receivable, long term	$ 3,151	$ 2,184

The changes in the allowance for accounts and notes receivable for the year ended December 31, 2022 and December 25, 2021 were as follows:

(in thousands)	
Balance as of December 26, 2020	$ 19,061
Bad debt expense	1,763
Write-off of uncollectible receivables	(2,403)
Balance at December 25, 2021	$ 18,421
Bad debt expense, net of recoveries	5,745
Write-off of uncollectible receivables	(4,662)
Balance at December 31, 2022	$ 19,504

Note 4—Business Combinations

The Company strategically acquires companies in order to increase its footprint and offer products and services that diversify its existing offerings, primarily through asset purchase agreements. These acquisitions are accounted for as business combinations using the acquisition method, whereby the purchase price is allocated to the assets acquired and liabilities assumed, based on their estimated fair values at the date of the acquisition with the remaining amount recorded in goodwill.

The Company completed 6 acquisitions in the Maintenance segment during the year ended December 31, 2022, representing 14 sites, each individually immaterial, which were deemed to be business combinations. The aggregate cash consideration for these acquisitions, net of cash acquired and liabilities assumed, was $25 million.

The Company completed 10 acquisitions in the Paint, Collision & Glass segment during the year ended December 31, 2022 representing 174 sites, which were deemed to be business combinations. The aggregate cash consideration for these acquisitions, net of cash acquired, was $406 million. On December 30, 2021 the Company acquired AGN, which was comprised of 79 sites at the time of the Company's acquisition, for a total consideration of $171 million. The purchase price allocation resulted in the recognition of $49 million of intangible assets, $37 million of which was a trade name intangible asset. The fair value of the acquired trade name was estimated using an income approach, specifically, the relief-from-royalty method. The Company utilized assumptions with respect to forecasted sales, the discount rate, and the royalty rate in determining the fair value of the acquired trade name. The purchase price allocation was considered complete for AGN as of December 31, 2022. On April 28, 2022, the Company acquired All Star Glass ("ASG"), which was comprised of 31 sites at the time of the acquisition for a total consideration of $36 million. On July 6, 2022, the Company acquired K&K Glass, which was comprised of 8 sites for a total consideration of $40 million. On July 27, 2022, the Company acquired Jack Morris Auto Glass, which was comprised of 9 sites for a total consideration of $54 million. On September 8, 2022, the Company acquired Auto Glass Fitters Inc., which was comprised of 24 sites for a total consideration of $72 million. The Company will amortize the acquired lease right of use assets, customer list intangibles, and definite lived trade name over their estimated remaining lives of 4 years, 13 years, and 1 year, respectively.

The Company estimated the fair value of acquired assets and liabilities as of the date of acquisition based on information currently available. As the Company finalizes the fair value of assets acquired and liabilities assumed, additional purchase price adjustments may be recorded during the measurement period.

2022 Paint, Collision & Glass Segment

The provisional amounts for assets acquired and liabilities assumed for the 2022 Paint, Collision & Glass acquisitions are as follows:

(in thousands)	Auto Glass Fitters Inc.	Jack Morris Auto Glass	K&K Glass	All Star Glass	Auto Glass Now	All Other Paint, Collision & Glass	Total PC&G
Assets:							
Accounts and notes receivable, net	5,264	1,162	—	2,349	—	832	9,607
Inventory	134	1,150	1,067	546	—	1,518	4,415
Prepaid and other assets	64	70	—	119	—	14	267
Property and equipment, net	417	418	1,553	568	1,064	1,628	5,648
Operating lease right-of-use assets	1,016	1,558	587	5,943	11,177	2,865	23,146
Intangibles, net	20,600	16,100	16,600	8,500	49,100	—	110,900
Goodwill	48,038	35,651	20,836	26,548	119,569	29,689	280,331
Deferred tax asset	—	—	—	—	—	84	84
Total assets acquired	**75,533**	**56,109**	**40,643**	**44,573**	**180,910**	**36,630**	**434,398**
Liabilities:							
Accounts payable	2,010	630	—	1,825	—	229	4,694
Accrued expenses and other liabilities	817	644	195	2,152	1,932	768	6,508
Current portion of long-term debt	—	—	—	10	31	—	41
Long-term debt, net	—	—	—	21	89	—	110
Operating lease liabilities	262	1,030	392	4,223	8,229	2,024	16,160
Deferred tax liabilities	375	19	—	—	—	—	394
Total liabilities assumed	**3,464**	**2,323**	**587**	**8,231**	**10,281**	**3,021**	**27,907**
Cash Consideration, net of cash acquired	**56,044**	**48,386**	**40,056**	**36,342**	**170,629**	**30,209**	**381,666**
Deferred Consideration	16,025	5,400	—	—	—	3,400	24,825
Consideration, net of cash acquired	**$ 72,069**	**$ 53,786**	**$ 40,056**	**$ 36,342**	**$ 170,629**	**$ 33,609**	**$ 406,491**

2022 Maintenance Segment

The provisional amounts for assets acquired and liabilities assumed for the 2022 Maintenance acquisitions are as follows:

(in thousands)	Maintenance
Assets:	
Inventory	362
Property and equipment, net	5,040
Operating lease right-of-use assets	10,323
Goodwill	18,542
Deferred tax asset	844
Total assets acquired	35,111
Liabilities:	
Accrued expenses and other liabilities	792
Operating lease liabilities	9,402
Total liabilities assumed	10,194
Cash Consideration, net of cash acquired	22,849
Deferred Consideration	2,068
Total Consideration, net of cash acquired	**$** 24,917

Goodwill represents the excess of the consideration paid over the fair value of net assets acquired and includes the expected benefit of synergies within the existing segments and intangible assets that do not qualify for separate recognition. Goodwill, which was allocated to the Maintenance and Paint, Collision & Glass segments, is substantially all deductible for income tax purposes.

2021 Acquisitions

The Company completed 2 acquisitions representing 12 collision sites, each individually immaterial, which are included within the Company's Paint, Collision & Glass segment during the year ended December 25, 2021, which were deemed to be business combinations. The aggregate cash consideration for these acquisitions, net of cash acquired, was $33 million.

The Company also completed 8 acquisitions in the Maintenance segment representing 13 maintenance sites, each individually immaterial, during the year ended December 25, 2021, which were deemed to be business combinations. The aggregate cash consideration for these acquisitions, net of cash acquired, was $37 million.

2021 Paint, Collision & Glass Segment

The amounts for assets acquired and liabilities assumed for the 2021 Paint, Collision & Glass acquisitions are as follows:

(in thousands)	Paint, Collision & Glass
Assets:	
Inventory	$ 107
Property and equipment, net	1,512
Operating lease right-of-use assets	7,672
Intangibles, net	6,707
Goodwill	24,742
Total assets acquired	**40,740**
Liabilities:	
Accrued expenses and other liabilities	5
Operating lease liabilities	7,763
Total liabilities assumed	**7,768**
Cash Consideration, net of cash acquired	32,972
Deferred Consideration	—
Total Consideration, net of cash acquired	**$ 32,972**

2021 Maintenance Segment

The amounts for assets acquired and liabilities assumed for the 2021 Maintenance acquisitions are as follows:

(in thousands)	Maintenance
Assets:	
Inventory	$ 200
Property and equipment, net	19,095
Goodwill	14,661
Assets held for sale	3,275
Deferred tax assets	90
Total assets acquired	**37,321**
Liabilities:	
Accrued expenses and other liabilities	52
Total liabilities assumed	**52**
Cash Consideration, net of cash acquired	36,874
Deferred Consideration	395
Total Consideration, net of cash acquired	**$ 37,269**

Purchase accounting allocations are complete for all 2021 acquisitions as of December 31, 2022.

2020 Acquisitions

Acquisition of Fix Auto (Paint, Collision & Glass Segment)

On April 20, 2020, the Company acquired 100% of the outstanding equity of Fix Auto USA, a franchisor and operator of collision repair centers, for $29 million, net of cash received of approximately $2 million. This acquisition resulted in the Company acquiring 150 franchised locations and 10 company-operated locations and

increases the Company's collision services footprint. All goodwill related to this acquisition was allocated to the Paint, Collision & Glass segment. None of the goodwill associated with this acquisition is deductible for income tax purposes.

Note 5—Property and Equipment

Property and equipment at December 31, 2022 and December 25, 2021 consisted of the following:

(in thousands)	December 31, 2022	December 25, 2021
Buildings	$ 20,967	$ 21,796
Land	2,864	3,696
Furniture and fixtures	23,464	17,855
Computer equipment and software	35,607	29,336
Shop equipment	30,053	21,702
Leasehold improvements	201,416	146,169
Finance lease right-of-use assets/capital leases	36,246	23,366
Vehicles	7,527	2,664
Construction in progress	59,669	36,697
Total property and equipment	417,813	303,281
Less: accumulated depreciation	(113,920)	(80,411)
Total property and equipment, net	$ 303,893	$ 222,870

Depreciation expense was $33 million, $24 million, and $18 million for the years ended December 31, 2022, December 25, 2021, and December 26, 2020, respectively.

Note 6—Goodwill and Other Intangible Assets

Changes in the carrying amount of goodwill for the years ended December 31, 2022 and December 25, 2021 are as follows:

(in thousands)	Total
Balance at December 26, 2020	$ 898,539
Acquisitions	39,403
Purchase price adjustments	(708)
Foreign exchange	903
Balance at December 25, 2021	938,137
Acquisitions	298,873
Sale of business unit	(3,495)
Purchase price adjustments	(34)
Foreign exchange	(8,024)
Balance at December 31, 2022	$ 1,225,457

Intangible assets for the years ended December 31, 2022 and December 25, 2021 are as follows:

(in thousands)	Balance at December 31, 2022		
	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Definite-Lived Amortizable			
Franchise agreements	$ 222,617	$ (59,466)	$ 163,151
License agreements	11,968	(4,354)	7,614
Membership agreements	11,600	(5,480)	6,120
Customer relationships	128,127	(16,369)	111,758
Developed technology	25,717	(19,788)	5,929
Trademarks & other	12,571	(11,336)	1,235
Total definite lived amortizable	412,600	(116,793)	295,807
Indefinite-Lived			
Trademarks	431,839	—	431,839
Total	$ 844,439	$ (116,793)	$ 727,646

	Balance at December 25, 2021		
	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Definite-Lived Amortizable			
Franchise agreements	$ 223,626	$ (49,529)	$ 174,097
License agreements	12,044	(3,091)	8,953
Membership agreements	11,600	(3,270)	8,330
Customer relationships	59,585	(8,797)	50,788
Developed technology	25,882	(19,079)	6,803
Trademarks & other	10,729	(10,729)	—
Total definite-lived amortizable	343,466	(94,495)	248,971
Indefinite-Lived			
Trademarks	396,845	—	396,845
Total	$ 740,311	$ (94,495)	$ 645,816

Amortization expense was $23 million, $17 million, and $18 million for the years ended December 31, 2022, December 25, 2021, and December 26, 2020, respectively.

Amortization expense related to intangible assets for the next five fiscal years and thereafter is as follows:

(in thousands)	
2023	$ 25,145
2024	23,771
2025	21,889
2026	21,445
2027	19,915
Thereafter	183,642
Total amortization	$ 295,807

Note 7— Revenue from Contracts with Customers

The Company records contract assets for the incremental costs of obtaining a contract with a customer if it expects the benefit of those costs to be longer than one year and if such costs are material. Commission expenses, a primary cost associated with the sale of franchise licenses, are amortized to selling, general and administrative expenses in the consolidated statements of income ratably over the life of the associated franchise agreement.

Capitalized costs to obtain a contract as of December 31, 2022 and December 25, 2021 were $7 million and $11 million, respectively, and were presented within deferred commissions on the consolidated balance sheets. The Company recognized an immaterial amount of costs during the years ended December 31, 2022 and December 25, 2021, respectively, that were recorded as a contract asset at the beginning of the year.

Contract liabilities consist primarily of deferred franchise fees and deferred development fees. The Company has contract liabilities of $29 million and $27 million as of December 31, 2022 and December 25, 2021, respectively, which are presented within deferred revenue on the consolidated balance sheets. The Company recognized $4 million and $3 million in revenue relating to contract liabilities during the year ended December 31, 2022 and December 25, 2021, respectively.

Note 8—Long-term Debt

Our long-term debt obligations consist of the following:

(in thousands)	December 31, 2022	December 25, 2021
Series 2018-1 Securitization Senior Notes, Class A-2	$ 261,938	$ 264,688
Series 2019-1 Securitization Senior Notes, Class A-2	288,000	291,000
Series 2019-2 Securitization Senior Notes, Class A-2	266,063	268,813
Series 2020-1 Securitization Senior Notes, Class A-2	170,625	172,375
Series 2020-2 Securitization Senior Notes, Class A-2	441,000	445,500
Series 2021-1 Securitization Senior Notes, Class A-2	444,375	448,875
Series 2022-1 Securitization Senior Notes, Class A-2	364,088	—
Other debt [1]	41,586	27,385
Total debt	2,277,675	1,918,636
Less: debt issuance costs	(36,852)	(36,965)
Less: current portion of long-term debt	(27,605)	(21,527)
Total long-term debt, net	$ 2,213,218	$ 1,860,144

(1) Amount primarily consists of finance lease obligations. See Note 9.

2018-1 Securitization Senior Notes

In April 2018, the Issuer issued $275 million Series 2018-1 Securitization Senior Secured Notes (the "2018-1 Senior Notes") bearing a fixed interest rate of 4.739% per annum. The 2018-1 Senior Notes have a final legal maturity date in April 2048 and an anticipated repayment date in April 2025. The 2018-1 Senior Notes are secured by substantially all assets of the Issuer and are guaranteed by the Securitization Entities. The Company capitalized $7 million of debt issuance costs related to the 2018-1 Senior Notes.

2019-1 Securitization Senior Notes

In March 2019, the Issuer issued $300 million of Series 2019-1 Securitization Senior Notes (the "2019-1 Senior Notes") bearing a fixed interest rate of 4.641% per annum. The 2019-1 Senior Notes have a final legal maturity date in April 2049 and an anticipated repayment date in April 2026. The 2019-1 Senior Notes are secured by substantially all assets of the Issuer and are guaranteed by the Securitization Entities. The Company capitalized $6 million of debt issuance costs related to the 2019-1 Senior Notes.

2019-2 Securitization Senior Notes

In September 2019, the Issuer issued $275 million Series 2019-2 Securitization Senior Secured Notes (the "2019-2 Senior Notes") bearing a fixed interest rate of 3.981% per annum. The 2019-2 Senior Notes have a final legal maturity date in October 2049 and an anticipated repayment date in October 2026. The 2019-2 Senior Notes are secured by substantially all assets of the Issuer and are guaranteed by the Securitization Entities. The Company capitalized $6 million of debt issuance costs related to the 2019-2 Senior Notes.

Series 2019-3 Variable Funding Securitization Senior Notes

In December 2019, the Issuer issued Series 2019-3 Variable Funding Senior Notes (the "2019 VFN") in the revolving amount of $115 million. The 2019 VFN have a final legal maturity date in January 2050. The commitment under the 2019 VFN was set to expire in July 2022, with the option of three one-year extensions. In July 2022, the Company exercised the option to extend an additional year. The 2019 VFN are secured by substantially all assets of the Issuer and are guaranteed by the Securitization Entities. The Issuer may elect interest at the Base Rate plus an applicable margin or London Interbank Offered Rate ("LIBOR") plus an applicable margin (the LIBOR rate as the applicable interest rate). The Company capitalized $1 million of debt issuance costs related to the 2019-3 VFN. No amounts were outstanding under the 2019 VFN as of December 31, 2022 and December 25, 2021. As of December 31, 2022, there were $24.5 million of outstanding letters of credit that reduced the borrowing availability under the 2019 VFN.

2020-2 Securitization Senior Notes

In December 2020, the Co-Issuers issued $450 million 2020-2 Securitization Senior Notes (the "2020-2 Senior Notes") bearing a fixed interest rate of 3.237% per annum. The 2020-2 Senior Notes have a final legal maturity date in January 2051; and an anticipated repayment date in January 2028. The 2020-2 Senior Notes are secured by substantially all assets of the Co-Issuers and are guaranteed by the Securitization Entities. The Company capitalized $8 million of debt issuance costs related to the 2020-2 Senior Notes. The Company used the proceeds of these notes to fully repay the 2015-1 Senior Notes and 2016-1 Senior Notes detailed above.

2021-1 Securitization Senior Notes

In September 2021, the Co-Issuers issued $450 million of 2021-1 Securitization Senior Notes (the "2021-1 Senior Notes") bearing a fixed interest rate of 2.791% per annum. The 2021-1 Senior Notes have a final legal maturity date in October 2051 and an anticipated repayment date in October 2028. The 2021-1 Senior Notes are secured by substantially all assets of the Co-issuers and are guaranteed by the Securitization Entities. A portion of the proceeds from the issuance of the 2021-1 Senior Notes were used to pay off the outstanding balance on the Revolving Credit Facility with the remainder to be used for general corporate purposes, including future acquisitions. The Company capitalized $10 million of debt issuance costs related to the 2021-1 Senior Notes.

2022-1 Securitization Senior Notes

In October 2022, the Co-Issuers issued $365 million of 2022-1 Securitization Senior Notes (the "2022-1 Senior Notes"), bearing a fixed interest rate of 7.393% per annum. The 2022-1 Senior Notes have a final legal maturity date in October 2052, and an anticipated repayment date in October 2027. The 2022-1 Senior Notes are secured by substantially all assets of the Co-issuers and are guaranteed by the Securitization Entities. The proceeds from the issuance of the 2022-1 Senior Notes were used for general corporate purposes, including the repayment of the Revolving Credit Facility creating capacity to invest in continued growth. In conjunction with the issuance of the 2022-1 Senior Notes, the Co-Issuers also issued Series 2022-1 Class A-1 Notes in the amount of $135 million,

which can be accessed at the Issuer's option if certain conditions are met. The Company capitalized $7 million of debt issuance costs related to the 2022-1 Senior Notes.

Scheduled debt repayments for the next five fiscal years and thereafter is as follows:

(in thousands)	
2023	$ 27,605
2024	26,274
2025	279,766
2026	554,088
2027	524,935
Thereafter	865,007
Total future repayments	$ 2,277,675

Guarantees and Covenants of the Notes

Substantially all of the assets of the Company, including most of the domestic and certain of the foreign revenue-generating assets, which principally consist of franchise-related agreements, certain company-operated stores, certain product distribution agreements, intellectual property and license agreements for the use of intellectual property, are owned by subsidiaries of the Master Issuer, and are pledged to secure the Notes. The restrictions placed on the Master Issuer and its subsidiaries require that interest and principal (if any) on the Notes be paid prior to any residual distributions to the Company, and amounts are segregated weekly to ensure appropriate funds are reserved to pay the quarterly interest and principal (if any) amounts due. The amount of weekly cash flow that exceeds all expenses and obligations of the Master Issuer and its subsidiaries (including required reserve amounts) is generally remitted to the Company in the form of a dividend.

The Notes are subject to certain quantitative covenants related to debt service coverage and leverage ratios. In addition, the agreements related to the Notes also contain various affirmative and negative operating and financial reporting covenants which are customary for such debt instruments. These covenants, among other things, limit the ability of the Master Issuer and its subsidiaries to sell assets; engage in mergers, acquisitions, and other business combinations; declare dividends or redeem or repurchase capital stock; incur, assume, or permit to exist additional indebtedness or guarantees; make loans and investments; incur liens; and enter into transactions with affiliates. In the event that certain covenants are not met, the Notes may become fully due and payable on an accelerated schedule. In addition, the Master Issuer may voluntarily prepay, in part or in full, any series of Class A-2 Notes at any time, subject to certain make-whole obligations.

As of December 31, 2022, the Master Issuer was in compliance with all covenants under the agreements discussed above.

Driven Brands, Inc. has no material separate cash flows or assets or liabilities as of December 31, 2022. All business operations are conducted through its operating subsidiaries and it has no material independent operations. Driven Brands, Inc. has no other material commitments or guarantees. As a result of the restrictions described above, certain of the subsidiaries' net assets are effectively restricted in their ability to be transferred to Driven Brands, Inc. as of December 31, 2022.

Note 9— Leases

The Company's lease and sublease portfolio primarily consists of the real property leases related to franchisee service centers and company-operated service center locations, as well as office space and various vehicle and equipment leases. Leases for real property generally have terms ranging from 5 to 25 years, with most having one or more renewal options ranging from 1 to 10 years. The Company does not include option periods in its determination of the lease term unless renewals are deemed reasonably certain to be exercised. Equipment and vehicle leases

generally have terms ranging from one to five years. The Company's portfolio of leases does not contain any material residual value guarantees or restrictive covenants.

The following table details our total investment in operating and finance leases where the Company is the lessee:

(in thousands)	Balance Sheet Location	December 31, 2022	December 25, 2021
Right-of-use assets			
Finance leases	Property and equipment, net	$ 36,213	$ 23,366
Operating leases	Operating lease right-of-use assets	335,760	312,470
Total right-of-use assets		$ 371,973	$ 335,836
Current lease liabilities			
Finance leases	Current portion of long-term debt	$ 3,317	$ 2,209
Operating leases	Accrued expenses and other liabilities	33,689	26,656
Total current lease liabilities		$ 37,006	$ 28,865
Long-term lease liabilities			
Finance leases	Long-term debt	$ 35,390	$ 22,336
Operating leases	Operating lease liabilities	313,644	295,897
Total long-term lease liabilities		$ 349,034	$ 318,233

The lease cost for operating and finance leases recognized in the consolidated statement of income were as follows:

(in thousands)	December 31, 2022	December 25, 2021
Finance lease expense:		
Amortization of right-of-use assets	$ 2,928	$ 1,362
Interest on lease liabilities	1,715	853
Operating lease expense	59,550	50,146
Short-term lease expense	430	433
Variable lease expense	1,522	865
Total lease expense, net	$ 66,145	$ 53,659

The Company recorded a $3 million impairment loss during the year ended December 26, 2020 related to Company's decision to exit certain leased locations.

The Company also subleases certain facilities to franchisees and recognized $5 million, $6 million, and $7 million in sublease revenue during the years ended December 31, 2022, December 25, 2021, and December 26, 2020, respectively, as a component of supply and other revenue on the consolidated statements of income.

In April 2020, the Financial Accounting Standards Board issued guidance allowing entities to make a policy election to account for lease concessions related to the COVID-19 pandemic as though enforceable rights and obligations for those concessions existed. The election applies to any lessor-provided lease concession related to the impact of the COVID-19 pandemic, provided the concession does not result in a substantial increase in the rights of the lessor or in the obligations of the lessee. During the year ended December 26, 2020, we received concessions from certain landlords in the form of rent deferrals of approximately $2 million and an immaterial amount of rent abatements. We have elected to account for these rent concessions as though enforceable rights and obligations for

those concessions existed in the original lease agreements and, as a result, the lease concessions were not considered modifications of the existing lease contract.

For the year ended December 31, 2022, the Company sold 11 maintenance properties in various locations throughout the U. S. for a total of $16 million, resulting in a net gain of $3 million. Concurrently with the closing of these sales, the Company entered into various operating lease agreements pursuant to which the Company leased back the properties. These lease agreements have terms ranging from 15 to 20 years and provide the Company with the option of extending the lease for up to 20 additional years. The Company does not include option periods in its determination of the lease term unless renewals are deemed reasonably certain to be exercised. The Company recorded an operating lease right-of-use asset and operating lease liability of approximately $12 million and $12 million, respectively, related to these lease arrangements.

For the year ended December 25, 2021, the Company sold 5 maintenance properties in various locations throughout the U. S. for a total of $6 million, resulting in a net gain of less than $1 million. Concurrently with the closing of these sales, the Company entered into various operating lease agreements pursuant to which the Company leased back the properties. These lease agreements have terms ranging from 15 to 20 years and provide the Company with the option of extending the lease for up to 20 additional years. The Company does not include option periods in its determination of the lease term unless renewals are deemed reasonably certain to be exercised. The Company recorded an operating lease right-of-use asset and operating lease liability of approximately $5 million and $5 million, respectively, related to these lease arrangements.

	December 31, 2022	December 25, 2021
Weighted average remaining lease terms (years)		
Operating	15.58	10.17
Financing	12.04	12.14
Weighted average remaining lease terms (years)		
Operating	5.27 %	4.52 %
Financing	5.02 %	5.01 %

Supplemental cash flow information related to the Company's lease arrangements were as follows:

(in thousands)	December 31, 2022	December 25, 2021
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows used in operating leases	$ 56,678	$ 47,724
Operating cash flows used in finance leases	1,715	853
Financing cash flows used in finance leases	1,641	639
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	$ 59,772	$ 56,613
Finance leases	10,906	15,095

As of December 31, 2022, future minimum lease payments under noncancellable leases were as follows:

(in thousands)	Finance	Operating	Income from subleases
2023	$ 5,052	$ 63,028	$ 5,908
2024	4,976	60,277	4,234
2025	4,743	56,457	3,744
2026	4,333	50,232	3,378
2027	4,136	43,069	3,034
Thereafter	29,366	224,294	6,668
Total undiscounted cash flows	52,606	497,357	$ 26,966
Less: Present value discount	13,899	150,024	
Less: Current lease liabilities	3,317	33,689	
Long-term lease liabilities	$ 35,390	$ 313,644	

Note 10—Income Taxes

The components of our income tax expense were as follows:

	Year Ended		
(in thousands)	December 31, 2022	December 25, 2021	December 26, 2020
Current:			
Federal	$ 7,568	$ 7,239	$ (825)
State	5,158	3,548	3,328
Foreign	600	421	4,108
Deferred:			
Federal	12,984	16,760	3,104
State	(13,067)	2,021	2,646
Foreign	4,295	(3,747)	1,044
Total income tax expense	$ 17,538	$ 26,242	$ 13,405

Deferred tax assets (liabilities) are comprised of the following:

(in thousands)	December 31, 2022	December 25, 2021	December 26, 2020
Deferred tax asset			
Accrued liabilities	$ 6,159	$ 7,585	$ 6,349
Accounts receivable allowance	5,046	4,590	4,735
Net operating loss carryforwards	9,054	4,397	16,618
Lease liabilities	82,669	79,402	81,450
Interest expense limitation	8,537	3,491	5,638
Deferred revenue	6,693	6,447	4,701
Other deferrred assets	5,091	294	410
Total deferred tax asset	123,249	106,206	119,901
Less valuation allowance	(1,216)	(1,156)	(668)
Net deferred tax asset	122,033	105,050	119,233
Deferred tax liabilities			
Goodwill and intangible assets	156,429	154,134	154,875
Right of use lease assets	80,156	76,639	79,000
Fixed asset basis differences	17,317	5,210	2,145
Unrealized foreign exchange differences	(920)	1,101	1,217
Other deferred liabilities	6,793	3,973	2,438
Total deferred liabilities	259,775	241,057	239,675
Net deferred liabilities	$ 137,742	$ 136,007	$ 120,442

The Company's effective tax rate for the year ended December 31, 2022, differs from the federal statutory rate primarily due to state tax expense, non-deductible stock compensation, and favorable return-to-provision adjustments driven by a check-the-box election made during 2022. The Company's effective tax rate for the year ended December 25, 2021 differs from the federal statutory rate primarily due to state tax expense and non-amortizable transaction costs.

As of December 31, 2022, Driven Brands had a liability for uncertain tax positions of approximately $2 million. During 2022, the Company reduced the liability for uncertain tax positions by less than $1 million. The Company has elected to treat interest and penalties associated with uncertain tax position as tax expense. The Company does not estimate any change to the position in the next 12 months. Based on management analysis, the Company does not believe any historical unrecognized tax benefits significantly changed during the years ended December 31, 2022 or December 25, 2021. The Company does not believe any remaining unrecognized tax benefits will significantly change in the next fiscal year.

The Company files income tax returns in the U.S., Canada, and various state jurisdictions. Examinations by various taxing authorities covering years 2018 to 2020 are on-going. The Company is generally subject to income tax examinations for years 2016 through 2021 and believes appropriate provisions for all outstanding matters have been made for all jurisdictions and open years.

As of December 31, 2022, the Company has no pre-tax federal operating loss carry forwards. State tax effected net operating loss carryforwards are $8 million for which portions begin to expire in fiscal year 2023. As of December 31, 2022, the Company had Canada net operating loss carryforwards of $3 million for which portions of the operating loss carryforwards begin to expire in fiscal year 2023. As of December 31, 2022, the Company had $536 million of goodwill that was deductible for tax purposes.

The Company has designated the undistributed earnings of its foreign operations as indefinitely reinvested and as a result the Company does not provide for deferred income taxes on the unremitted earnings of these subsidiaries. As of December 31, 2022, the determination of the amount of such unrecognized deferred tax liability is not practicable.

Note 11—Related-Party Transactions

The Company has a related parties receivable of $387 million at December 31, 2022 with the Driven Holdings LCC, its parent company, of which $258 million and $128 million is classified as current and noncurrent, respectively, on the Consolidated Balance Sheet. The Company had related parties receivable of $513 million at December 25, 2021 with the Driven Holdings LCC, its parent company, of which $384 million and $128 million is classified as current and noncurrent, respectively on the Consolidated Balance Sheet. The funds advanced were obtained from the issuance of Series 2021-1 Securitization Senior Notes and existing cash.

The Company has an advisory services agreement with an affiliate of the Ultimate Parent, which provides that the Company pay an annual advisory services fee to the Ultimate Parent in the amount of $1 million and an additional fee based on earnings growth since inception, plus certain out-of-pocket expenses incurred by the Ultimate Parent. The Company and Roark terminated all advisory services agreements in January 2021 in connection with the Ultimate Parent's initial public offering.

The Company made payments for facilities maintenance services in the aggregate amount of approximately $6 million and $2 million during the years ended December 31, 2022 and December 25, 2021 to Divisions Maintenance Group, an entity owned by affiliates of Roark Capital Management, LLC, which is related to the company's principal stockholders (Driven Equity Sub LLC, Driven Equity LLC, RC IV Cayman ICW Holdings Sub LLC and RC IV Cayman ICW Holdings LLC). The transactions were reviewed, ratified, and approved by the Audit Committee of the Ultimate Parent's Board of Directors in accordance with the our Related Person Transactions Policy.

Note 12—Employee Benefit Plans

The Company has a 401(k) plan that covers eligible employees as defined by the plan agreement. Employer contributions to the plan were $2 million, $1 million, and less than $1 million in 2022, 2021, and 2020, respectively.

The Company has a rabbi trust to fund the obligations of its non-qualified deferred compensation plan for its executive level employees, which became effective as of January 1, 2018. The rabbi trust comprises various mutual fund investments selected by plan participants. The Company records the mutual fund investment assets at fair value with any subsequent changes in fair value recorded in the consolidated statements of income. As such, offsetting changes in the asset values and defined contribution plan obligations would be recorded in earnings in the same period. The trust asset balances were $1 million and the deferred compensation plan liability balances were $1 million as of December 31, 2022 and December 25, 2021, respectively. The trust assets and liabilities are recorded within prepaid and other assets and accrued expenses and other liabilities, respectively, within the consolidated balance sheets.

Note 13—Equity Agreements and Incentive Equity Plan

On April 17, 2015, Driven Investor LLC established the Driven Investor LLC Incentive Equity Plan (the "Equity Plan"). The Equity Plan, among other things, established the ownership of certain membership units in Driven Investor LLC and defined the distribution rights and allocations of profits and losses associated with those membership units. Additionally, the Equity Plan calls for certain restrictions regarding transfers of units, corporate governance and board of director representation. In April 2015, Driven Investor LLC established certain profits interest units as part of the award agreements (the "Award Agreements") granted pursuant to the Equity Plan. The Award Agreements provide for grants of certain profits interest units to employees, directors or consultants of Driven Investor LLC and Subsidiaries. For both the Profits Interest Time Units and Profits Interest Performance Units, if the grantee's continuous service terminated for any reason, the grantee forfeits all right, title, and interest in and to any unvested units as of the date of such termination, unless the grantee's continuous service period is terminated by the Company without cause within the six-month period prior to the date of consummation of the change in control. In addition, the grantee forfeits all right, title, and interest in and to any vested units if the grantee was terminated for cause, breaches any post-termination covenants, or fail to execute any general release required to be executed. The Profits Interest Performance Units were also subject to certain performance criteria which may cause the units not to vest.

On January 6, 2021, the Ultimate Parent's board of directors approved the 2021 Omnibus Incentive Plan (the "Plan") and, effective January 14, 2021, the Ultimate Parent's shareholders adopted and approved the Plan. The Plan provides for the granting of stock options, stock appreciation rights, restricted stock awards, restricted stock units, other stock-based awards, other cash-based awards, or any combination of the foregoing to current and prospective employees and directors of, and consultants and advisors to, the Ultimate Parent and its affiliates. The maximum number of shares of common stock available for issuance under the Plan is 12,533,984 shares. In conjunction with the closing of the IPO, our Ultimate Parent's Board granted awards under the Plan to certain of our employees, representing an aggregate of 5,582,522 shares of common stock.

Profits Interest Units

Prior to IPO, the Ultimate Parent's equity awards included Profits Interest Units as noted above. There were two forms of Profits Interest - Time Units and Performance Units. Time Units generally vested in five installments of 20% on each of the first five anniversaries of the grant date or vesting date, provided that the employee remained in continuous service on each vesting date. All outstanding Time Units were to vest immediately prior to the effective date of a consummated sale transaction. The Time Units were exchanged for time-based restricted stock awards in connection with the IPO. In addition, the Ultimate Parent granted time-based and performance-based options in connection with the IPO to most employees with Profit Interests (each an "IPO Option"). The exchange of Profits Interest - Time Units for time based time-based restricted stock awards did not require modification accounting.

The Performance Units were to vest immediately prior to the effective date of a consummated sale transaction or qualified public offering, including the IPO (a "Liquidity Event"). The percentage of vesting was based on achieving certain performance criteria. No vesting occurred as a result of the IPO as the minimum performance criteria threshold was not achieved. In connection with the IPO, the Performance Units were exchanged for performance-based restricted stock awards. The vesting conditions of the performance-based restricted stock awards were modified to vest subject to an additional performance condition. Employees who received IPO Options have the same vesting conditions for the performance-based portion of the IPO Options as the performance-based restricted stock awards.

The Company calculated the fair value of these performance-based restricted stock awards on the modification date and determined the fair value of these awards increased to $66 million as a result of modification. In addition, the grant date fair value of the performance-based IPO Options was $26 million. The fair value of the performance-based restricted stock awards and performance-based IPO Options was determined by using a Monte Carlo simulation, using the following assumptions: (i) an expected term of 4.96 years, (ii) an expected volatility of 40.6%, (iii) a risk-free interest rate of 0.48%, and (iv) no expected dividends.

For the awards, if the grantee's continuous service terminates for any reason, the grantee forfeits all right, title, and interest in and to any unvested units as of the date of such termination, unless the grantee's continuous service period is terminated by the Company without cause within the six-month period prior to the date of consummation of a Liquidity Event. In addition, the grantee forfeits all right, title, and interest in and to any vested units if the grantee resigns, is terminated for cause, breaches any post-termination covenants, or fail to execute any general release required to be executed.

There was approximately $3 million of unrecognized compensation expense related to the time-based restricted stock awards and time-based IPO Options at December 31, 2022, which is expected to be recognized over a weighted-average vesting period of 2.3 years.

There was approximately $87 million of unrecognized compensation expense related to the performance-based restricted stock awards and performance-based IPO Options at December 31, 2022. For the years ended December 31, 2022 and December 25, 2021, no compensation cost was recognized for the performance-based restricted stock awards and performance-based IPO Options given that the performance criteria was not met or probable. Once the performance conditions are deemed probable, the Company will recognize compensation cost equal to the portion of the requisite service period that has elapsed. Certain former employees continued to hold performance-based awards after the IPO.

The following is a summary of the Ultimate Parent's Profits Interest - Time Units and Performance Units for 2020:

	Profits Interest - Time Units	Weighted Average Grant Date Fair Value, per unit	Profits Interest - Performance Units	Weighted Average Grant Date Fair Value, per unit
Outstanding as of December 28, 2019	13,581	$ 492	24,636	$ 351
Granted	13,055	696	25,597	693
Forfeited/Cancelled	(2,668)	976	(8,387)	894
Repurchases	(6,677)	288	—	—
Outstanding as of December 26, 2020	17,291	$ 652	41,846	$ 554

There were no stock grants, forfeitures or repurchases for the period from December 26, 2020 through January 14, 2021. The existing Profits Interest - Time and Performance units were converted into new time and performance awards on January 14, 2021.

	Unvested Time Awards	Weighted Average Grant Date Fair Value, per unit	Unvested Performance Awards	Weighted Average Grant Date Fair Value, per unit
Outstanding as of January 14, 2021	610,477	$ 12.65	4,178,246	$ 15.79
Forfeited/Cancelled	(17,304)	21.27	(84,737)	13.55
Vested	(164,868)	10.04	—	—
Outstanding as of December 25, 2021	428,305	$ 13.31	4,093,509	$ 15.84
Forfeited/Cancelled	(30,869)	10.34	(77,760)	15.34
Vested	(107,767)	12.95	—	—
Outstanding as of December 31, 2022	289,669	$ 13.76	4,015,749	$ 15.84

Restricted Stock Units and Performance Stock Units

The Ultimate Parent established other new awards in connection with and subsequent to the IPO, including restricted stock units ("RSUs") and performance stock units ("PSUs"). Awards are eligible to vest provided that the employee remains in continuous service on each vesting date. The RSUs vest ratably in three installments on each of the first three anniversaries of the grant date. The PSUs vest after a three-year performance period. The number of PSUs that vest is contingent on the Ultimate Parent achieving certain performance goals, one being a performance condition and the other being a market condition. The number of PSU shares that vest may range from 0% to 200% of the original grant, based upon the level of performance. The awards are considered probable of meeting vesting requirements, and therefore, the Company has started recognizing expense. For both RSUs and PSUs, if the grantee's continuous service terminates for any reason, the grantee shall forfeit all right, title, and interest in any unvested units as of the termination date.

For RSUs and PSUs with a performance condition the grant date fair value is based upon the market price of the Ultimate Parent's common stock on the date of the grant. For PSUs with a market condition, the Company estimates the grant date fair value using the Monte Carlo valuation model. For all PSUs, the Company reassesses the probability of the achievement of the performance condition at each reporting period.

The range of assumptions used for issued PSUs with a market condition valued using the Monte Carlo model were as follows:

	For the Year Ended	
	December 31, 2022	December 25, 2021
Annual dividend yield	—%	—%
Expected term (years)	2.7-3.0	3.0
Risk-free interest rate	2.32-3.05%	0.2%
Expected volatility	40.9-43.9%	41.2%
Correlation to the index peer group	50.7-59.5%	65.9%

There was approximately $7 million of total unrecognized compensation cost related to the unvested RSUs at December 31, 2022, which is expected to be recognized over a weighted-average vesting period of 2.3 years. In addition, there was approximately $18 million of total unrecognized compensation cost related to the unvested PSUs, which are expected to be recognized over a weighted-average vesting period of 2.2 years.

The following are the Ultimate Parent's restricted stock units and performance stock units granted in conjunction with or after the IPO:

	Unvested Time Units	Weighted Average Grant Date Fair Value, per unit	Unvested Performance Units	Weighted Average Grant Date Fair Value, per unit
Outstanding as of January 14, 2021 (pre-IPO)	—	$ —	—	$ —
Granted post-IPO	81,160	23.11	144,735	24.52
Forfeited/Cancelled	(18,735)	22.18	(37,439)	24.36
Outstanding as of December 25, 2021	62,425	23.38	107,296	24.58
Granted	300,067	27.96	488,488	32.39
Forfeited/Cancelled	(20,424)	26.18	(46,024)	29.22
Vested	(20,465)	23.41	—	—
Outstanding as of December 31, 2022	321,603	$ 27.49	549,760	$ 31.13

Restricted Stock Options

The Ultimate Parent also established and granted restricted stock options ("RSOs") which vest provided that the employee remains in continuous service on the vesting date. The RSOs were granted at the stock price of the Ultimate Parent on the grant date and permit the holder to exercise them for 10 years from the grant date. The options generally vest on each of the fourth anniversaries of the grant date, but such vesting could accelerate for certain options based on certain conditions under the award.

There was approximately $20 million of total unrecognized compensation cost related to the unvested RSOs at December 31, 2022, which is expected to be recognized over a weighted-average vesting period of 3 years.

The following are the Ultimate Parent's restricted stock options granted in conjunction with or after the IPO:

	Time Based Restricted Stock Options Outstanding	Weighted Average Exercise Price	Performance Based Restricted Stock Options Outstanding	Weighted Average Exercise Price
Outstanding as of January 14, 2021	$ 198,984	$ 22.00	—	$ —
Granted post-IPO	3,587,575	26.75	3,621,719	22.00
Forfeited/Cancelled	(77,294)	22.00	(152,239)	22.00
Exercised	(23,705)	21.30	—	—
Outstanding as of December 25, 2021	3,685,560	26.63	3,469,480	22.00
Forfeited/Cancelled	(68,510)	19.50	(190,544)	22.00
Exercised	(23,721)	21.70	—	—
Outstanding as of December 31, 2022	3,593,329	$ 26.79	3,278,936	$ 22.00
Exercisable as of December 31, 2022	676,987	$ 21.94	—	$ —

The fair value of all time based units granted was estimated using a Black-Scholes option pricing model using the following weighted-average assumptions for each of fiscal 2021 and 2020:

	For the Year Ended	
	December 25, 2021	December 26, 2020
Annual dividend yield	—%	—%
Weighted-average expected life (years)	7.0	1.8
Risk-free interest rate	1.3%	0.9%
Expected volatility	40.1%	46.7%

The expected term of the incentive units is based on evaluations of historical and expected future employee behavior. The risk-free interest rate is based on the U.S. Treasury rates at the date of grant with maturity dates approximately equal to the expected life at the grant date. Volatility is based on the historical volatility of guideline public entities that are similar to the Ultimate Parent, as the Ultimate Parent does not have sufficient historical transactions of its own shares to calculate expected volatility. As of December 31, 2022, the Ultimate Parent does not intend to pay dividends or distributions in the future.

Employee Stock Purchase Plan

On January 6, 2021, the Ultimate Parent's Board of Directors approved the Employee Stock Purchase Plan (the "ESPP") and effective January 14, 2021, the Ultimate Parent's shareholders adopted and approved the ESPP. On March 22, 2021, the Ultimate Parent's Board of Directors approved the International Employee Stock Purchase Plan (the "International ESPP"). The ESPP and International ESPP provide employees of certain designated subsidiaries of the Ultimate Parent with an opportunity to purchase the Ultimate Parent's common stock at a discount, subject to

certain limitations set forth in the ESPP and International ESSP. The ESPP and International ESSP plans authorized the issuance of 1,790,569 shares of the Ultimate Parent's common stock. Total contributions to the ESPP were $1 million for the year ended December 31, 2022. 143,707 shares of common stock were purchased under the ESPP as of December 31, 2022. 111,924 of the shares of common stock were purchased on December 28, 2021 related to employee contributions during the year ended December 25, 2021.

The Company recognized equity-based compensation expense of $21 million and $4 million in 2022 and 2021, respectively.

Note 14 - Subsequent Events

The Company evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through May 26, 2023, the date the financial statements were available to be issued and determined that there were no such events requiring recognition or disclosure in the financial statements.

THE FOLLOWING FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED AN OPINION WITH REGARD TO THE CONTENT OR FORM

Consolidated Financial Statements
(Unaudited)

Driven Brands, Inc. and Subsidiaries

For the three months ended
March 30, 2024 and April 1, 2023

DRIVEN BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(in thousands)	March 30, 2024	December 30, 2023
Assets		
Current assets:		
Cash and cash equivalents	$ 172,229	$ 150,581
Restricted cash	657	657
Accounts and notes receivable, net	159,990	146,295
Inventory	66,305	63,612
Prepaid and other assets	25,872	25,031
Related party receivable	342,266	328,953
Income tax receivable	—	3,680
Advertising fund assets, restricted	52,711	45,627
Total current assets	820,030	764,436
Related party receivable	128,144	128,144
Property and equipment, net	376,215	361,330
Operating lease right-of-use assets	400,352	397,211
Deferred commissions	6,643	6,312
Intangibles, net	695,038	703,573
Goodwill	1,226,699	1,238,504
Deferred tax asset	2,368	2,576
Other assets	87,173	55,248
Total assets	$ 3,742,662	$ 3,657,334
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	$ 67,603	$ 51,280
Income taxes payable	50,860	42,446
Accrued expenses and other liabilities	154,456	146,104
Current portion of long-term debt	26,825	26,426
Advertising fund liabilities	33,208	23,392
Total current liabilities	332,952	289,648
Long-term debt, net	2,172,500	2,177,283
Operating lease liabilities	376,787	371,404
Deferred tax liabilities	142,562	141,909
Deferred revenue	32,159	30,507
Accrued expenses and other long-term liabilities	3,318	3,749
Total liabilities	3,060,278	3,014,500
Shareholders' equity:		
Class A common stock, $.01 par value, authorized 60,000,000 voting shares; 56,560,217 shares issued and outstanding at March 30, 2024 and December 30, 2023	565	565
Additional paid-in-capital	303,287	291,426
Retained earnings	395,556	364,781
Accumulated other comprehensive loss	(17,407)	(14,321)
Total shareholders' equity attributable to Driven Brands Holdings Inc.	682,001	642,451
Non-controlling interests	383	383
Total shareholders' equity	682,384	642,834
Total liabilities and shareholders' equity	$ 3,742,662	$ 3,657,334

DRIVEN BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except per share amounts)	Three months ended March 30, 2024	Three months ended April 1, 2023
Revenue:		
Franchise royalties and fees	$ 45,045	$ 43,515
Company-operated store sales	284,229	273,620
Advertising contributions	24,070	21,677
Supply and other revenue	74,160	66,675
Total revenue	427,504	405,487
Operating expenses:		
Company-operated store expenses	168,728	171,286
Advertising expenses	24,070	21,677
Supply and other expenses	35,228	35,987
Selling, general and administrative expenses	96,362	93,638
Acquisition costs	1,700	876
Store opening costs	1,263	948
Depreciation and amortization	18,114	16,186
Asset impairment charges	57	115
Total operating expenses	345,522	340,713
Operating income	81,982	64,774
Other (income) expense, net		
Interest expense, net	28,986	26,853
Loss (gain) on foreign currency transactions, net	3,801	(1,097)
Total other expenses, net	32,787	25,756
Income before taxes	49,195	39,018
Income tax expense	18,420	10,308
Net income	30,775	28,710
Net income attributable to Driven Brands, Inc.	$ 30,775	$ 28,710

DRIVEN BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

in thousands	Common stock, Class A and B	Additional paid-in-capital	Retained earnings	Accumulated other comprehensive income (loss)	Non-controlling interests	Total equity
Balance as of December 31, 2022	$ 565	$ 274,922	$ 209,246	$ (18,728)	$ 370	$ 466,375
Net income	—	—	28,710	—	—	28,710
Other comprehensive income	—	—	—	2,733	—	2,733
Equity-based compensation expense	—	2,564	—	—	—	2,564
Contributions	—	8,280	—	—	—	8,280
Balance as of April 1, 2023	$ 565	$ 285,766	$ 237,956	$ (15,995)	$ 370	$ 508,662

	Common stock, Class A and B	Additional paid-in-capital	Retained earnings	Accumulated other comprehensive income (loss)	Non-controlling interests	Total equity
Balance as of December 30, 2023	$ 565	$ 291,426	$ 364,781	$ (14,321)	$ 383	$ 642,834
Net income	—	—	30,775	—	—	30,775
Other comprehensive (loss)	—	—	—	(3,086)	—	(3,086)
Equity-based compensation expense	—	11,861	—	—	—	11,861
Balance as of March 30, 2024	$ 565	$ 303,287	$ 395,556	$ (17,407)	$ 383	$ 682,384

DRIVEN BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)	Three months ended	
	March 30, 2024	April 1, 2023
Net income	$ 30,775	$ 28,710
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	18,114	16,186
Equity-based compensation expense	11,861	2,564
Loss (gain) on foreign denominated transactions	5,586	(1,096)
Gain on foreign currency derivative	(1,785)	—
(Gain) loss on sale of fixed assets	(6,310)	1,419
Bad debt expense	2,063	36
Asset impairment costs	57	114
Amortization of cloud computing	1,345	—
Amortization of deferred financing costs and bond discounts	2,048	1,922
Provision for deferred income taxes	3,906	3,950
Other, net	5,893	5,349
Changes in assets and liabilities:		
Accounts and notes receivable, net	(16,314)	(50,915)
Inventory	(3,994)	(2,553)
Prepaid and other assets	(1,937)	(7,724)
Related party receivable	(84,523)	25,754
Advertising fund assets and liabilities, restricted	7,650	906
Other assets	(31,615)	(9,209)
Deferred commissions	(331)	455
Deferred revenue	1,659	161
Accounts payable	15,172	22,451
Accrued expenses and other liabilities	70,940	20,764
Income tax payable	8,564	(7,500)
Cash provided by operating activities	38,824	51,744
Cash flows from investing activities:		
Capital expenditures	(24,464)	(45,591)
Cash used in business acquisitions, net of cash acquired	(1,160)	(16,885)
Proceeds from sale-leaseback transactions	4,550	1,298
Proceeds from sale or disposal of businesses and fixed assets	18,249	—
Cash used in investing activities	(2,825)	(61,178)
Cash flows from financing activities:		
Repayment of long-term debt	(7,616)	(5,752)
Repayment of principal portion of finance lease liability	(867)	(753)
Contribution from parent	—	8,280

Other, net	—	(4)
Cash (used in) provided by financing activities	(8,483)	1,771
Effect of exchange rate changes on cash	(943)	108
Net change in cash, cash equivalents, restricted cash, and cash included in advertising fund assets, restricted	26,573	(7,555)
Cash and cash equivalents, beginning of period	150,581	158,804
Cash included in advertising fund assets, restricted, beginning of period	38,537	32,871
Restricted cash, beginning of period	657	657
Cash, cash equivalents, restricted cash, and cash included in advertising fund assets, restricted, beginning of period	189,775	192,332
Cash and cash equivalents, end of period	172,229	148,994
Cash included in advertising fund assets, restricted, end of period	43,462	35,126
Restricted cash, end of period	657	657
Cash, cash equivalents, restricted cash, and cash included in advertising fund assets, restricted, end of period	$ 216,348	$ 184,777

EXHIBIT O

INSURANCE COMPLIANCE FOR MEINEKE CAR CARE CENTERS

INSURANCE COMPLIANCE FOR MEINEKE CAR CARE CENTERS

****THIS MEMO DOES NOT, NOR DO ANY ATTACHMENTS, SERVE AS LEGAL ADVICE. YOU SHOULD CONSULT YOUR INSURANCE AGENT AND MAY CONSULT INDEPENDENT LEGAL COUNSEL IF YOU SO CHOOSE IN ORDER TO DETERMINE WHAT, IF ANY ADDITIONAL, COVERAGE IS MOST SUITABLE FOR YOUR INDIVIDUAL BUSINESS NEEDS. THE REQUIREMENTS REFERRED TO IN THIS MEMO ARE THE MINIMUM STANDARDS REQUIRED UNDER YOUR FRANCHISE AND TRADEMARK AGREEMENT. ****

INSURED: Must list the franchisee(s)-whether a corporation or individual(s).
Must include the location of the Center(s), city and state.
Please also include the Center number anywhere in this insured field.

INSURERS/COMPANIES AFFORDING COVERAGE:
The insurance company name must be listed.

COVERAGES:
The policy numbers, expiration dates and each policy's limits must be stated on the certificate.

DESCRIPTION OF OPERATIONS ETC. (NOTES SECTION):
List all locations and Center numbers, if policy covers more than one Meineke Center. Only the location shown on the certificate of insurance will get the updated information.

AS A MEINEKE FRANCHISEE, YOU ARE RESPONSIBLE FOR OBTAINING THE FOLLOWING MINIMUM INSURANCE COVERAGE:
All Risk Property Insurance - Covers building and contents.

General Liability - Covers injuries to other people and damage to their property. Minimum: $1,000,000 combined single limit.

Garage Keeper's Legal Liability (also known as Auto Physical Inventory) - Covers automobiles on the premises. This must be obtained in addition to general liability and must be listed specifically with the total amount of coverage.
Minimum: $20,000 per bay of Center.

AS A MEINEKE FRANCHISEE, YOU MUST NAME AS ADDITIONAL INSURED:
"Meineke Franchisor SPV LLC, its parents, subsidiaries, affiliates and assigns." It is correct to state "Certificate Holders are listed Additional Insureds" as long the entire verbiage is listed along with the corporate office's full address (440 South Church Street, Suite 700, Charlotte, North Carolina 28202) under

"Certificate Holder." (For Canadian Meineke Centers, Meineke Canada Company must also be listed).

IT IS ALSO RECOMMENDED THAT YOU OBTAIN:

Umbrella Coverage (optional but recommended) - Liability in excess of "Garage Liability." This is usually in increments of a million dollars and normally very inexpensive.

Worker's Compensation - Covers work related accidents to you and your employees. This is usually required by law.

Other options include: Business Interruption, Auto, Plate Glass, Signs, and Key Man Business Life.

Equipment leasing company is named as additional insured, if applicable.

PLEASE NOTE:

If we receive **Notice to Cancel** on a policy and no reinstatement is received, then our file will indicate the policy has been canceled. Therefore, it is imperative that this office following a notice to cancel receives a new certificate or reinstatement.

Thank you for your attention to this matter. If you have any questions, please contact the Legal Department at (704) 377-8855. Our fax number is (704) 358-4706.

EXHIBIT P

ADDITIONAL DOCUMENTATION REQUIRED FOR BOTH THE PURCHASE OF A NEW LICENSE AND FOR THE RESALE OF AN EXISTING LICENSE

EXHIBIT P-1

SIDE A - *CONFIDENTIAL - PERSONAL INFORMATION*
FINANCIAL QUALIFICATION FORM

Name (print) _____ **Zip Code** _____ **SS#** _____

Name of Spouse (print) _____ **SS#** _____

Statement of Financial Condition as of _____ **(date)**

ASSETS		LIABILITIES	
Cash on Hand and/or in Banks*		Notes Payable to Banks	
Stocks & Bonds*		Notes Payable to Others	
Gov't & Marketable Securities*			
401 K, IRA, Pension Fund*			
Real Estate-residence-Value		Real Estate Mortgage Payable - Home	
Real Estate-other-Value		Real Estate Mortgage Payable - Other	
Other Assets-Itemize		Other Debts - Itemize	
TOTAL ASSETS		TOTAL LIABILITIES	

Personal Bank References (attach copies of recent bank statements):

Name of Bank & Branch: Acct #	Tele. No.: Contact Person:
Name of Bank & Branch: Acct #	Tele. No.: Contact Person:

***Verification of Assets:** **Please attach recent copies of the following items shown above. Check if attached.**

Bank Statements ☐ Government & Marketable Securities ☐

Stocks & Bonds ☐ 401K, IRA, Pension Fund ☐

Contingent Liabilities:

	Yes	No	Estimated Amounts
Do you have any contingent liabilities (endorser/guarantor/contracts, etc.)?	☐	☐	$
Other special debt or circumstances?	☐	☐	$
Have you, or any business where you were an officer or owner, ever declared Bankruptcy?	☐	☐	

DISCLOSURE and AUTHORIZATION OF INVESTIGATION

I understand you may utilize the services of a consumer reporting agency to verify the information I have provided on my Financial Qualification Form and to evaluate my qualifications as a Meineke franchisee.

I understand the investigation may include obtaining information regarding my creditworthiness, credit standing, credit capacity, character, general reputation, personal characteristics or mode of living and will be obtained for the purpose of evaluating my qualifications and verifying the information contained in my Financial Qualification Form.

I hereby authorize you to obtain a consumer report or make other inquiries about the information described herein and hereby release you, your employees, representatives and agents from any liability as a result of the reporting of such information.

Signature of Applicant _____ Date _____

Signature of Applicant _____ Date _____

If you want us to consider the assets of your existing business as part of your qualification process, in addition to the Personal Information above, please request Side B - Business Information.

SIDE B - ***BUSINESS INFORMATION*** ***(Also Complete Personal Information,*** **SIDE A*)***

FINANCIAL QUALIFICATION FORM

Existing Business Name (print) _____ **Federal ID#** _____

Statement of Financial Condition as of _____ **(date)**

How is your business legally structured?

Sole Proprietorship ☐ Partnership ☐ S Corporation ☐ U. S. Corporation ☐

ASSETS

Cash on Hand and/or in Banks	
Trade notes & accounts receivable	
Inventories	
Machinery & Equipment	
Furniture & Fixtures	
Other Current Assets	
Real Estate-Buildings-(less deprec.)	
Real Estate - Land	
Intangible Assets	
Other Assets (itemize)	
TOTAL ASSETS	

CURRENT LIABILITIES

Accounts Payable	
Accruals (including tax)	
Other Current Liabilities	
TOTAL LIABILITIES	

FUNDING

Real Estate Long Term Debt	
Other 3rd Party Long Term Debt	
Loans from Shareholders	
Equity	
TOTAL FUNDING	

Name of Corporation

State of Incorporation Federal Tax ID#

Business Bank References (attach photocopies of recent bank statements):

Name of Bank & Branch:	Acct #	Tele. No.:	Contact Officer:
Name of Bank & Branch:	Acct #	Tele. No.:	Contact Officer:

Trade References:

Name of Supplier:	City/State	Tele. No.:	Contact Person:
Name of Supplier:	City/State	Tele. No.:	Contact Person:

Contingent Liabilities:

	Yes	No	Estimated Amounts
Does your business have any contingent liabilities (endorser/contracts/leases, etc.)?	☐	☐	$
Other special debt or circumstances?	☐	☐	$
Has your business ever declared Bankruptcy?	☐	☐	

Officers, Directors, Partners, Owners & Co-Owners of your business:

Name:	Title:
Name:	Title:
Name:	Title:

DISCLOSURE and AUTHORIZATION OF INVESTIGATION

I, on behalf of the corporation, understand that you may utilize the services of a consumer reporting agency to verify the information provided on the corporation's franchise application and to evaluate the corporation's qualifications.

I understand the investigation may include obtaining information regarding the corporation's creditworthiness, credit standing, credit capacity, standing in the business community, general reputation and will be obtained for the purpose of evaluating the corporation's qualifications and verifying the information contained in its franchise application.

I, on behalf of the corporation hereby authorize you to obtain a consumer report or make other inquiries about the information described herein and hereby release you, your employees, representatives and agents from any liability as a result of the report of such information.

Signature of Applicant _____ Title _____ Date _____

EXHIBIT P-2

CORPORATE/COMPANY INFORMATION SHEET

1. Name of Corporation/Company: _____

2. State of Incorporation/Organization: _____

3. Date of Incorporation/Organization: _____

4. End of Fiscal Year: _____

5. Tax ID No. _____

6. List all Stockholders/Members

_____ _____Percent Owned

_____ _____Percent Owned

_____ _____Percent Owned

_____ _____Percent Owned

_____ _____Percent Owned

_____ _____Percent Owned

7. List all Directors/Managers

_____ _____

_____ _____

8. List all Officers (President, Vice President, Treasurer, Secretary, etc.)

_____ _____

_____ _____

9. Name of Operating Partner (person who will be responsible for the operation of the Center on a daily basis)

_____

10. Name of contact person for the corporation/company:

_____

11. Address where mail, including newsletters, is to be sent:

_____

12. Phone Number for Corporation/Company: _____

13. Name and address of the Registered Agent for the corporation/company:

_____

_____

14. Has a d/b/a been filed with your Secretary of State, which indicates the corporation or company operates under the fictitious name **Meineke Car Care Center**?

Note: Franchisee is responsible for notifying Meineke Franchisor SPV LLC of any changes in the above information.

EXHIBIT P-3

SPECIAL STOCKHOLDERS OR MEMBERS

All shareholders, members, Directors and/or Managers being present in person or proxy hereby waive any requirements for notice of this special meeting, the purpose of which is to enter into an agreement to restrict the sale of the corporate stock and/or membership interest. This action is required in order to facilitate assignment of a License Agreement entered into by one or more of the shareholders and/or members.

After full discussion, a vote was taken separately by the shareholders, members, Directors and/or Managers, and it was unanimously agreed by each to restrict the sale of corporate stock and/or membership interest as follows:

RESOLVED, that the corporation's shares and/or membership interest in the franchise shall not be sold, assigned, pledged, mortgaged, hypothecated or otherwise transferred without the prior written consent of Meineke Franchisor SPV LLC. Additionally, in the case of a corporation, all share certificates issued by the corporation shall have conspicuously endorsed thereon the following legend:

> "The sale, assignment, pledge, mortgage, hypothecation or other transfer of the shares or membership represented by this certificate and/or agreement are subject to the terms and conditions of a Franchise and Trademark Agreement/License Agreement dated the _____by and between Meineke Franchisor SPV LLC and_____."

SHAREHOLDERS/MEMBERS **(DATE SIGNED)**

_____ _____

_____ _____

_____ _____

_____ _____

DIRECTORS/MANAGERS **(DATE SIGNED)**

_____ _____

_____ _____

_____ _____

EXHIBIT P-4

RESOLUTION ADOPTED BY UNANIMOUS WRITTEN CONSENT OF THE BOARD OF DIRECTORS TO ASSUME MEINEKE FRANCHISE #_____

WE, the undersigned, as being all of the members of the Board of Directors, as presently constituted, of _____ a corporation organized under the laws of _____ do by this writing consent to take the following action and adopt the following resolution:

BE IT RESOLVED that the Corporation is authorized to enter into that one certain Meineke Franchise and Trademark Agreement to operate a Meineke Car Care Center as a franchisee for Meineke Car Care Center #_____.

BE IT FURTHER RESOLVED that the officers of the Corporation shall be authorized to execute on behalf of the Corporation any agreement with Meineke Franchisor SPV LLC reasonably required to effectuate this Franchise and Trademark Agreement and the franchise relationship, and any such collateral documents necessary to operate this franchise.

DATED as of this ____ day of _____ _____.

_____
Director

_____
Director

Corporate Seal:

_____
Director

_____
Director

_____
Director

_____
Director

EXHIBIT P-5

INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT
COMPLIANCE QUESTIONNAIRE

Pursuant to 50 USC §1701 the franchisee applicant is requested to complete the following:

1. Were you born in the U.S.? θ YES θ NO

2. If NO, are you a U.S. citizen? θ YES θ NO

3. If you are not a U.S. citizen,

   a. Of what country are you a citizen? _____

   b. What is your immigration status? _____

4. Identification/Social Security No. _____

5. Please provide a copy of a picture I.D. (example, driver's license, passport, etc.)

The undersigned(s) represent that neither you nor anyone having an ownership or other interest in the Meineke franchise that you are purchasing ("Franchisee"), nor any affiliate, parent, child or spouse of Franchisee, supports terrorism, provides money or financial services to terrorists, or is engaged in terrorism, is on the current U.S. government list of organizations that support terrorism, nor has engaged in or been convicted of fraud, corruption, bribery, money laundering, narcotics trafficking or other crimes, and all are eligible under applicable U.S. immigration laws to travel to the United States for Meineke training and to open and operate a Meineke Car Care Center or similar business.

_____	_____
Signature	Signature
_____	_____
Print Name	Print Name
_____	_____
Date	Date

EXHIBIT Q

ADDITIONAL DOCUMENTATION REQUIRED FOR THE RESALE OF AN EXISTING LICENSE

EXHIBIT Q-1

meineke®

RESALE QUALIFICATION QUESTIONNAIRE

PERSONAL INFORMATION

1. Name: _____
   Last First Middle

2. Other names known by: _____

3. Spouse's Name: _____
   Last First Middle

4. Present Address: _____
   Street Apt. #

   _____
   City State Zip Code

5. Telephone Information:

   Home: ( ) _____

   Fax: ( ) _____

   Cell: ( ) _____

6. E-mail address: _____

7. Identification/Social Security No. _____

8. Date of Birth: _____

9. Have you ever been convicted of a felony? o YES o NO

   If Yes, please describe (including type of felony and date of conviction):
   _____
   _____
   _____

EDUCATIONAL BACKGROUND

Schools Attended	Years	Grade or Degree Attained

EXPERIENCE

1. Current Employer: _____

   Position: _____

   Nature of Business: _____

   Address: _____
   _____
   _____

2. Are you currently, or have you ever been, a partner or owner of a business?
   o YES o NO If so, please describe.

_____
_____
_____

3. Have you ever worked in the automotive aftermarket?
   o YES o NO If so, please describe.

_____
_____
_____

4. Have you ever supervised two or more employees? o YES o NO

5. Have you ever sold services or products? o YES o NO

6. Do you have any friends or family who are Meineke franchisees? o YES o NO

INTERESTS/HOBBIES

_____
_____
_____

FINANCIAL INFORMATION

1. Are you a homeowner? o YES o NO

2. Do you own real estate other than your own home? o YES o NO

3. Have you or your spouse filed bankruptcy in the past seven years?

   o YES o NO

   If Yes, please describe: _____
   _____
   _____

4. Have you ever received a Small Business Administration (SBA) loan?

   o YES o NO

5. Current household income (you and your spouse combined):

   o $45,000 - $75,000 o $75,000 - $100,000
   o $100,000 - $150,000 o $150,000 +

6. Estimated value of currently owned real estate:

   o $50,000 - $100,000 o $100,000 - $300,000
   o $300,000 - $500,000 o $500,000 +

7. Estimated value of 401K, IRAs, pension or retirement funds:

   o $50,000 - $100,000 o $100,000 - $250,000
   o $250,000 - $500,000 o $500,000 +

8. Estimated current liquid assets (checking, savings, stocks, bonds):

   o $5,000 - $25,000 o $25,000 - $45,000
   o $45,000 - $100,000 o $100,000 +

9. Estimated capital to invest in a Meineke Center: $_____

10. Estimated value of personal property (autos, boats, home furnishings, jewelry, collectibles):

o $50,000 - $75,000 o $75,000 - $125,000

o $125,000 - $200,000 o $200,000 +

11. Estimated total liabilities/debt:
(Real estate mortgages, loans, credit card balances, notes) $ _____

_____

EXHIBIT Q-2

PRELIMINARY SIGN PROGRAM WORKSHEET

Center No. _____

1. Please give the dimensions (length/width/height) of each side of your Center:

_____
Front

_____
Right Side (as seen facing the building)

_____
Left Side (as seen facing the building)

_____
Back

2. Please give the pole sign cabinet dimensions (height/width):

_____

3. Please attach to this worksheet copies of any local sign ordinances which may affect the replacement of signage at/on your center location.

4. Please submit current pictures of your Center location including the pole sign(s), and building sign(s).

EXHIBIT Q-3

"DATE"

Meineke Franchisor SPV LLC
440 South Church Street, Suite 700
Charlotte, North Carolina 28202

RE: Seller's request for notice of default

Dear Meineke:

I am selling my Meineke Car Care Center Number #"CENTER NO." to a third party who has been, or is in the process of being approved by you for this resale. In conjunction, with this purchase and sale of the franchised center, I am financing a portion of the sales price. In that regard, I am retaining a security interest in the assets of the franchised center, including the Meineke franchise license. At the closing the purchasing franchisee will be required to sign a promissory note, security agreement and UCC-1 Financing Statements. Under the terms of the Security Agreement the Purchaser shall be required, among other things to be current in his obligations to Meineke under the terms of their governing Franchise and Trademark Agreement. Additionally, under the terms of the Security Agreement, the Purchaser shall be in default of the Security Agreement and subject to foreclosure of his interest in the franchised center if he is in default of his promissory note with me or he is in default of his obligations to Meineke under the terms of the Franchise and Trademark Agreement.

In order to maintain the integrity of the Security Agreement by this letter, the undersigned is requesting that you forward to me at the address listed below a copy of any notices of default and/or termination, and that I be given the opportunity to cure such defaults on the same basis as the purchaser. Provided that failure to do so shall not constitute a waiver of Meineke's right to terminate the subject franchise.

By this letter the undersigned also acknowledges that in the event that he wishes to retake possession of the franchise license and continue operating this Meineke Car Care Center in the event of a default by the purchaser he will repay to Meineke all then outstanding franchise fees, advertising contributions and merchandise account balances that are then owed by the purchaser to Meineke. Additionally, the undersigned will execute any and all documents Meineke reasonably requires in order to effectuate the transfer of the franchise to the undersigned.

By this letter the undersigned also acknowledges that he shall be responsible for all outstanding warranty work and intershops that were generated by or on behalf of the center prior to the date of repossession.

Very truly yours,

By: _____
"FRANCHISEE"

ACKNOWLEDGMENT PAGE ATTACHED

Agree to in form and substance.

Meineke Franchisor SPV LLC

By: _____
Authorized Representative

"PURCHASER"

By: _____
"AUTHORIZED REPRESENTATIVE"

EXHIBIT Q-4

RESALE PURCHASER ENTITY

1. If planning to purchase as an individual(s), please provide the following information:

Name: _____

Address: _____

_____

_____

Social Security Number: _____

2. If planning to purchase as a partnership/company/corporation, please provide the following information:

Entity Name: _____

Entity Type: _____

Address: _____

_____

_____

Guarantors/Officers:

_____

_____

Guarantor/Officer Percentage of Ownership Interest:

_____

_____

Guarantor/Officer Addresses:

_____

_____

_____

_____

Guarantor/Officer Social Security Numbers:

_____

_____

EXHIBIT Q-5

CONFIDENTIALITY AGREEMENT

THIS AGREEMENT is made by "TRAINEE" ("Trainee") for the benefit of Meineke Franchisor SPV LLC ("Meineke").

WHEREAS, Trainee desires to become a Meineke franchisee and purchase Meineke Car Care Center # "CENTER#" pursuant to a resale of the license for said Center from "SELLER";

WHEREAS, the resale of the Center has not yet been completed and Trainee has not yet signed the Meineke Franchise and Trademark Agreement, that he is required to do prior to being granted a license for said Center and the resale of the above referenced Center being approved;

WHEREAS, Trainee desires to attend the Meineke initial training course at Meineke's training center in Charlotte, North Carolina;

WHEREAS, during the Meineke training course, Trainee will become privy to information, procedures and techniques about the Meineke System (defined below), which Trainee acknowledges are not available to the public and which he acknowledges constitute confidential and proprietary information belonging to Meineke and its affiliates; and

WHEREAS, Meineke will not allow Trainee to attend training unless he executes this Confidentiality Agreement.

NOW THEREFORE, in consideration for Meineke allowing Trainee to begin his training prior to the completion of the resale and prior to the execution of the Meineke Franchise and Trademark Agreement by Trainee, and for other good and valuable consideration, the receipt of which is hereby acknowledged, Trainee agrees as follows:

1. Trainee shall execute this Confidentiality Agreement and return it to Meineke's corporate offices in Charlotte, North Carolina on or before, the first day of training.

2. During the time period that Trainee attends training, Trainee acknowledges that he may be furnished information regarding the Meineke system (the "Meineke System"), including, but not limited to, Meineke products and services, inventory makeup, proforma pricing, training procedures, advertising concepts, advertising placement, promotional material or plans, the development of center procedures and other information designated by Meineke to allow the licensee to better compete in the automotive aftermarket. All of this information Meineke deems to be confidential and proprietary, and which shall be held by Trainee in confidence during and after his period of training ("Confidential Information").

3. Trainee agrees that at no time will he disclose any of the Confidential Information, or any other information not specifically designated by Meineke for release to the public that may come into his possession or to his attention whether written or oral, to any third party or for the benefit of any third party, whether an individual, partnership or corporation, except as is absolutely necessary in the operation of Meineke Car Care Center # "CENTER#".

4. In the event that Trainee does not execute the Meineke Franchise and Trademark Agreement and does not become a Meineke franchisee for Meineke Car Care Center # "CENTER#", Trainee shall not use the information obtained during the Meineke training course for the purposes of operating any business similar to that of a Meineke Car Care Center.

5. For purposes of this Agreement, the restrictions on the use and disclosure of Confidential Information shall not include the following:

(A) information that was in the public domain at the time of such disclosure;

(B) information that is published or otherwise becomes part of the public domain after disclosure to the Trainee; and

(C) information for which Trainee is called upon to disclose through court proceedings or to governmental agencies.

6. This Confidentiality Agreement between the parties relative to the subject matter contained herein, and all prior understandings, representations and agreements made by and between the parties relative to the context contained in this Confidentiality Agreement are merged into this Agreement. In the event that Trainee subsequently executes a Meineke Franchise and Trademark Agreement for Meineke Car Care Center # "CENTER#", then the terms of this Confidentiality Agreement shall be superseded by the terms of the then governing Meineke Franchise and Trademark Agreement for Meineke Car Care Center # "CENTER#". In the event that there should rise a conflict between the terms of this Confidentiality Agreement and the Meineke Franchise and Trademark Agreement for Meineke Car Care Center # "CENTER#" executed by Trainee, if any, then the terms of the Meineke Franchise and Trademark Agreement shall control. This Confidentiality Agreement shall be binding upon and inure to the benefit of the parties, their officers, directors, affiliates, successors and assigns.

7. This Confidentiality Agreement shall not be modified in any manner, except in a written instrument signed by all parties.

8. This Agreement, including all matters relative to the validity, construction and performance and enforcement thereof, shall be governed by the laws in the state of North Carolina.

9. All claims, suits or causes of action arising directly under this Agreement shall be brought exclusively in a court of appropriate jurisdiction located in the Western District of North Carolina, or Mecklenburg County, North Carolina.

Executed and agreed to this _____ day of _____, _____.

_____

"NAME OF TRAINEE", Trainee

EXHIBIT R

SMALL MARKET ADDENDUM

SMALL MARKET ADDENDUM

THIS SMALL MARKET ADDENDUM ("Addendum") is made by _____ ("Franchisee") and is given to Meineke Franchisor SPV LLC ("Meineke") relative to Franchisee's placement of a Meineke Car Care Center.

WHEREAS, Meineke is the national franchisor of Meineke Car Care Centers located throughout the United States;

WHEREAS, the Franchisee wishes to execute the current Meineke Franchise and Trademark Agreement ("Agreement"), which provides that Meineke will not operate, nor grant others the right to operate, more than 1 Meineke Center for every 50,000 motor vehicles (i.e., automobiles and light trucks that are licensed to operate on public highways) registered in the Market Area at the time each Meineke Center is opened;

WHEREAS, the Franchisee desires to open and operate a Meineke franchise in _____, which is recognized by the parties as a location that does not fall within the definition of the above referenced defined terms, and is in an undefined area that does not contain 50,000 registered motor vehicles;

WHEREAS, Franchisee recognizes that the license being granted to him is the only license granted for the area that he has chosen to open his Meineke Car Care Center; and

WHEREAS, notwithstanding the fact that there are fewer than 50,000 motor vehicle registrations in the market in which he intends to open his Meineke Car Care Center, Franchisee wishes to proceed with the opening of this franchise and is willing to execute this Addendum.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt of which is hereby acknowledged the parties to this Addendum agree as follows:

1. Franchisee expressly waives the 50,000 registered vehicle provisions in Section 2.3 of the governing Franchise and Trademark Agreement and any provision in the Meineke Franchise and Trademark Agreement which refers to the 50,000 registered motor vehicle limitations.

2. In all other respects the Franchise and Trademark Agreement shall remain in full force and effect. In the event a conflict arises between the terms and conditions of the Franchise Agreement and the terms and conditions of this Addendum, this Addendum shall control. Nothing in this Addendum shall act to cancel or be used to avoid any of the ongoing obligations contained in the Meineke Franchise and Trademark Agreement except as modified by this Addendum.

Dated this the ___ day of _____, _____.

_____ _____

Witnessed By: _____

Print Name: _____

Meineke Franchisor SPV LLC

By: _____

EXHIBIT S

AREA DEVELOPMENT AGREEMENT

MEINEKE FRANCHISOR SPV LLC

AREA DEVELOPMENT AGREEMENT

_____

Developer

_____, 20___

Effective Date

MEINEKE FRANCHISOR SPV LLC
AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT (the "Agreement") between **MEINEKE FRANCHISOR SPV LLC** ("Franchisor" or "Meineke"), a Delaware limited liability company, with its principal place of business located at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 and _____ ("Developer"), a(n) _____, with its principal place of business located at _____, is made and entered into as of the date appearing below our signature line at the end of this Agreement (the "Effective Date"). Each of Franchisor and Developer may be referred to herein as a "Party" and, collectively, as the "Parties."

1. BACKGROUND.

Franchisor and its Affiliates have developed and own certain unique and specialized training, management and marketing techniques, and other procedures and methods used in connection with the development, operation, and promotion of Meineke Car Care Centers.

Franchisor grants to qualified persons franchises to own and operate within a designated geographic area multiple Meineke Car Care Centers offering the products and services authorized and approved by Franchisor and utilizing Franchisor's business systems, formats, methods, specifications, standards, operating procedures, and operating assistance. Developer has applied for development rights to own and operate Meineke Car Care Centers within the geographic area designated in this Agreement, and such application has been approved by Franchisor in reliance upon all of the representations made therein.

Developer hereby acknowledges that Developer understands and accepts the terms, conditions and covenants contained in this Agreement as being necessary to maintain Franchisor's high standards of quality and service and the uniformity of those standards at Meineke Car Care Centers.

2. DEFINITIONS.

In addition to the terms that are defined in other parts of this Agreement, the following terms have the indicated meanings:

"AAA" - See Section 22.2.

"Affiliate" - Any person or Entity (as defined below) that directly or indirectly owns or controls the referenced party, that is directly or indirectly owned or controlled by the referenced party, or that is under common control with the referenced party.

"Applicable Laws" - All relevant or applicable national, state, and local laws, including statutes, rules, regulations, ordinances, directives, and codes.

"Approved Affiliate" - See Section 5(e).

"Competitive Business" - Any enterprise that offers or sells any of the Core Authorized Products and Services, provided that, for purposes of this Agreement, the following will not be deemed a Competitive Business: (i) any other Meineke Car Care Center operated under a franchise agreement with Franchisor; (ii) any other automotive business franchised by Driven Brands Holdings Inc. or its subsidiaries; or (iii) any enterprise (A) that offers and sells products and services that Franchisor considers to be Core Authorized Products and Services, other than repair and replacement of exhaust system components, brake system

components and ride system components, (B) that Developer or its Affiliates owned and were operating prior to the date that such product or service is designated as an authorized product or service (even if such designation is on a test basis), and (C) that Developer fully disclosed to Franchisor in writing before the date such product or service is designated an authorized product or service.

"Confidential Information" - Franchisor's proprietary and confidential information relating to the development and operation of Meineke Car Care Centers, including: (1) technical information and expertise relating to authorized products and services and the equipment used in connection therewith; (2) site selection criteria for Meineke Car Care Centers; (3) sales, marketing and advertising programs, algorithm and techniques for Meineke Car Care Centers; (4) knowledge of operating results and financial performance of Meineke Car Care Centers, other than Developer's or its Affiliates' Meineke Car Care Centers; (5) comprehensive methods of operating Meineke Car Care Centers, including pricing information, royalty and advertising contribution rates, and inventory mix; (6) computer software programs; and (7) Internet training modules. "Confidential Information" does not include information, knowledge or know-how that is or becomes generally known in the automotive service industry (without violating an obligation to Franchisor or its Affiliates) or that Developer knew from previous business experience before Franchisor provided it to Developer (directly or indirectly) or before Developer began training or operating Meineke Car Care Centers. If Franchisor designates any information or materials as Confidential Information, anyone who claims that it is not Confidential Information must prove that the exclusion in this paragraph is fulfilled.

"Core Authorized Products and Services" - Repair and replacement of exhaust system components, brake system components, shocks and struts, and any other authorized products and services that Franchisor designates from time to time to be products or services central to the operation of Meineke Car Care Centers.

"Development Area" - See Section 3.1.

"Development Fee" - See Section 7.1.

"Development Incentive Addendum" - See Section 6.

"Development Rights" - See Section 3.1.

"Development Schedule" - See Section 3.1.

"Entity" – Collectively, a corporation, a limited liability company, a general, limited, or limited liability partnership, or another form of business entity.

"Event" - See Section 20.

"Franchise Agreement" - See Section 6.

"Franchise Agreement Execution Deadline" - The applicable date set forth in the Development Schedule by which Developer (or its Approved Affiliate) must sign a Franchise Agreement for a particular Center.

"Franchisor Indemnitees" - See Section 20.

"Guaranty" - See Section 3.2.

"Initial Franchise Fee" - See Section 7.2.

"Losses and Expenses" - Losses, liabilities, claims, penalties, actual damages (compensatory, exemplary, and punitive), fines, payments, attorneys' fees, experts' fees, court costs, costs associated with investigating and defending against claims, settlement amounts, judgments, assessments, compromises, compensation for damages to Franchisor's reputation and goodwill, and all other costs associated with any of the foregoing losses and expenses.

"Managing Director" - See Section 8.

"Marks" - Franchisor's current and future trademarks, service marks and trade dress, including the mark Meineke®, that Franchisor authorizes Meineke franchisees to use.

"Meineke Car Care Centers" or "Centers" - Automotive maintenance and repair businesses that Franchisor or its Affiliates operate, or that Franchisor grants others the right to operate, and that offer and sell the products and services using the Marks and the System.

"Opening Deadline" - The applicable date set forth in the Development Schedule by which Developer (or its Approved Affiliate) must open a particular Center.

"Operations Manual" - Franchisor's confidential operations manual, as amended from time to time, that may consist of one or more written manuals (including training manuals), containing Franchisor's mandatory and suggested standards, specifications and operating procedures relating to the development and operation of Meineke Car Care Centers and other information relating to Developer's obligations under this Agreement. "Operations Manual" also includes alternative or supplemental means of communicating such information by other media which specifically reference that they are to be considered to be part of the Operations Manual, including bulletins, e-mails, video and audio recordings, websites and other electronic media.

"Owner" - Any person or Entity that has a 10% or greater direct or indirect legal or beneficial ownership interest in Developer, if Developer is an Entity.

"Permitted Businesses" - See Section 4.

"Secure Deadline" - The applicable date set forth in the Development Schedule by which Developer (or its Approved Affiliate) must execute a purchase agreement, lease, or sublease for a particular Center in accordance with Section 5(b).

"System" - The business methods, systems, designs and arrangements for developing and operating Meineke Car Care Centers that include the Marks; the Confidential Information; standards and specifications for equipment; service standards; training and assistance; advertising and promotional programs; and certain operations and business standards and policies.

"Term" - See Section 3.1.

"Third-Party Claim" - See Section 20.

3. GRANT OF DEVELOPMENT RIGHTS.

3.1 Development Rights. Subject to the terms of this Agreement, Franchisor grants to Developer the non-exclusive right (the "Development Rights") to develop the number of new franchised Meineke Car Care Centers specified in the schedule set forth in Exhibit B (the "Development Schedule") within the area described in Exhibit A to this Agreement (the "Development Area"). The term of this

Agreement will commence on the Effective Date and end on the earlier of: (a) the final Opening Deadline in the Development Schedule; or (b) the date on which the last Center required to be developed hereunder opens for business (the "Term"). Developer (or an Approved Affiliate) shall develop, open, and maintain in operation Centers in accordance with the Development Schedule. At least 30 days prior to the end of each calendar year during the Term, Developer will submit to Franchisor a business plan and budget for the development and opening of Centers for the next calendar year or portion thereof (if applicable). Upon expiration of the Term, Developer shall have no further right to develop or open new Centers in the Development Area, except as may be mutually agreed by the Parties. Developer agrees and acknowledges that Developer's acquisition from another franchisee or Franchisor of an existing Meineke Car Care Center located in the Development Area, or a Meineke Car Care Center located in the Development Area that has been closed for fewer than 12 months, will not be deemed a new Center and, accordingly, will not count towards Developer's development obligations under the Development Schedule.

3.2 Business Entity Developer. If Developer is, at any time, an Entity:

(a) Upon Franchisor's request, Developer agrees to provide Franchisor with copies of Developer's governing documents and any other Entity documents, books, or records, including certificates of good standing from the state of Developer's formation. During the Term, Developer's governing documents shall recite that the issuance and transfer of any interest in Developer is restricted by the terms of Section 14, and all issued and outstanding stock certificates of Developer shall bear a legend reflecting or referring to the restrictions of Section 14.

(b) Developer and each Owner represent, warrant and agree that Exhibit E, attached hereto and incorporated herein by reference, is current, complete and accurate. Developer agrees to update Exhibit E promptly so that Exhibit E (as so revised and signed by Developer) is at all times current, complete and accurate.

(c) Upon Developer's execution of this Agreement (or, if Developer is not then an Entity, at any such time that Developer becomes an Entity (including in the event that this Agreement is transferred to an Entity in accordance with Sections 14 and/or 15 (as applicable))), each individual Owner shall execute Franchisor's then-current form of personal guaranty of Developer's obligations (the "Guaranty"), the current form of which is attached hereto as Exhibit D. In addition, any individual that becomes such an Owner at any time after the Effective Date, whether pursuant to Sections 14 and/or 15 or otherwise, shall, as a condition of becoming an Owner, execute the Guaranty. Developer represents and warrants to Franchisor that, as of the Effective Date (or, if Developer is not then an Entity, upon such Owners' execution of the Guaranty), at least one such guaranteeing Owner satisfies the Guarantor Net Worth Threshold (as defined in the Guaranty) and agrees that at least one such guaranteeing Owner shall continue to satisfy the Guarantor Net Worth Threshold at all times during the Term. Developer agrees to, and shall cause Owners to, cooperate reasonably with Franchisor in connection with all auditing and reporting requirements relating to the Guarantor Net Worth Threshold requirement, whether contained in this Agreement or the Guaranty.

4. NO EXCLUSIVITY.

Developer acknowledges and agrees that: (a) its right to develop Meineke Car Care Centers in the Development Area under this Agreement is non-exclusive; (b) Franchisor and its Affiliates retain the absolute right to develop and operate, and license third parties to develop and operate, during and after the Term, any business under any name, including Meineke Car Care Centers, in any geographic area, including the Development Area ("Permitted Businesses"), regardless of the proximity to or effect on the Centers developed hereunder or otherwise operated by Developer and/or its Affiliates (including Approved Affiliates); and (c) Permitted Businesses may directly compete with the Centers developed hereunder or

otherwise operated by Developer and/or its Affiliates (including Approved Affiliates). Developer waives, to the fullest extent permitted under Applicable Law, all claims, demands, and causes of action arising from or related to Franchisor's or its Affiliates' operation and/or licensing of any Permitted Business and agrees that Franchisor's or its Affiliates' operation and/or licensing of any Permitted Business will not give rise to any liability on the part of Franchisor or its Affiliates, including liability or damages for claims of unfair competition, breach of contract, or breach of the implied covenant of good faith and fair dealing.

5. GRANT OF FRANCHISES.

Franchisor will grant Developer a franchise for the operation of a Meineke Car Care Center at a proposed site within the Development Area upon Franchisor's written approval of a completed application submitted by Developer in accordance with the form reasonably prescribed by Franchisor, as may be modified from time to time, subject to the following:

(a) The site which Developer proposes for a Meineke Car Care Center within the Development Area is a suitable site for a Meineke Car Care Center based upon reasonable criteria established by Franchisor in its sole discretion from time to time;

(b) Developer (or, if applicable, an Approved Affiliate) will secure, by purchase, lease or sublease the site in the form and manner prescribed by Franchisor, which may include the use of a form of lease prepared by Franchisor and submitted to Developer for its use. The lease, whether the form of which is the form of lease prepared by Franchisor or the form of lease mandated by the landlord of the site, must be submitted to Franchisor prior to execution for Franchisor's examination and approval to ensure that it contains the terms Franchisor requires in all leases. Developer must provide Franchisor with a copy of the executed lease within 10 days after execution by Developer (or, if applicable, an Approved Affiliate) and the landlord;

(c) Developer, Owners, and, if applicable, any Affiliates (including Approved Affiliates) are in compliance with this Agreement, each Franchise Agreement, and any other agreement with Franchisor or its Affiliates (as evidenced by the fact that Meineke has not issued a notice of default that has remained uncured);

(d) Developer and Owners have furnished all information Franchisor reasonably requires in evaluating Developer's application; and

(e) If Developer's Owners desire to establish an Entity to operate a Meineke Center to be developed pursuant to this Agreement, and that new Entity's ownership is not completely identical to Developer's ownership, Developer must seek Franchisor's approval for that new Entity to develop and operate the proposed Meineke Center as an "Approved Affiliate." Franchisor may refuse any such request if Developer and/or Owners do not (1) own and control at least two-thirds of the new Entity's ownership interests and (2) have the authority to exercise voting and management control of the Meineke Center proposed to be owned by the new Entity. For the avoidance of doubt, if the new Entity's ownership is completely identical to Developer's ownership, that Entity automatically will be considered an "Approved Affiliate" without further action.

6. FRANCHISE AGREEMENTS AND DEVELOPMENT INCENTIVE ADDENDUM.

To maintain Developer's rights under this Agreement, Developer (or an Approved Affiliate) must sign franchise agreements for, develop, and open for business the specified number of Centers within the Development Area by the dates set forth in the Development Schedule. Developer (or an Approved Affiliate) will operate each Center developed hereunder under a separate franchise agreement (and related

documents) with Franchisor. With respect to each Center to be developed hereunder, no later than 10 days after the execution of the applicable purchase agreement, lease, or sublease in accordance with Section 5(b), Developer (or, if applicable, an Approved Affiliate) and Owners shall execute: (a) Franchisor's then-current form of franchise agreement and related documents, including a personal guaranty (collectively, the "Franchise Agreement"), the terms of which may differ from Franchisor's form of franchise agreement in effect as of the Effective Date (except as expressly provided in this Section 6 and Section 7.2); and (2) provided that Developer is then in compliance with the Development Schedule, a Development Incentive Addendum to Franchise Agreement in the form attached hereto as Exhibit C (the "Development Incentive Addendum"). The Development Incentive Addendum provides for, subject to certain terms and conditions, a reduced royalty fee for the applicable Center for a limited period of time. With respect to each Center to be developed hereunder, upon Developer's (or an Approved Affiliate's) execution of the applicable Franchise Agreement and, if applicable, the Development Incentive Addendum, those agreements will govern the development and operation of the Center, although the applicable required opening date will be determined pursuant to the Development Schedule.

7. DEVELOPMENT FEE, INITIAL FRANCHISE FEES, AND OTHER FEES.

7.1 Development Fee. In exchange for the Development Rights, Developer agrees to pay Franchisor, within 2 business days of the Effective Date, a development fee equal to 100% of the Initial Franchise Fee for each Center required to be developed hereunder (the "Development Fee"). The amount of the Development Fee is set forth in Exhibit B. Developer acknowledges that the Development Fee is fully earned by Franchisor when paid, is not refundable, and, except as provided in Section 7.2, is not credited against any fees payable to Franchisor.

7.2 Initial Franchise Fees. The initial franchise fee for each Center required to be developed hereunder (the "Initial Franchise Fee") is as follows: (a) $45,000 for the first Center to be developed hereunder; (b) $22,500 for the second Center to be developed hereunder; and (c) $20,000 for the third and each subsequent Center to be developed hereunder. With respect to each Center developed hereunder, Franchisor will credit the applicable portion of the Development Fee against the applicable Initial Franchise Fee on the date on which the Initial Franchise Fee is payable under the applicable Franchise Agreement.

7.3 Other Fees as Set Forth in Franchise Agreement. Following the opening of each Center, Developer (or its Approved Affiliate) shall pay ongoing royalty fees and marketing fund contributions in accordance with the terms of each Franchise Agreement.

8. MANAGEMENT AND SUPERVISION OF CENTERS.

Prior to the opening of the first Center developed hereunder, Developer will hire and train a managing director (the "Managing Director"), who will be subject to approval by Franchisor in its reasonable discretion. The Managing Director must devote his or her full time and efforts to the management and/or supervision of Centers within the Development Area. Developer agrees to comply with all mandatory standards issued by Franchisor relating to minimum staffing levels for the Meineke Car Care Centers, including the presence of district managers (as specified in the Operations Manual), provided Franchisor shall not be deemed to have any control or authority over Developer's labor relations, including employee selection, training, promotion, termination, discipline, hours worked, rates of pay, benefits, work assigned, working conditions, or adjustment of grievances and complaints, or any other control over Developer's employment practices.

9. TERMINATION.

9.1 Mutual Termination. This Agreement and all rights and obligations of the Parties may be terminated at any time by the mutual agreement of the Parties.

9.2 By Franchisor. Franchisor may terminate this Agreement, effective upon delivery of written notice to Developer, if:

(a) With respect to any Center to be developed or developed hereunder, Developer (or, if applicable, an Approved Affiliate) fails to execute a purchase agreement, lease, or sublease for the Center premises in accordance with Section 5(b) by the applicable Secure Deadline and/or fails to develop and open the Center by the applicable Opening Deadline;

(b) At any time during the Term, Developer and, if applicable, its Approved Affiliates fail to have open and operating at least the cumulative number of new Centers in the Development Area then required by the Development Schedule;

(c) Any franchise agreement between Developer (or, if applicable, an Affiliate (including an Approved Affiliate)) and Franchisor, whether executed prior or pursuant to this Agreement, is terminated by Franchisor in accordance with its terms;

(d) Developer becomes insolvent by reason of Developer's inability to pay its debts as they become due or makes an assignment for the benefit of creditors or an admission of Developer's inability to pay Developer's obligations as they become due;

(e) Developer files a voluntary petition in bankruptcy or any pleading seeking any reorganization, liquidation, dissolution or composition or other settlement with creditors under any law, or admits or fails to contest the material allegations of any such pleading filed against Developer, or is adjudicated a bankrupt or insolvent or a receiver or other custodian is appointed for a substantial part of the assets of Developer or any Center, or a final judgment remains unsatisfied or of record for 90 days or longer (unless a supersedeas bond is filed), or if execution is levied against any substantial part of the assets of Developer or a suit to foreclose any lien or mortgage is instituted against Developer and not dismissed within 90 days, or if the real or personal property of Developer is sold after levy of judgment thereupon by any sheriff, marshal or constable, or the claims of creditors of Developer abated or subject to a moratorium under any law;

(f) Developer abandons, surrenders, transfers control or fails to actively operate Developer's business contemplated hereunder;

(g) Developer or any Owner is convicted of or pleads no contest to a felony, a crime involving moral turpitude or any other crime or offense that is likely to adversely affect the reputation and the goodwill associated with the System and Marks;

(h) Developer violates any law, ordinance, rule, or regulation of a governmental agency in connection with Developer's business and permits the same to go uncorrected after notification thereof, unless there is a bona fide dispute as to the violation, constitutionality, or legality of such law, ordinance, rule, or regulation, and Developer promptly resorts to courts or forums of appropriate jurisdiction to contest such violation or legality;

(i) Developer or any Owner makes an unauthorized assignment of this Agreement or an ownership interest in Developer;

(j) Developer or any Owner violates any of the covenants contained in Section 11 or 12 of this Agreement; or

(k) Developer or any Owner fails to comply with any other provision of this Agreement and fails to correct such failure within 30 days following notice thereof from Franchisor.

9.3 Effect of Termination. For the avoidance of doubt, in the event that this Agreement is terminated for any reason in accordance with the terms of this Agreement, Developer's rights under this Agreement shall terminate, and Developer shall have no further right to develop or open any new Centers in the Development Area, except that Developer will be entitled to complete and open a Center for which a Franchise Agreement has been fully executed and delivered to Developer prior to such termination. Developer shall have the right to continue to operate all Centers that were in operation or under development prior to termination of this Agreement pursuant to the terms of the fully executed Franchise Agreements for such Centers, subject to Developer's or the applicable Approved Affiliate's (as applicable) continuing compliance with such Franchise Agreement. In addition, upon the termination of this Agreement, any and all Development Incentive Addenda executed pursuant to Section 6 will automatically terminate by their terms. Developer agrees that, upon expiration or termination of this Agreement, Developer and Owners will immediately cease using any Confidential Information, whether directly or indirectly, in any business or otherwise and return to Franchisor all copies of any other confidential materials that Franchisor has loaned to Developer. Developer and Owners may not directly or indirectly sell, trade or otherwise profit in any way from any Confidential Information at any location or any time following the expiration or termination of this Agreement.

10. ALTERNATIVE REMEDIES.

Without waiving its option to terminate this Agreement under Section 9, if Developer fails to meet the Development Schedule, Franchisor may, in Franchisor's discretion, do any one or more of the following in lieu of termination, effective immediately on the delivery of notice to Developer:

(a) Reduce the number of new Centers that are set forth under the Development Schedule;

(b) Withhold evaluation or approval of site proposal packages for new Centers; and/or

(c) Extend the Development Schedule.

On termination or expiration of the Development Rights, Developer will immediately cease to develop new Centers in the Development Area. Termination of this Agreement will not, by itself, terminate Developer's rights and obligations to operate Centers that are in operation or under development under effective Franchise Agreements at the time of termination.

11. CONFIDENTIAL INFORMATION.

Developer acknowledges and agrees that by entering into this Agreement, Developer will not acquire any interest in the Confidential Information, other than the right to use the Confidential Information that Franchisor periodically designates in relation to the development of Centers during the Term and according to the System standards and this Agreement's other terms and conditions, and that Developer's use of any Confidential Information in any other business would constitute an unfair method of competition with Franchisor and its franchisees. Franchisor and its Affiliates own all right, title, and interest in and to the Confidential Information. Developer further acknowledges and agrees that the Confidential Information is proprietary, includes Franchisor's trade secrets, and is disclosed to Developer only on the condition that

Developer and Owners agree, and Developer and they do agree, that Developer and Owners:

(a) will not use any Confidential Information in any other business or capacity, whether during or after the Term;

(b) will keep the Confidential Information absolutely confidential, both during the Term and thereafter for as long as the information is not generally known in the automotive service industry;

(c) will not make unauthorized copies of any Confidential Information disclosed in written or other tangible or intangible form;

(d) will adopt and implement all reasonable procedures that Franchisor periodically designates to prevent unauthorized use or disclosure of Confidential Information, including restricting its disclosure to Center personnel and others needing to know such Confidential Information to operate the Center, and using confidentiality agreements with those having access to Confidential Information. Franchisor has the right to regulate the form of agreement that Developer uses and to be a third-party beneficiary of that agreement with independent enforcement rights; and

(e) will not sell, trade, or otherwise profit in any way from the Confidential Information, except during the Term using methods Franchisor approves.

12. RESTRICTIVE COVENANTS.

12.1 Developer's In-Term Covenants.

During the Term, neither Developer nor any Owner may:

(a) directly or indirectly (such as through Entities owned or controlled by Developer or any Owner) own any legal or beneficial interest in, manage, operate or consult with: (1) any Competitive Business located anywhere; or (2) any Entity located anywhere that grants franchises, licenses or other rights to others to operate any Competitive Business; or

(b) divert or attempt to divert any business or customer of any Center to any Competitive Business or do anything injurious or prejudicial to the goodwill associated with the Marks or the System.

Notwithstanding anything to the contrary contained in this Agreement, Developer is not restricted from owning shares of a class of securities of a Competitive Business that are listed on a stock exchange or traded on the over-the-counter market and that represent less than 5% of that class of securities.

12.2 Developer's Post-Term Covenants.

For a period of one year starting the later of the effective date of termination or expiration of this Agreement or at such time that Developer stops operating a Competitive Business, neither Developer nor any Owner may directly or indirectly (such as through Entities owned or controlled by Developer or any Owner) own a legal or beneficial interest in, manage, operate, or consult with any Competitive Business located: (a) in the Development Area; (b) within 6 miles of the border of the Development Area; or (c) within a 6-mile radius of any Meineke Center in operation at the time that Developer executes this Agreement.

Developer and each Owner acknowledge and agree that Franchisor has a protectable interest in the System and the restrictive covenants included in this Section are necessary elements to its protection and are an integral part of this Agreement.

13. ASSIGNMENT BY FRANCHISOR.

This Agreement is fully assignable by Franchisor and the assignee or other legal successor to Franchisor's interests will be entitled to receive all of the benefits of this Agreement.

14. ASSIGNMENT BY DEVELOPER.

This Agreement and the Development Rights contained in this Agreement are personal to Developer and its direct and indirect owners and may not be voluntarily, involuntarily, directly, or indirectly, assigned or otherwise transferred or encumbered by Developer or such owners without the prior written consent of Franchisor, provided that any transfer or assignment of this Agreement may only be made in connection with the transfer of all Centers owned and operated by Developer and, if applicable, its Affiliates (including Approved Affiliates). For purposes of this Section, a sale, assignment, or transfer of any direct or indirect ownership interest in Developer shall be deemed an assignment or transfer of this Agreement.

15. ASSIGNMENT TO ENTITY.

Franchisor will consent to the transfer of this Agreement to an Entity that Developer forms for the convenience of ownership, provided that: (a) the Entity is newly formed; (b) the Entity has and will have no business other than the development and operation of Centers; (c) Developer and the Entity satisfy Franchisor's then-current conditions for transfer; (d) Developer holds all equity interests in the Entity or, if Developer is owned by more than one individual, each Owner's proportionate equity interest in the Entity is the same as his/her equity interest in Developer prior to the transfer; and (e) Developer and the Entity comply with the Entity requirements of Section 3.2. Without limiting Developer's obligations pursuant to Section 3.2(b), Developer shall also submit to Franchisor at any time upon request, in such form as Franchisor may require, a list of all general and limited partners, members or stockholders of record reflecting their respective interests in Developer.

16. PUBLIC OFFERING.

Securities in Developer may not be sold by public offering without Franchisor's prior written consent. If Franchisor consents to a public offering of Developer's securities, the following terms and conditions will apply. All materials required by federal or state law for any sale of Developer's securities pursuant to such registration statement must be submitted to Franchisor for review prior to their being filed with any government agency. No such materials shall imply (by use of the Marks or otherwise) that Franchisor is participating as an underwriter, issuer, or offeror of Developer's securities. Any review by Franchisor of the offering materials or the information included therein will be conducted solely for Franchisor's benefit and not to benefit or protect any other person. No investor should interpret such review by Franchisor as an approval, endorsement, acceptance, or adoption of any representation, warranty, covenant, or projection contained in the materials reviewed; and the offering documents shall include legends and statements as Franchisor may specify, including legends and statements which disclaim Franchisor's liability for, or involvement in, the transaction described in the offering documents. Developer and the other participants in the offering must agree in writing to fully indemnify Franchisor in connection with the offering in the form Franchisor prescribes. Developer agrees to give Franchisor written notice at least 60 days prior to the date of commencement of any offer covered by this Section. In no event shall Developer permit or allow any of Developer's securities to be owned, directly or indirectly, by any

competitor of Franchisor or its Affiliates. Franchisor may charge Developer a fee for reviewing the materials required to be submitted to Franchisor by this Section.

17. BINDING EFFECT.

This Agreement is binding upon the Parties hereto and their respective executors, administrators, heirs, assigns and successors in interest. This Agreement may not be amended or modified except by a written agreement signed by both Franchisor and Developer.

18. CONSTRUCTION.

This Agreement and all Exhibits to this Agreement constitute the entire agreement of the Parties with respect to the subject matter of this Agreement, and, with the exception of, if applicable, a lease or sublease of the premises of a Center between the Parties, there are no other oral or written understandings or agreements between Franchisor and Developer relating to the subject matter of this Agreement. Nothing in this Agreement or in any related agreement, however, is intended to disclaim the representations Franchisor made in the Franchise Disclosure Document that Franchisor furnished to Developer. The words "include," "includes," "including," and words of similar import shall be interpreted to mean "including, but not limited to" and the terms following such words shall be interpreted as examples of, and not an exhaustive list of, the appropriate subject matter. Nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or Entity not a Party hereto. The headings of the several sections and paragraphs hereof are for convenience only and do not define, limit, or construe the contents of such sections or paragraphs. The term "Developer" as used herein is applicable to one or more persons or entities, as the case may be, and the singular usage includes the plural and the masculine and neuter usages include the other and the feminine. This Agreement may be executed in multiple copies, each of which shall be deemed an original. **TIME IS OF THE ESSENCE OF THIS AGREEMENT.**

19. RELATIONSHIP OF THE PARTIES.

Developer is an independent contractor. Nothing in this Agreement, or arising from the conduct of the Parties hereunder, is intended to or does in fact or law make either Party a general or special agent, joint venturer, partner, or employee of the other for any purpose. Neither this Agreement, the nature of the relationship of the Parties nor the dealings of the Parties pursuant to this Agreement creates a fiduciary relationship between the Parties. Further, Franchisor and Developer are not and do not intend to be partners, associates, or joint employers in any way, and Franchisor shall not be construed to be jointly liable for any of Developer's acts or omissions under any circumstances. To the extent that any Operations Manual or Franchisor's guidelines or standards contain employee-related policies or procedures that might apply to Developer's employees, those policies and procedures are provided for informational purposes only and do not represent mandatory policies and procedures to be implemented by Developer. Developer must determine to what extent, if any, these policies and procedures may be applicable to Developer's business operations. Franchisor and Developer recognize that Franchisor neither dictates nor controls labor or employment matters for developers and that Developer, and not Franchisor, is solely responsible for dictating the terms and conditions of employment for Developer's employees, including training, wages, benefits, promotions, hirings and firings, vacations, safety, work schedules, and specific tasks. Franchisor has no relationship with Developer's employees, and Developer has no relationship with Franchisor's employees.

Developer agrees to conspicuously identify itself in all dealings with customers, lessors, contractors, suppliers, public officials, employees, and others as the owner of Developer's business and agrees to place such other notices of independent ownership on forms, business cards, stationery, advertising, and other materials as Franchisor may require from time to time.

Developer may not make any express or implied agreements, warranties, guarantees or representations or incur any debt in Franchisor's name or on Franchisor's behalf or represent that the relationship of the Parties hereto is anything other than that of independent contractors. Franchisor will not be obligated by or have any liability under any agreements made by Developer with any third party or for any representations made by Developer to any third party. Franchisor will not be obligated for any damages to any person or property arising directly or indirectly out of the operation of the business hereunder.

20. INDEMNIFICATION.

From and after the Effective Date, Developer and Owners, jointly and severally, shall indemnify Franchisor and its parents, subsidiaries and Affiliates and their respective officers, directors, stockholders, members, managers, partners, employees, agents, attorneys, contractors, legal predecessors, legal successors, and assigns of each of the forgoing entities/individuals (in their corporate and individual capacities) (collectively, all such individuals and entities are referred to herein as the "Franchisor Indemnitees") and hold the Franchisor Indemnitees harmless to the fullest extent permitted by Applicable Laws, from any and all Losses and Expenses incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether it is reduced to judgment) or any settlement thereof which arises directly or indirectly from, or as a result of, a claim of a third party in connection with the selection, development, ownership, operation or closing of any Center, including the failure of Developer to perform any covenant or agreement under this Agreement or any activities of Developer on or after the Effective Date, or any claims by any employee of Developer arising out of or relating to his or her employment with Developer (collectively, "Event"), and regardless of whether it resulted from any strict or vicarious liability imposed by law on the Franchisor Indemnitees; provided, however, that this indemnity will not apply to any liability arising from a breach of this Agreement by any of the Franchisor Indemnitees or the gross negligence or willful acts of any of the Franchisor Indemnitees (except to the extent that joint liability is involved, in which event the indemnification provided herein will extend to any finding of comparative or contributory negligence attributable to Developer).

Promptly after the receipt by any Franchisor Indemnitee of notice of the commencement of any action against such Franchisor Indemnitee by a third party (such action, a "Third-Party Claim"), the Franchisor Indemnitee will, if a claim with respect thereto is to be made for indemnification pursuant to this Section, give a claim notice to Developer with respect to such Third-Party Claim. No delay or failure on the part of the Franchisor Indemnitee in so notifying the Developer will limit any liability or obligation for indemnification pursuant to this Section, except to the extent of any material prejudice to Developer with respect to such claim caused by or arising out of such delay or failure. Franchisor will have the right to assume control of the defense of such Third-Party Claim, and Developer and Owners will be responsible for the costs incurred in connection with the defense of such Third-Party Claim. Developer and Owners will furnish Franchisor with such information as it may have with respect to such Third-Party Claim (including copies of any summons, complaint, or other pleading that may have been served on such party and any written claim, demand, invoice, billing, or other document evidencing or asserting the same) and will otherwise cooperate with and assist Franchisor in the defense of such Third-Party Claim. The fees and expenses of counsel incurred by Franchisor will be considered Losses and Expenses for purposes of this Agreement. Franchisor may as it deems necessary and appropriate take such actions to take remedial or corrective action with respect thereof as may be, in Franchisor's reasonable discretion, necessary for the protection of the Franchisor Indemnitees or Meineke Car Care Centers generally. Franchisor will not agree to any settlement of, or the entry of any judgment arising from, any Third-Party Claim without the prior written consent of Developer and Owners, which will not be unreasonably withheld, conditioned, or delayed. Any settlement or compromise of any Third-Party Claim must include a written release from liability of such claim for all Franchisor Indemnitees.

This Section will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

21. NOTICES.

All notices, requests and reports permitted or required to be delivered by this Agreement will be deemed delivered: (a) at the time delivered by hand to the recipient party (or to an officer, director or partner of the recipient party); (b) on the same day of the transmission by email or other reasonably reliable electronic communication system; (c) one business day after being placed in the hands of a commercial courier service for guaranteed overnight delivery; or (d) 5 business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to: (a) if to Franchisor, Meineke Franchisor SPV LLC, 440 S. Church Street, Suite 700, Charlotte, North Carolina 28202 (email address: _____); and (b) if to Developer, Developer at the address specified in Exhibit E. All payments and reports required by this Agreement must be sent to us at the address identified in this Agreement unless and until a different address has been designated by written notice.

22. DISPUTE RESOLUTION.

22.1 Governing Law. Except as otherwise provided in Section 22.2 with respect to the United States Arbitration Act (9 U.S.C. § 1, et seq.), this Agreement and all issues arising from or relating to this Agreement will be governed by and construed under the laws of the State of North Carolina, without regard to the application of North Carolina conflict of law principles.

22.2 Arbitration. Subject to Section 22.3, any controversies, disputes, or claims between the Parties, including their respective Affiliates, owners, officers, directors, agents, and employees, arising from or relating to this Agreement may be submitted on demand, by either Party, at the time of the filing of a claim, if the Party is the claimant, or before the expiration of ten (10) days after receipt of service of process of the claim, if the Party is the respondent, for arbitration to the American Arbitration Association ("AAA"). The arbitration shall be governed exclusively by the United States Arbitration Act (9 U.S.C. § 1, et seq.), without reference to any state arbitration statutes. The Parties agree that, in connection with any such arbitration proceeding, each shall submit or file any claim that would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedures) within the same proceeding as the claim to which it relates. Any such claim that is not submitted or filed in such proceeding shall be barred. The arbitration proceedings shall be conducted in the city where Franchisor then has its principal place of business in accordance with the then-current commercial arbitration rules of the AAA, except the Parties shall be entitled to limited discovery at the discretion of the arbitrator(s) who may, but is/are not required to, allow depositions. The Parties acknowledge that the arbitrators' subpoena power is not subject to geographic limitations. The Parties agree to be bound by the provisions of any limitation on the period of time by which claims must be brought under North Carolina law or any applicable federal law.

The arbitration proceedings may, at the discretion of the arbitrator(s), also include claims under other Meineke franchise or development agreements that permit arbitration on terms substantially similar to those contained in this Section 22.2, provided that the parties to all such agreements are identical to the Parties to this Agreement (or their successors and assigns in accordance with their respective provisions) or are Affiliates of such parties. Otherwise, the arbitration proceedings shall be conducted on an individual basis and not on a multi-plaintiff, consolidated or class-wide basis.

The arbitrator(s) shall have the right to award the relief that he or she deems proper, consistent with the terms of this Agreement, including compensatory damages (with interest on unpaid amounts from date due), specific performance, injunctive relief, legal fees and costs. The award and decision of the arbitrator(s) shall be conclusive and binding on all Parties, and judgment upon the award may be entered in

any court of competent jurisdiction. Any right to contest the validity or enforceability of the award shall be governed exclusively by the United States Arbitration Act. The provisions of this Section 22.2 shall continue in full force and effect subsequent to and notwithstanding expiration or termination of this Agreement.

22.3 Preliminary Injunctive Relief. Either Party may obtain in any court of competent jurisdiction temporary restraining orders and preliminary injunctions in accordance with Applicable Laws, whether or not the case has been referred to arbitration pursuant to Section 22.2. The Parties agree that any violation of Section 11 or Section 12 would result in irreparable harm for which no adequate remedy at law may be available. The provisions of this Section 22.3 shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

22.4 Venue. Any judicial proceeding brought in accordance with the terms of this Agreement must be brought in the jurisdiction where Franchisor then has its principal place of business and may not be transferred to another jurisdiction on the basis that the other jurisdiction is more convenient for the Parties and witnesses.

22.5 Costs and Attorneys' Fees. The Party that prevails in any arbitration or judicial proceeding will be awarded its costs and expenses incurred in connection with such proceedings, including reasonable attorneys' fees.

22.6 Limitations on Claims. Except with respect to any of Developer's obligations herein regarding the Confidential Information, Franchisor and Developer (and Owners) each agree, to the fullest extent permitted by law, not to assert any right to or claim for any punitive, exemplary or special damages against the other directly or indirectly arising from or relating to this Agreement.

23. EXERCISE OF FRANCHISOR'S JUDGMENT.

Whenever Franchisor has reserved in this Agreement a right to take or to withhold an action, or to grant or decline to grant Developer a right to take or omit an action, Franchisor may, except as otherwise specifically provided in this Agreement, make its decision or exercise its rights based on information readily available to Franchisor and Franchisor's reasonable judgment of what is in the best interests of Franchisor and its Affiliates or the System at the time Franchisor's decision is made without regard to whether Franchisor could have made other reasonable or even arguably preferable alternative decisions or whether Franchisor's decision promotes Franchisor's or its Affiliates' financial or other individual interest. Except where this Agreement expressly obligates Franchisor reasonably to approve or not unreasonably to withhold its approval of any of Developer's actions or requests, Franchisor has the absolute right to refuse any request that Developer makes or to withhold its approval of any of Developer's proposed, initiated or completed actions that require Franchisor's approval.

24. WAIVER OF OBLIGATIONS.

Franchisor and Developer may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice thereof to the other or such other effective date stated in the notice of waiver. Whenever this Agreement requires Franchisor's prior approval or consent, Developer shall make a timely written request therefor, and such approval shall be obtained in writing. Franchisor makes no warranties or guarantees upon which Developer may rely, and assumes no liability or obligation to Developer, by granting any waiver, approval, or consent to Developer, or by reason of any neglect, delay, or denial of any request therefor. Any waiver granted by Franchisor shall be without prejudice to any other rights Franchisor may have, will be subject to continuing review by Franchisor, and may be revoked, in Franchisor's sole discretion, at any time and for any reason,

effective upon receipt by Developer of 10 days' prior written notice. Franchisor shall not be deemed to have waived or impaired any right, power or option reserved by this Agreement (including its right to demand exact compliance with every term, condition and covenant herein, to declare any breach thereof to be a default, and, upon the expiration of the applicable cure period (if any), to terminate this Agreement) by virtue of any custom or practice of the Parties at variance with the terms hereof; any failure by Franchisor or Developer to demand strict compliance with this Agreement; any waiver, forbearance, delay, failure or omission by Franchisor to exercise any right, power or option, whether of the same, similar or different nature, with respect to all Centers or the acceptance by Franchisor of any payments due from Developer after any breach of this Agreement. No acceptance by Franchisor of any payment by Developer and no failure, refusal or neglect of Franchisor or Developer to exercise any right under this Agreement or to insist upon full compliance by the other with its obligations hereunder, including any mandatory specification, standard or operating procedure, shall constitute a waiver of any provision of this Agreement.

25. NO RECOURSE.

Developer acknowledges and agrees that, except as provided under an express statutory liability for such conduct, none of Franchisor's past, present or future directors, officers, employees, incorporators, members, partners, stockholders, subsidiaries, Affiliates, controlling parties, entities under common control, ownership or management, vendors, service providers, agents, attorneys or representatives will have any liability for (a) any of Franchisor's obligations or liabilities relating to or arising from this Agreement, (b) any claim against Franchisor based on, in respect of, or by reason of the relationship between Developer and Franchisor, or (c) any claim against Franchisor based on any of Franchisor's alleged unlawful act or omission. For the avoidance of doubt, this provision constitutes an express waiver of any claims based on a theory of vicarious liability, unless such vicarious claims are authorized by a guarantee of performance or statutory obligation. It is not meant to bar any direct contractual, statutory, or common law claim that would otherwise exist.

26. ACKNOWLEDGMENTS.

The following acknowledgments are made by and binding upon all developers signing this Agreement, except those developers and area development arrangements that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

> Developer acknowledges that Developer has conducted an independent investigation of the business contemplated by this Agreement and recognizes that it involves business risks, which make the success of the venture largely dependent upon the business abilities of Developer. Franchisor expressly disclaims the making of, and Developer acknowledges that Developer has not received or relied upon, any warranty or guarantee, express or implied, as to the potential revenues, profits, or success of the business venture contemplated by this Agreement. Developer acknowledges that it has no knowledge of any representations by Franchisor or its officers, directors, shareholders, employees or agents that are contrary to the terms of this Agreement or the documents incorporated or referenced herein and further represents to Franchisor, as an inducement to Franchisor's entry into this Agreement, that Developer has made no misrepresentations in obtaining the Development Rights granted hereunder. Developer has read this Agreement and has been given the opportunity to clarify any provisions that Developer did not understand and to consult with an attorney and other professional advisors.

27. NO WAIVER OR DISCLAIMER OF RELIANCE IN CERTAIN STATES.

The following provision applies only to developers and area development arrangements that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

> No statement, questionnaire, or acknowledgement signed or agreed to by Developer in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by Franchisor, any franchise seller, or any other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, Franchisor and Developer have executed and delivered this Agreement as of the Effective Date.

DEVELOPER: [_____]	**MEINEKE FRANCHISOR SPV LLC**, a Delaware limited liability company
By:_____	By:_____ Authorized Representative
Print Name: _____	
Title: _____	
	Attest: _____
Date:_____, _____	Date: _____, _____

EXHIBIT A

DEVELOPMENT AREA

The Development Area will be _____

_____

_____

_____

(as depicted on the attached map), provided that the location of any Meineke Car Care Center in operation or under lease, construction, or other commitment to open in the Development Area as of the Effective Date, and, with respect to any such franchised Meineke Car Care Center, any protected area then granted by Franchisor under the applicable Meineke Car Care Center franchise agreement, all or part of which is in the Development Area, are expressly excluded from the Development Area.

Any political boundaries included in the description of the Development Area will be considered fixed as of the Effective Date and will not change notwithstanding a political reorganization or a change in those boundaries. Unless otherwise specified, all street boundaries will be deemed to end at the street center line unless otherwise specified.

Development Area Map

[insert map]

County(ies):

[_____]

Zip:

[_____]

EXHIBIT B

DEVELOPMENT INFORMATION

1. Development Fee: $_____.

2. Development Schedule. During the Term, Developer will develop _____ new franchised Centers in the Development Area in accordance with the Development Schedule below:

Secure Deadline	Franchise Agreement Execution Deadline	Opening Deadline	Cumulative Number of New Centers Required to Be Open and Operating in the Development Area No Later than the Opening Deadline (in Previous Column)
			1
			2
			3
			4

(a) With respect to each Center to be developed under this Agreement, Developer (or an Approved Affiliate) must execute a purchase agreement, lease, or sublease for the Center premises in accordance with Section 5(b) of this Agreement by no later than the applicable Secure Deadline, sign a Franchise Agreement by no later than the applicable Franchise Agreement Execution Deadline, and develop and open the Center by no later than the applicable Opening Deadline.

(b) At all times during the Term, Developer must have open and operating at least the cumulative number of new Centers in the Development Area then required by the Development Schedule.

EXHIBIT C

FORM OF DEVELOPMENT INCENTIVE ADDENDUM TO MEINEKE FRANCHISE AND TRADEMARK AGREEMENT

THIS DEVELOPMENT INCENTIVE ADDENDUM TO MEINEKE FRANCHISE AND TRADEMARK AGREEMENT (the "Addendum") between **MEINEKE FRANCHISOR SPV LLC** ("Franchisor" or "we"), a Delaware limited liability company with its principal place of business located at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202, and _____ ("Dealer" or "you"), a(n) _____ with its principal place of business located at _____, is made and entered into as of _____, 20__ (the "Addendum Date").

RECITALS

Franchisor and _____ ("Developer") are parties to that certain Area Development Agreement dated as of _____, 20__ (the "Development Agreement"), pursuant to which Developer has been granted the right to develop 4 or more Meineke Car Care Centers within the Development Area.

You desire to open and operate a Meineke Car Care Center located at [insert address] (the "Center"), which is located in the Development Area and will be deemed a new Center for purposes of determining Developer's compliance with the Development Schedule.

Simultaneously with the execution of this Addendum, the parties have entered into a Meineke Franchise and Trademark Agreement (the "Franchise Agreement"), which will govern your operation of the Center.

The parties wish to amend the Franchise Agreement to reflect certain incentives granted under, and other modifications in accordance with, the Development Agreement.

NOW, THEREFORE, in consideration for the mutual promises contained herein, the parties hereby agree as follows:

AGREEMENT

1. **Recitals and Definitions**. The Recitals are incorporated into this Addendum by this reference. This Addendum shall be annexed to and form a part of the Franchise Agreement. Except as otherwise explicitly noted, capitalized terms used but not defined herein shall have the respective meanings ascribed to them in the Franchise Agreement or the Development Agreement, as the context requires.

2. **Required Opening Date**. Notwithstanding anything to the contrary in the Franchise Agreement, you must open the Center by the applicable Opening Deadline set forth in the Development Schedule, and failure to do so will constitute a default under Section 13.1(k) of the Franchise Agreement.

3. **Royalty**.

A. Notwithstanding anything to the contrary in the Franchise Agreement, and subject to Section 3.3 of the Franchise Agreement, during the 36-month period following the actual

opening date of the Center (the "Royalty Reduction Period"), the royalty for Authorized Products and Services will be reduced, as follows:

Royalty Reduction Period	Royalty
First 12 months	1% of Gross Revenues from the sale of Authorized Products and Services
Second 12 months	1% of Gross Revenues from the sale of Authorized Products and Services
Third 12 months	Greater of 3% of Gross Revenues from the sale of Authorized Products and Services or the Annual Minimum Royalties, provided that, during the last 12 months of the Royalty Reduction Period only, the Annual Minimum Royalties shall be reduced to $11,345.

Upon the expiration of the Royalty Reduction Period, the royalty for Authorized Products and Services will be calculated in accordance with the terms of the Franchise Agreement without regard to this Section 3.A.

B. The royalty reduction incentive granted to you pursuant to Section 3.A is expressly contingent on your opening of the Center in accordance with Section 2 and the continuing satisfaction of the following terms and conditions throughout the Royalty Reduction Period (collectively, the "Incentive Conditions"):

(1) you must be in material compliance with the Franchise Agreement;

(2) Developer or its Approved Affiliates, as applicable, must open each Center developed under the Development Agreement by the applicable Opening Deadline set forth in the Development Schedule;

(3) the Center must utilize the eInspection Platform, and all Center employees designated by us must be trained with respect to the eInspection Platform;

(4) the Center must utilize the Franchisee Profitability Program, and all Center employees designated by us must be trained with respect to the Franchisee Profitability Program;

(5) if required by us, the Center must participate in our Exxon Mobil Oil Program (or our then-current oil program);

(6) the Center must purchase a minimum of $250 of products per month from Spire Supply, LLC; and

(7) the Center must participate in and/or comply with any other operational programs or requirements that we periodically specify.

4. **Termination**.

A. If Gross Revenues during the first or second 12-month period of the Royalty Reduction Period exceed $650,000 (the "Royalty Threshold"), upon your receipt of notice from Franchisor, this Addendum and the royalty reduction incentive granted pursuant to Section 3.A will terminate at the end of the 12-month period in which the Royalty Threshold is first surpassed.

B. We may terminate this Addendum and the royalty reduction incentive granted to you pursuant to Section 3.A if:

(1) we terminate the Development Agreement;

(2) we place you in default of the Franchise Agreement, and you fail to cure the default within the applicable cure period, if any, regardless of whether we elect to terminate the Franchise Agreement; or

(3) the Center fails to satisfy any Incentive Condition during the Royalty Reduction Period.

C. Upon the termination of this Addendum, you must immediately begin paying royalties calculated in accordance with the terms of the Franchise Agreement without regard to Section 3.A.

5. **Miscellaneous**.

A. Other than as explicitly set forth in this Addendum, the terms of the Franchise Agreement shall remain unchanged and in full force and effect. To the extent that there is any conflict between the terms of this Addendum and the terms of the Franchise Agreement, the terms of this Addendum shall control.

B. This Addendum may be executed in counterparts, which together shall constitute one and the same Addendum. This Addendum may be e-mailed by .pdf or .tif file. It is the parties' intent for the .pdf, .tif, or other electronic signature to be an original signature and for the .pdf, .tif, or other electronic copy to be deemed an original counterpart.

C. This Addendum will be binding on the each of the parties and their successors and assigns.

[Signatures follow on next page]

IN WITNESS WHEREOF, the parties have executed and delivered this Addendum as of the Addendum Date.

DEALER:
[_____]

By:_____

Print Name: _____

Title: _____

Date:_____, _____

MEINEKE FRANCHISOR SPV LLC,
a Delaware limited liability company

By:_____
Authorized Representative

Attest: _____

Date: _____, _____

EXHIBIT D

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS (this "Guaranty") is given by the undersigned ("Guarantors") effective as of the Effective Date.

In consideration of, and as an inducement to, the execution of the Area Development Agreement (the "Agreement") on the Effective Date by **MEINEKE FRANCHISOR SPV LLC** ("Franchisor"), each Guarantor personally and unconditionally (a) guarantees to Franchisor and its successors and assigns, for the term of the Agreement (including extensions) and afterward as provided in the Agreement, that _____ ("Developer") will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement (including any amendments or modifications of the Agreement); and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement (including any amendments or modifications of the Agreement), both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including, without limitation, the non-competition, confidentiality and transfer requirements. (All capitalized terms used by not defined in this Guaranty will have the meanings set forth in the Agreement.)

Each Guarantor acknowledges that he, she or it is either an owner (whether direct or indirect) of Developer or otherwise has a direct or indirect relationship with Developer or its affiliates; that he, she or it will benefit significantly from Franchisor's entering into the Agreement with Developer; and that Franchisor would not enter into the Agreement unless Guarantors agreed to sign and comply with the terms of this Guaranty.

Each Guarantor represents that, as of the Effective Date, at least one Guarantor satisfies the Guarantor Net Worth Threshold (defined below) and agrees that, at all times during the term of the Agreement, at least one Guarantor will satisfy the Guarantor Net Worth Threshold. The "Guarantor Net Worth Threshold" means the minimum net worth (*i.e.*, total assets less total liabilities, each as calculated in accordance with U.S. generally accepted accounting principles) that Franchisor requires at least one Guarantor to satisfy under this Guaranty and the Agreement, as such minimum net worth is periodically modified by Franchisor in accordance with the following paragraph. Guarantors agree to provide Franchisor on an annual basis financial statements or other documents that Franchisor reasonably specifies, certified by Developer or Guarantors in the manner that Franchisor specifies, demonstrating Guarantors' compliance with such Guarantor Net Worth Threshold requirement. Upon reasonable advance notice, but no more than twice during any calendar year during the Agreement's term, Franchisor may examine the applicable Guarantor's business, bookkeeping, accounting and tax records to ascertain Guarantors' compliance with the Guarantor Net Worth Threshold requirement. Guarantors agree to cooperate reasonably with Franchisor in connection with all auditing and reporting requirements relating to the Guarantor Net Worth Threshold requirement, whether contained in this Guaranty or the Agreement. Each Guarantor acknowledges that Franchisor may terminate the Agreement (subject to the applicable notice and cure period in the Agreement) upon Guarantors' failure to comply with the Guarantor Net Worth Threshold requirement.

As of the Effective Date, the Guarantor Net Worth Threshold is equal to $1,000,000. Franchisor may, however, periodically increase the Guarantor Net Worth Threshold by providing Developer and/or Guarantors at least 90 days' prior written notice, if Franchisor determines, in its reasonable judgment, that Franchisor's risk or exposure with respect to the Agreement and all other franchise and other agreements between Franchisor (or its Affiliate) and Developer (or any of its Owners or affiliates) has increased since

the Effective Date or the most recent increase in the Guarantor Net Worth Threshold, as applicable. Guarantors will comply with the modified Guarantor Net Worth Threshold, either by demonstrating to Franchisor's satisfaction that a then-existing Guarantor satisfies the modified Guarantor Net Worth Threshold or by presenting a substitute guarantor who signs Franchisor's then-current form of guaranty reflecting the modified Guarantor Net Worth Threshold, by the end of that 90-day period.

Each Guarantor consents and agrees that: (1) his, her or its direct and immediate liability under this Guaranty will be joint and several, both with Developer and among other guarantors; (2) he, she or it will render any payment or performance required under the Agreement upon demand if Developer fails or refuses punctually to do so; (3) this liability will not be contingent or conditioned upon Franchisor's pursuit of any remedies against Developer or any other person or Entity; (4) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence which Franchisor may from time to time grant to Developer or to any other person or Entity, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims (including, without limitation, the release of other guarantors), none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the term of the Agreement (including extensions), for so long as any performance is or might be owed under the Agreement by Developer or any of its owners or guarantors, and for so long as Franchisor have any cause of action against Developer or any of its owners or guarantors; and (5) this Guaranty will continue in full force and effect for (and as to) any extension or modification of the Agreement and despite the transfer of any direct or indirect interest in the Agreement or Developer, and each Guarantor waives notice of any and all renewals, extensions, modifications, amendments, or transfers.

Each Guarantor waives: (i) all rights to payments and claims for reimbursement or subrogation that Guarantor may have against Developer arising as a result of Guarantor's execution of and performance under this Guaranty, for the express purpose that no Guarantor shall be deemed a "creditor" of Developer under any applicable bankruptcy law with respect to Developer's obligations to Franchisor; (ii) all rights to require Franchisor to proceed against Developer for any payment required under the Agreement, proceed against or exhaust any security from Developer, take any action to assist any Guarantor in seeking reimbursement or subrogation in connection with this Guaranty or pursue, enforce or exhaust any remedy, including any legal or equitable relief, against Developer; (iii) any benefit of, or any right to participate in, any security now or hereafter held by Franchisor; and (iv) acceptance and notice of acceptance by Franchisor of his, her or its undertakings under this Guaranty, all presentments, demands and notices of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest, notices of dishonor, notices of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices and legal or equitable defenses to which he, she or it may be entitled. Franchisor shall have no present or future duty or obligation to Guarantors under this Guaranty, and each Guarantor waives any right to claim or assert any such duty or obligation, to discover or disclose to Guarantors any information, financial or otherwise, concerning Developer, any other guarantor, or any collateral securing any obligations of Developer to Franchisor. Without affecting the obligations of Guarantors under this Guaranty, Franchisor may, without notice to any Guarantor, extend, modify, supplement, waive strict compliance with, or release all or any provisions of the Agreement or any indebtedness or obligation of Developer, or settle, adjust, release, or compromise any claims against Developer or any other guarantor, make advances for the purpose of performing any obligations of Developer under the Agreement, and/or assign the Agreement or the right to receive any sum payable under the Agreement, and each Guarantor hereby waives notice of same. Each Guarantor expressly acknowledges that the obligations hereunder survive the expiration or termination of the Agreement.

In addition, each Guarantor waives any defense arising by reason of any of the following: (a) any disability, counterclaim, right of set-off or other defense of Developer, (b) any lack of authority of Developer with respect to the Agreement, (c) the cessation from any cause whatsoever of the liability of

Developer, (d) any circumstance whereby the Agreement shall be void or voidable as against Developer or any of Developer's creditors, including a trustee in bankruptcy of Developer, by reason of any fact or circumstance, (e) any event or circumstance that might otherwise constitute a legal or equitable discharge of any Guarantor's obligations hereunder, except that Guarantors do not waive any defense arising from the due performance by Developer of the terms and conditions of the Agreement, (f) any right or claim of right to cause a marshaling of the assets of Developer or any other guarantor, and (g) any act or omission of Developer.

If Franchisor is required to enforce this Guaranty in a judicial proceeding, and prevails in such proceeding, Franchisor shall be entitled to reimbursement of Franchisor's costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding. If Franchisor is required to engage legal counsel in connection with any failure by any Guarantor to comply with this Guaranty, Guarantors shall reimburse Franchisor for any of the above-listed costs and expenses Franchisor incurs.

All actions arising under this Guaranty or the Agreement, or otherwise as a result of the relationship between Franchisor and any Guarantor, will be resolved in accordance with, and subject to, the dispute resolution provisions in the Agreement. For purpose of clarification, the applicable Guarantor(s) and Developer will be deemed to be one party under such dispute resolution provisions.

IN WITNESS WHEREOF, each Guarantor has executed this Guaranty as of the Effective Date.

GUARANTORS

_____
Signature

_____
Print Name

_____
Signature

_____
Print Name

_____
Signature

_____
Print Name

EXHIBIT E

DEVELOPER NOTICE INFORMATION AND DISCLOSURE OF OWNERSHIP INTERESTS
(as applicable)

1. Developer Notice Information (street address and email address). _____

_____

_____

2. Form of Entity of Developer.

(a) Corporation or Limited Liability Company. Developer was incorporated/organized on _____, ____, 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 Developer's Directors/Members and Officers/Manager as of _____, ____.

Name of Each Director/Officer Position(s) Held

(b) Partnership. Developer is a [general] [limited] partnership formed on _____, _____ 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 Developer's general partners as of _____, _____.

Name of General Partner

3. Direct and Indirect Owners. Developer, and each Owner (but only as to such Owner's ownership interest in Developer and the direct and indirect owners of such Owner), represent and warrant that the following is a complete and accurate list of all holders of a direct or indirect ownership interest in Developer, including the full name and mailing address of each such owner, and fully describes the nature and extent of each such owner's interest in Developer. Developer, and each Owner (but only as to such Owner and such Owner's direct and indirect owners), represent and warrant that each direct and indirect owner of Developer identified below is the sole and exclusive legal and beneficial owner of such owner's ownership interest in Developer, free and clear of all liens, restrictions, agreements and encumbrances of any kind or nature, other than those required or permitted by this Agreement.

Direct or Indirect Owner's Name and Address Description of Interest

EXHIBIT S-1

LIMITED EXCLUSIVITY ADDENDUM TO AREA DEVELOPMENT AGREEMENT

LIMITED EXCLUSIVITY ADDENDUM TO
MEINEKE AREA DEVELOPMENT AGREEMENT

THIS LIMITED EXCLUSIVITY ADDENDUM TO MEINEKE AREA DEVELOPMENT AGREEMENT (the "Addendum") between **MEINEKE FRANCHISOR SPV LLC** ("Franchisor" or "Meineke"), a Delaware limited liability company, with its principal place of business located at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202, and _____ ("Developer"), a(n) _____, with its principal place of business located at _____, is made and entered into as of _____, 20__ (the "Addendum Date").

RECITALS

To encourage System growth, Meineke currently offers developers that commit to developing 5 or more new Meineke Car Care Centers under a new Meineke Area Development Agreement certain additional territorial rights, subject to certain terms and conditions.

Simultaneously with the execution of this Addendum, the parties have entered into a Meineke Area Development Agreement (the "Development Agreement"), pursuant to which Developer has undertaken the obligation to develop 5 or more Centers, entitling Developer to such additional territorial rights in the Development Area, subject to certain terms and conditions.

The parties wish to amend the Development Agreement to reflect Franchisor's grant of such additional rights to Developer and the applicable terms and conditions of that grant.

NOW, THEREFORE, in consideration for the mutual promises contained herein, the Parties hereby agree as follows:

AGREEMENT

1. **Recitals and Definitions**. The Recitals are incorporated into this Addendum by this reference. This Addendum shall be annexed to and form a part of the Development Agreement. Except as otherwise explicitly noted, capitalized terms used but not defined herein shall have the respective meanings ascribed to them in the Development Agreement.

2. **Grant of Development Rights**. The first sentence of Section 3.1 of the Development Agreement is deleted and replaced with the following:

> Subject to the terms of this Agreement, Franchisor grants to Developer the right (the "Development Rights") to develop the number of new franchised Meineke Car Care Centers specified in the schedule set forth in Exhibit B (the "Development Schedule") within the area described in Exhibit A to this Agreement (the "Development Area").

3. **Territorial Protection**. Section 4 of the Development Agreement is deleted and replaced with the following:

> **4. TERRITORIAL PROTECTION**.
>
> During the Term, neither Franchisor nor its Affiliates will grant a franchise for the operation of a Meineke Car Care Center to anyone else in the Development Area, except for any franchised Meineke Car Care Center in operation or under lease, construction, or other commitment to open in the Development Area as of the Effective Date, provided

that Developer: (a) timely complies with the Development Schedule; and (b) is otherwise in material compliance with the terms and provisions of this Agreement. Except as expressly provided in the preceding sentence, Franchisor and its Affiliates retain the absolute right to develop and operate, and license third parties to develop and operate, during and after the Term, any business under any name in any geographic area, regardless of the proximity to or effect on the Centers developed hereunder or otherwise operated by Developer and/or its Affiliates (including Approved Affiliates). Without limiting the generality of the preceding sentence, Franchisor may acquire or be acquired by another business, which business may open and operate, and franchise others to open and operate, businesses similar to Meineke Car Care Centers using marks other than the Marks, without providing any rights or compensation to Developer. Developer acknowledges and agrees that Franchisor and its Affiliates may, and may authorize others to, engage in many business activities, and these business activities may compete with Centers.

4. **Effect of Termination**. The following is added to the end of Section 9.3 of the Development Agreement:

In addition, upon termination or expiration of this Agreement, the limited exclusive rights granted to Developer in the Development Area pursuant to Sections 3 and 4 will terminate, and Franchisor and its Affiliates shall thereafter have the right to license others to develop and/or operate Meineke Car Care Centers in the Development Area.

5. **Alternative Remedies**. Upon Developer's failure to comply with the Development Schedule, in addition to the remedies set forth in Section 10 of the Development Agreement, Franchisor may, in its sole discretion, without waiving its option to terminate the Development Agreement under Section 9 thereof, terminate this Addendum and the limited exclusive rights in the Development Area granted to Developer hereunder, without modifying Developer's development obligations under the Development Schedule.

6. **Miscellaneous**.

A. Other than as explicitly set forth in this Addendum, the terms of the Development Agreement shall remain unchanged and in full force and effect. To the extent that there is any conflict between the terms of this Addendum and the terms of the Development Agreement, the terms of this Addendum shall control.

B. This Addendum may be executed in counterparts, which together shall constitute one and the same Addendum. This Addendum may be transmitted by facsimile or emailed .pdf or .tif file. It is the parties' intent for the facsimile, .pdf, .tif, or other electronic signature to be an original signature and for the facsimile, .pdf, .tif, or other electronic copy to be deemed an original counterpart.

C. This Addendum will be binding on each of the parties to it and their successors and assigns.

[Signatures follow on next page]

IN WITNESS WHEREOF, the Parties have executed and delivered this Addendum as of the Addendum Date.

DEVELOPER:
[_____]

By:_____

Print Name: _____

Title: _____

Date:_____, _____

MEINEKE FRANCHISOR SPV LLC,
a Delaware limited liability company

By:_____
Authorized Representative

Attest: _____

Date: _____, _____

EXHIBIT T

CONVERSION AGREEMENT

CONVERSION AGREEMENT

THIS CONVERSION AGREEMENT ("Agreement") entered into as of this "DAY" day of "MONTH", "YEAR", by and between "FRANCHISEE", a(n) "INDIVIDUAL/CORPORATION" with its principal office located at "FRANCHISEE'S ADDRESS" ("Converter" or "Franchisee"), and Meineke Franchisor SPV LLC, a Delaware limited liability company with its corporate offices located at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 ("Meineke" or "Franchisor").

WHEREAS, Meineke is the national Franchisor of Meineke Car Care Centers which are located throughout the United States;

WHEREAS, Converter has purchased a Meineke franchise license, which has been assigned center number "CENTER NUMBER" by Meineke ("Center No. "CENTER NUMBER");

WHEREAS, Converter wishes to open Center No. "CENTER NUMBER" at a location which has an existing operating business;

WHEREAS, Converter desires to convert the existing business to a Meineke Car Care Center under the terms and conditions of this Conversion Agreement ("Conversion Center"); and

WHEREAS, in order to induce Converter to convert the existing location to a Meineke Car Care Center, Meineke will enter into this Conversion Agreement that will provide Meineke and Franchisee with certain incentives to open and operate this location as a Meineke Car Care Center.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. Converter shall remit to Meineke an initial franchise fee of Twenty Thousand and 00/100 Dollars ($20,000).

2. Converter agrees to convert his Conversion Center to a Meineke franchised center using the Meineke license for Center No. "CENTER NUMBER" to operate the Conversion Center as a Meineke Car Care Center in accordance with the terms and conditions of this Agreement, and in accordance with the terms and conditions of the governing Meineke Franchise and Trademark Agreement (the "Franchise Agreement"), which Franchisee will sign contemporaneously with this Agreement. The term of the Franchise Agreement will be for a primary term of 15 years with renewal rights contained in the Franchise Agreement. The effective date of this Agreement shall be the earlier of the date Franchisee begins operating their location as a Meineke Car Care Center, or 2 weeks after Franchisee completes the Meineke training course held in Charlotte, North Carolina ("Effective Date"). Notwithstanding anything stated to the contrary, the Effective Date shall not be later than 12 weeks from the date of this Agreement.

3. If there is a conflict between the terms of this Agreement and the terms of Franchisee's governing Franchise Agreement, this Agreement shall control.

4. Franchisee acknowledges that he has submitted the Conversion Center to Meineke for review and approval, and the Conversion Center has been approved by Meineke, so Converter will not be required to take any additional action in order to comply with the location approval requirements contained in Section 2.2 of the governing Franchise Agreement. The location for the converted Center No. "CENTER NUMBER" will be "CENTER ADDRESS."

5. Upon the opening of the Conversion Center, Converter shall display the Meineke name and signage so designating the business as a Meineke Car Care Center.

6. Upon the execution of this Agreement, Converter shall sign Meineke's then current telephone release, which assigns to Meineke the rights to the current telephone listing or new telephone listing for the Conversion Center. Such telephone listing shall be placed in the next available Meineke directory listing and advertisement for the market in which the Conversion Center is located.

7. Upon executing this Agreement Franchisee shall take the necessary steps to cancel its current advertisements for the business that is now being conducted at the conversion location, and Franchisee shall not renew such advertisements or telephone listings in the directories for Franchisee's formerly operated business.

8. Franchisee shall cause to be removed from the Conversion Center all signage and other items that affiliates Franchisee with its former business. The removal of these items shall be completed within 90 days from the date of this Agreement.

9. Upon opening the Conversion Center as a Meineke Car Care Center Franchisee shall report to Meineke all sales conducted at the Conversion Center of whatever type and shall remit to Meineke and the Meineke Advertising Fund all fees due as a result of these sales.

10. Upon the opening of the Conversion Center, Converter shall transmit electronically their sales information to Meineke using software that can interface with Meineke's internal computer system, and which is authorized by the Meineke business system. In that regard, Meineke will make available to Converter the M.Key software package at the current retail price offered to other Meineke franchisees.

11. Franchisee shall hold harmless and indemnify Meineke, including attorneys' fees from and against any claims, damages, judgements, liability brought or received from or by and third party relating to the Conversion Center that occurred prior to it opening as a Meineke Car Care Center pursuant to this Agreement.

12. During the initial two (2) years of operation, Convertor agrees to pay Meineke a reduced continuing weekly royalty fee equal to fifty percent (50%) of the royalties due under Section 3.2 of the Franchise Agreement. For each year after the third year of operation until the end of the Term of the Franchise Agreement, Convertor shall pay royalties in accordance with Section 3.2 of the Franchise Agreement.

13. Converter shall begin paying all royalties and MAF the first week after the Effective Date and they shall pay such MAF contributions and Royalties in accordance with the terms of its governing Franchise Agreement.

14. Except as otherwise expressly provided herein, there are no other oral or written agreements, understandings, representations or statements relating to the subject matter of this Agreement other than the Meineke Franchise Disclosure Document and the governing Franchise Agreement. This Agreement is binding upon the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest. Nothing in this Agreement will be deemed to confer any rights or remedies on any person or legal entity not a party hereto.

15. This Agreement shall serve as an addendum to Franchisee's Franchise Agreement for Center No. "CENTER NUMBER" and shall be incorporated by reference to that agreement for all purposes. Nothing in this Agreement shall affect the other franchised Meineke Centers that Converter now or hereafter operates.

16. This Agreement may not be assigned by Franchisee without the prior written permission of Meineke.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and the year first above written.

CONVERTER:

"CORPORATE/CO. NAME"

By: _____
Authorized Representative

IF INDIVIDUALS:

_____
"INDIVIDUAL NAME"

_____
"INDIVIDUAL NAME"

MEINEKE FRANCHISOR SPV LLC

By: _____
Authorized Representative

EXHIBIT U

5 STAR ANALYSIS AND SCORING

5 STAR ANALYSIS AND SCORING

Dear Dealer,

Please find attached the "5 Star" report. The current rating is based on performance data collected through ___, _____.

The "5 Star" program sets out targets for the most important benchmarks we have identified that drive the ultimate "bottom line" success of your Meineke franchise.

These key business drivers range from pure measurable Key Performance Indicators such as the # of fluid & filter jobs, customer retention %, ARO's, gross margin % etc. to the implementation (or not) of best practices such as maintaining a good image, telephone technique, using an inspection form or being open the appropriate hours.

Your Operations Manager remains available to assist you with developing a plan to improve your business and your Star rating. Many of you have previously taken advantage of the help and the results can be seen in the chains overall 5 Star improvement.

Explanation of 5 Star Analysis and Scoring

The Key Drivers and scoring:

1. Phone Procedure 20pt
    a. 30% or greater Call Conversion Rate-10pt
    b. Call Success of 90%-5pt
    c. Full Slate is being Utilized-5pt

2. eInspection / DVI or AVI 20pt
    a. 80% of vehicles Inspected-5pt
    b. 70% text or email inspections to the customers-5pt
    c. 80% email Collection-5pt
    d. Have a minimum of three Inspection Tablets-5pt

3. Production 10pt
    a. AWRO (TARO) $1200 prorated from $800.-3pt
    b. Accepting Online Appointments y/n-2pt
    c. Center is staffed with a minimum of 3 technicians 4 is perfect prorated at 3pt
    d. Center ARO is over $400 prorated from $300 no score below $300.-2pt

4. Sales 15pt
    a. Declined tickets at 50% or Greater-2pt
    b. Repeat customer percentage 40% or Greater-2pt
    c. 4.5% sales growth YOY-2pt
    d. Oil changes as a % of tickets 50% is full points, prorated from 40%-2pt
    e. Offering Financing options-2pt

5. Visit Engagement 15pt
    a. Participated in Yearly Goal Setting Meeting with Ops Coach-5pt
    b. Attend a minimum of 2 Business Review with Operations (Virtual or Onsite)-10pt

6. Execute Marketing Initiative 10pt
    a. Vote In Marketing Window-5pt
    b. POP up in the center (yes/no)-2pt
    c. National oil change offer participation-3pt

7. Fleet 15pt
    a. Must be on MKey Cloud-5pt
    b. 90% Enrolled/Utilizing Claim Driver Utilization-5pt
    c. Must be Fleet Certified-5pt

8. Bonus Points-Image 15pt
    a. Average of I auditor score (1-5) on exterior, waiting room, employees and shop area
        i. The average is weighted in that exterior and waiting room receive a full point, while employees and bay area receive a half point each-5pt
    b. Project Constitution participation-5pt
    c. Google Star rating prorated from 3.5 to 4, 4.1 to 4.4, and 4.7 and above is full points-5pt

The points have been aggregated within each section and were converted into a % of the total available points. The individual components were then aggregated to determine your overall Star rating. If the average % was less than 20% you received a 1 Star rating, 20-40% a 2 Star, 41-60% a 3 Star, 61-80% a 4 Star, +80% a 5 Star.

All “Star” ranking will be published on the “Dealer Access” web site.

Newer Centers and Centers that have recently been sold have not been given “Stars” at this time as the data is misleading until the Center/new dealers have been in business for 8-12 months.

I hope you find this information useful and should be taken as a constructive attempt on our part to let you know where you sit regarding our expectations and the key success drivers for your business.

Regards,

Robert Fillman, Brand President
Meineke Franchisor SPV LLC

EXHIBIT V

GUARANTEE OF PERFORMANCE

GUARANTEE OF PERFORMANCE

For value received, **DRIVEN SYSTEMS LLC**, a Delaware limited liability company located at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 (the "Guarantor"), absolutely and unconditionally guarantees to assume the duties and obligations of **MEINEKE FRANCHISOR SPV LLC**, located at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2024 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Cumming, Georgia on the 22nd day of May, 2024.

GUARANTOR:

DRIVEN SYSTEMS LLC

By: Scott O'Melia
Name: Scott O'Melia
Title: Executive Vice President and Secretary

EXHIBIT W

ADDENDUM TO MEINEKE FRANCHISE AND TRADEMARK AGREEMENT
CO-BRAND ADDENDUM

ADDENDUM TO MEINEKE FRANCHISE AND TRADEMARK AGREEMENT
CO-BRAND ADDENDUM

This Addendum ("Addendum") to the Meineke Franchise and Trademark Agreement ("Franchise Agreement") is made by and between _____, whose address is _____ ("Franchisee") and Meineke Franchisor SPV LLC, a Delaware limited liability company with its principal place of business located at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 ("Meineke" or "Franchisor").

WHEREAS, Franchisee signed the Franchise Agreement on or about _____, _____ that granted to Franchisee a license to operate an automotive repair center using Meineke's trademarks and the Meineke franchise system;

WHEREAS, Meineke's affiliate is an automotive repair system that specializes in oil changes and that operates under the name of Econo Lube N'Tune ("Econo Lube");

WHEREAS, Meineke believes that if Franchisee incorporates the name Econo Lube in the operation of its Meineke business Franchisee will gain additional opportunities to drive Franchisee's oil change business at the Meineke center; and

WHEREAS, Franchisee wishes to incorporate the use of the Econo Lube name in the operation of its business under the terms and conditions stated in this Addendum.

NOW, THEREFORE, in consideration for the mutual covenants contained herein and other good and valuable consideration the sum and sufficiency of which is hereby acknowledged the parties to the Addendum agree as follows:

1. **Construction:** The Addendum shall be read in conjunction with the Franchise Agreement. To the extent that there is a conflict between the terms of this Addendum and the governing Franchise Agreement this Addendum shall control.

2. **Franchise Agreement:** Unless otherwise modified by the terms of this Addendum, the terms of the Franchise Agreement shall remain in full force and effect, unmodified and un-cancelled.

3. **License Grant:** By this Addendum Franchisee is granted a non-exclusive limited license to use the Econo Lube name and trademarks ("Econo Marks") in the operation of Franchisee's business at the location corresponding with this franchise and for no other purpose. Franchisee shall have no rights to use the Econo Marks in any other manner unless Franchisee receives the prior written consent of Meineke to do so. Franchisee acknowledges, understands, and agrees that the license to use the Econo Marks shall not grant to Franchisee any ownership rights in and to the name Econo Lube and that any and all goodwill that is associated with the Econo Marks, including any goodwill which may have been deemed to have arisen through Franchisee's activities, and such goodwill inures directly and exclusively to Meineke's benefit.

4. **Termination:** If for any reason the Franchise Agreement is terminated such termination shall be considered a termination of this Addendum, and all termination obligations described in the Franchise Agreement shall apply to the Addendum. Likewise, a breach of the terms of this Addendum shall be treated as a breach of the Franchise Agreement. Unless otherwise modified by this Addendum, all of the provisions of the Franchise Agreement shall be incorporated by reference for all purposes.

5. **Territory:** Section 2.3 of the Franchise Agreement shall be amended to add the following language:

> Notwithstanding anything that is stated herein, the territorial exclusivity stated herein shall apply to your grant of the Econo Lube license except that such territorial exclusivity shall not apply to any then existing Econo Lube centers on the Effective Date of this Addendum that either operate under the name Econo Lube or the name Meineke/Econo Lube.

6. **Service Fee:** The following paragraph shall be added as Section 3.9 of the Franchise Agreement:

Service Fee

Franchisee shall each week during the term of this Agreement, or any extensions hereof, pay to us concurrently with the submission of your Continuing Royalty payment as described in Section 3.2 above, a Service Fee equal to $34.00, subject to adjustment as provided in Section 3.3 above.

7. **Signage**: In the development and operation of this co-branded center Franchisee shall purchase and display, at its cost, such signage displaying the Econo Lube name and trademarks and trade dress as Meineke shall direct and the costs of the signage and trade dress and the installation thereon shall be borne by Franchisee. Franchisee may purchase such signage only from the vendors that Meineke may approve from time to time.

8. **Term:** The term of this Addendum shall run concurrently with the term of the Franchise Agreement and any renewals thereon.

9. **Warranties:** As a co-branded center displaying both the Meineke and Econo Lube name and trademarks Franchisee shall honor and perform at its center all warranties pursuant to the Meineke program in accordance with Section 7.12 of the Franchise Agreement.

10. **Integration:** This Agreement shall constitute the only agreement between the parties other than the Franchise Agreement with respect to the subject matter contained herein and as taken together they shall supersede all prior agreements and representations between the parties whether in writing or orally made.

11. **Effective Date:** The effective date of this Addendum ("Effective Date") is the date that this Addendum is signed by both parties to it.

EXECUTED the date first above written.

Franchisee:

_____

Print Name of Franchisee:_____

Franchisor:

Meineke Franchisor SPV LLC

_____

EXHIBIT X

MARKET AREA RESERVATION LETTER

[DATE]

Via Federal Express Delivery

[NAME]

Dear **[NAME]**,

The purpose of this letter ("**Market Area Reservation Letter**" or "**MARL**") is to set forth the terms and conditions under which Meineke Franchisor SPV LLC ("**Meineke**") is willing to reserve (but not grant) to **[NAME]** ("**Prospect**") the limited exclusive right to enter into a Meineke Franchise and Trademark Agreement (the "**Franchise Agreement**") for a new (ground-up) Meineke Car Care Center (a "**Center**") to be located within the geographic area described in attached Exhibit A (the "**Market Area**") for a limited period of time.

1. Reservation Period. The Reservation Period begins on the date of this MARL and expires upon the earlier of: **(a)** 30 days after the date of this MARL; **(b)** Prospect's execution of a Franchise Agreement for a Center to be located within the Market Area; or **(c)** mutual agreement of the parties.

2. Reservation of Market Area. During the Reservation Period, subject to the terms of this MARL, Meineke reserves, but does not grant, to Prospect the limited exclusive right to enter into a Franchise Agreement for a Center to be located in the Market Area.

3. Restrictions on Meineke. During the Reservation Period, Meineke will not enter into a Franchise Agreement for a Center to be located within the Market Area, provided that, at all times during and after the Reservation Period, Meineke will have the right to:

(a) enter into a Meineke Area Development Agreement with a third party for the development of multiple Centers to be located in a geographic area that includes all or part of the Market Area; and

(b) enter into a Franchise Agreement for a Center located in the Market Area in connection with the renewal or assignment of an existing Franchise Agreement.

4. Termination of MARL. This MARL will automatically terminate if Prospect fails to meet any of the following deadlines:

(a) By no later than _____, Prospect must: **(1)** submit to Meineke a completed (as determined by Meineke in its sole discretion) Franchise Application; **(2)** complete a Qualitative Assessment; and **(3)** return to Meineke a fully-executed, dated copy of the receipt for the then-current Meineke Franchise Disclosure Document.

(b) By no later than _____, Prospect must: **(1)** qualify financially under Meineke's then-current standards for new franchisees; **(2)** visit Meineke's headquarters in Charlotte, North Carolina; **(3)** complete Meineke's Operations Interview; and **(4)** submit a Business Plan Review to Meineke.

(c) By no later than _____, Prospect must execute a Franchise Agreement for a Center to be located within the Market Area.

5. Effect of Termination or Expiration. Upon the termination or expiration of this MARL, Prospect's limited exclusive rights hereunder will terminate or expire, respectively, and Meineke will have the unrestricted right to enter into a Franchise Agreement for a Center to be located within the Market Area with any third party.

6. Effect of MARL. This MARL is not an offer of a franchise or a commitment or promise by Meineke to offer Prospect a franchise, and Meineke's decision to make any such offer rests in Meineke's **sole discretion. Meineke is not obligated to offer Prospect a franchise or to enter into any Franchise Agreement with Prospect, and Prospect is not obligated to accept any franchise offer or enter into any Franchise Agreement with Meineke. No franchise offered by Meineke will come into existence except through a written Franchise Agreement executed by an officer of Meineke and countersigned by Prospect.**

7. Expenses. Each party will pay its own expenses and any other professional fees (including, without limitation, all legal, accounting and investment banking fees and expenses) in connection with this MARL and, if applicable, the execution of any Franchise Agreement.

8. Governing Law. This MARL and all claims and disputes arising hereunder will be governed by and construed in accordance with the laws of the State of North Carolina, without regard to its conflicts of law provisions.

Please countersign this letter in the space provided below and return the fully-executed copy to Jennings.Huntley@drivenbrands.com at your earliest convenience.

Sincerely,

Jennings Huntley
Director, Business Development

Acknowledged and Agreed by:

_____

By: _____
Name: _____
Title: _____
Date: _____

Exhibit A

Market Area

[INSERT MAP OF MARKET AREA]

EXHIBIT Y

DISCLOSURE ACKNOWLEDGMENT AGREEMENT

THIS DOCUMENT SHALL NOT BE SIGNED BY YOU, AND WILL NOT APPLY, IF THE OFFER OR SALE OF THE FRANCHISE IS SUBJECT TO THE STATE FRANCHISE REGISTRATION/DISCLOSURE LAWS IN THE STATES OF CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN.

IF THE FRANCHISE IS TO BE OPERATED IN, OR YOU ARE A RESIDENT OF, CALIFORNIA OR MARYLAND, DO NOT SIGN THIS DOCUMENT.

DISCLOSURE ACKNOWLEDGMENT AGREEMENT

Applicant _____
(If corporation) State of Incorporation _____
Address of Applicant _____
Location (Territory) Applied For _____

1. I have received all appropriate offering circulars and disclosure documents for the State(s) of _____ at my first personal meeting with Meineke Franchisor SPV LLC ("Meineke") and have had at least fourteen (14) calendar days before signing the Franchise Agreement and/or payment of any monies.

2. I have signed and returned to Meineke the acknowledgment of receipt for each disclosure document given me.

3. I have had an opportunity to read the Franchise Agreement thoroughly and understand all of Meineke's covenants and obligations and my obligations as a franchisee of the Meineke® system. I understand that the Franchise Agreement contains all obligations of the parties and that Meineke does not grant to me under the Franchise Agreement any right of first refusal.

4. I understand that this franchise business, as in all business ventures, involves risk and despite assistance and support programs, the success of my business will depend largely upon me and my ability.

5. Other than fill in the blank provisions or changes due to negotiations that I initiated, I received a completed Franchise Agreement at least seven (7) calendar days before the actual date I signed the Agreement.

6. I understand that Meineke has a national marketing and promotional program which is not directed towards any specific franchise territory but is intended to benefit the entire Meineke® system nationwide.

7. I have had no promises, guarantees or assurances made to me and no information provided to me relative to earnings, revenues, profits, expenses or projected revenues for this franchise, except as disclosed in the disclosure document. If I believe that I have received any such promises, guarantees, assurances or information, I agree to describe it below (otherwise write "None").

_____
_____
_____

[Signature Page Follows]

Applicants' Acknowledgment:

Name:_____ Name:_____
Date:_____ Date:_____

EXHIBIT Z

ADVERTISING ADDENDA TO FRANCHISE AND TRADEMARK AGREEMENT

[VERSION 1]

ADVERTISING ADDENDUM TO FRANCHISE AND TRADEMARK AGREEMENT

THIS ADVERTISING ADDENDUM TO THE FRANCHISE AND TRADEMARK AGREEMENT (the "Addendum") is made by and between Meineke Franchisor SPV LLC ("Meineke") and _____ ("Franchisee") as of the date appearing below Meineke's signature line at the end of this Addendum.

RECITALS

WHEREAS, Meineke and Franchisee are parties to a Meineke Franchise and Trademark Agreement for Meineke Center _____ dated _____, 20__ (the "Existing Franchise Agreement") under which Franchisee will operate a Meineke Center at the location specified in Schedule B of the Existing Franchise Agreement (the "Location") (all initial capitalized terms used but not defined in this Addendum shall have the meanings set forth in the Existing Franchise Agreement); and

WHEREAS, Meineke and Franchisee have agreed to amend the advertising provisions of the Existing Franchise Agreement in accordance with the terms and conditions more particularly set forth herein.

NOW, THEREFORE, in consideration of the promises, mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Effective Date.** This Addendum shall be in effect on the date of execution by Meineke after first being executed by Franchisee (the "Effective Date").

2. **Tier One Eligibility Criteria.** For purposes of this Addendum, Franchisee shall be a Tier One Franchisee ("Tier One") provided Franchisee has been open and operating for a period of 12 consecutive months preceding the Effective Date and Franchisee meets the following stated eligibility requirements during the six-month period preceding the Effective Date:

   a. Franchisee must be at least a "3-Star Dealer" in accordance with the then current Meineke Star Rating Program;

   b. Franchisee must be current in any franchise fees or advertising contributions, due and owing to Meineke, Meineke Realty, Inc. or Econo Lube N' Tune, LLC, meaning Franchisee shall not have any accounts receivable balance outstanding more than 30 days in arrears;

   c. Franchisee must be: (i) on a current Existing Franchise Agreement, meaning the stated expiration date of the Existing Franchise Agreement shall not have occurred, or; (ii) be actively engaged in the renewal process as determined by Meineke;

d. Franchisee must be engaged in the following operational programs:

i. For the purposes of calculating the eligibility threshold set forth in this Paragraph 2(d)(i), for the first year following the Effective Date, Franchisee must make annual expenditures from Meineke Dealers Association Purchasing Cooperative, Inc. ("MDPCI") vendors, and MDPCI approved programs must amount to 12.5% of Franchisee's annual gross sales. This reflects that the average Meineke Center has a cost of goods sold of 25%, with the purchasing requirement set at 50% of that amount. In subsequent years, this purchasing requirement may be increased above 50%, but at no time will this requirement exceed 70% as calculated using this formula. Any percentage change shall be determined by Meineke only after consultation with the MDPCI.

ii. Franchisee must participate in the then current Meineke preferred tire program, meaning Franchisee must be actively enrolled in the then current Meineke preferred tire program and selling the applicable tires pursuant to the then current Meineke preferred tire program at the Location;

iii. If required by Meineke, Franchisee must participate in the Exxon Mobil Program or a then current Meineke preferred oil change program, meaning Franchisee must be actively enrolled in the Exxon Mobil Program or the then current Meineke preferred oil change program and selling Exxon Mobil or equivalent products pursuant to the then current Meineke preferred oil change program at the Location;

iv. Franchisee must be enrolled and participating in the Meineke Credit Card Program, meaning Franchisee must have executed a definitive agreement with Synchrony Bank or their predecessor or a then current Meineke approved private label consumer credit program, is actively accepting and selling the Meineke Credit Card at the Location and has successfully completed 24 new Synchrony card applications, or its then current equivalent, per calendar year;

v. Franchisee must be utilizing the then current online appointment system;

vi. Franchisee must be enrolled with the LogMyCalls and Telmetrics programs or the then current Meineke preferred equivalent versions of such programs;

vii. Franchisee must log onto Dealer Access an average of at least once per week annually; and

viii. Franchisee must have attended a minimum of either one regional meeting per year or attend either the annual Meineke or the Meineke Dealer's Association ("MDA") Convention.

3. **Tier One and Tier Two Eligibility Criteria.** For purposes of this Addendum, Tier One and Tier Two Franchisees ("Tier Two") shall be determined on an annual basis by Meineke in Meineke's discretion, after consultation with the MDA, in accordance with Paragraph 5(a) set forth herein.

4. **Capital Fund.** Provided Franchisee meets the eligibility requirements of Tier One or Tier Two, Meineke shall allocate Franchisee's ongoing weekly MAF contributions in the following manner:

a. Capital Fund. For the first calendar year (or part thereof) following the Effective Date and provided Franchisee remains in compliance with its weekly advertising contributions under the Existing Franchise Agreement, Meineke shall allocate 1.0% of Franchisee's ongoing weekly MAF contributions to a capital fund to be disbursed in accordance with the terms more fully set forth in this Addendum (the "Capital Fund"). The Capital Fund shall be part of the MAF, subject to audit annually, and disbursed in accordance with Paragraph 4(b) in this Addendum. For the second calendar year following the Effective Date, Meineke shall allocate 2.0% of Franchisee's ongoing weekly MAF contributions to the Capital Fund. If Franchisee is not in compliance with all advertising contributions due and owing pursuant to the terms of the Existing Franchise Agreement, Franchisee's remittance of any weekly advertising contribution shall first be applied to the MAF and shall not be allocated to the Capital Fund unless and until Franchisee is current in all of its advertising contributions. For the third calendar year following the Effective Date and for the remaining Term of the Existing Franchise Agreement, Franchisee shall remit ongoing weekly MAF contributions in accordance with Paragraph 5 of this Addendum.

b. Capital Fund Disbursements. During the third calendar year following the Effective Date, Meineke shall direct funds in the Capital Fund solely to improve the image of the Location, including replacing and/or upgrading exterior and interior signs and décor, provided no such upgrading or remodeling during the Term will require any increase in the square footage of the Location's premises. Such improvements shall be in accordance with Meineke's then current image guidelines, standards and specifications. The form, manner, and priority of disbursements of Capital Funds for any Meineke Center image enhancements shall be determined by Meineke in its sole discretion in consultation with Franchisee and the MDA. Not later than the first quarter of the third calendar year following the Effective Date, Franchisee shall meet and confer with a Meineke representative concerning how the Capital Fund shall be disbursed by Meineke to improve the Location's image in accordance with Meineke's standards and specifications. To the extent there are any remaining funds in the Capital Fund after funds are disbursed for Location improvements in accordance with Meineke's standards and specifications, any such remaining funds shall be disbursed by Meineke to Franchisee and Franchisee shall use all commercially reasonable efforts to use such funds for the purpose of Location improvement, at Franchisee's discretion.

5. **Ongoing MAF Contributions.** For the third calendar year following the Effective Date and each calendar year thereafter during the Term of the Existing Franchise Agreement, notwithstanding anything stated to the contrary in the Existing Franchise Agreement: (i) if Franchisee is a Tier One franchisee, Franchisee shall contribute weekly to the MAF 6% of Gross Revenues ("Adjusted Tier One MAF Contribution"); and, (ii) if Franchisee is a Tier Two franchisee, Franchisee shall contribute weekly to the MAF 5.5% of Gross Revenues ("Adjusted Tier Two MAF Contribution"). Notwithstanding the foregoing, with respect to Gross Revenues derived from the sale of: (a) towing services, (b) government-regulated inspections, and (c) tires, Franchisee's weekly MAF contribution shall be reduced as set forth in the Existing Franchise Agreement. Meineke reserves the right to place a cap on annual MAF contributions for Tier Two franchisees as is deemed appropriate after consultation with the MDA. Meineke will allocate the applicable MAF contribution payable under this Addendum, excluding any amount allocated to the Capital Fund and the portion of the MAF contribution derived from the sale of tires, towing services, and government-regulated inspections (which will be allocated in accordance with the Franchise Agreement without regard to this Addendum), as follows: 6% to Creative; 38% to National Advertising; and 56% to Local Directory Advertising and Local Advertising.

a. **Tier One and Tier Two Annual Assessment.** Not later than the end of the first quarter of each calendar year during the Term of the Existing Franchise Agreement, Meineke shall determine, in its discretion after consultation with the MDA, whether Franchisee meets Tier One or Tier Two eligibility requirements. Tier One eligibility shall be determined based on the criteria as set forth in Paragraph 2 herein. Tier Two eligibility shall be determined on a yearly basis by Meineke after consultation with the MDA. Meineke shall make its determination on the basis of Franchisee's or the Location's performance during the prior full calendar year. After assessing Franchisee or the Location's performance during the prior full calendar year, if Meineke determines that Franchisee's tier changes from Tier One to Tier Two or from Tier Two to Tier One, Meineke shall provide Franchisee with written notice, in accordance with the notice provision set forth in Paragraph 7 of this Addendum, and Franchisee shall remit either the Adjusted Tier Two MAF Contribution or the Adjusted Tier One MAF Contribution in accordance with the written notice provided.

6. **Payment Obligations.** All initial franchise fees, royalty fees, MAF contributions and any other payments made pursuant to the Existing Franchise Agreement and this Addendum shall be paid using electronic debit/credit transfer of funds ("EFT"). Franchisee agrees to sign such documents, pay such bank fees and do such things as we deem necessary to facilitate electronic transfers of funds or other methods of payment. No restrictive endorsement on any check or in any letter or other communication accompanying any payment will bind Meineke, and its acceptance of any such payment will not constitute an accord and satisfaction. Notwithstanding the foregoing, if and only if the Existing Franchise Agreement does not require remittance of payment to Meineke via EFT ("Non-EFT Dealer"), this Paragraph 6 shall not be in effect and Franchisee shall not be required to remit payment via EFT for 12 months from the Effective Date. Twelve months from the Effective Date, however, this Paragraph shall take effect. If Franchisee is a Non-EFT Dealer and this Paragraph 6 is in effect, and there is a good faith dispute regarding the amount of fees and MAF contributions owed pursuant to the Existing Franchise Agreement,

Franchisee and Meineke shall meet and confer and mutually conduct a full reconciliation of the amount owed within 30 business days of Franchisee's notice of such good faith dispute. If, after a full reconciliation, Franchisee's accounts receivable balance cannot in any way be reconciled with the requirements in the Existing Franchise Agreement, Franchisee shall have the right to opt-out of the EFT requirement and remit payment in accordance with the Existing Franchise Agreement.

7. **Notice.** All notices required to be delivered by this Addendum will be deemed delivered on the same day of the transmission by electronic mail to the electronic mail address provided to Meineke by Franchisee. Nothing in this Addendum shall alter the legal notice provisions set forth in the Existing Franchise Agreement. All Meineke preferred programs referenced in Paragraph 2 shall clearly be communicated by Meineke as such in accordance with this Paragraph 7.

8. **Merger.** In the event there is a direct conflict between the terms of this Addendum and the terms of the Existing Franchise Agreement, the terms of this Addendum relating to the subject matter herein shall control.

9. **Guaranty.** If Franchisee is a corporation and is signing this Addendum as a representative of a corporation, then the guaranty signed by the individual stockholders of the corporation who signed the Existing Franchise Agreement ("Guaranty") shall be guarantors of this Addendum and shall execute where indicated below. The individual stockholders of the corporation shall be guarantors of this Addendum as if this Addendum were a part of the Existing Franchise Agreement when initially signed by the corporation and the guarantor stockholders.

10. **Cancellation.** In the event the average Meineke Center's annual gross sales, as published in Item 19 of Meineke's Franchise Disclosure Document, decreases more than 10% as compared to the preceding year, Meineke may at its discretion discontinue this program and terminate this Addendum at any time upon notice to Franchisee. In that event upon notice, Franchisee shall make all advertising payments to the MAF from the time such notice is issued to Franchisee in accordance with the Existing Franchise Agreement. In addition, in that event and upon notice, any monies that Franchisee has contributed to the Capital Fund for its Location will be released into the MAF as general MAF funds to be used per the Existing Franchise Agreement. Notwithstanding the foregoing, this cancellation provision shall not be in effect 10 years following the Effective Date and for the remaining Term of the Existing Franchise Agreement thereafter.

11. **Survival.** The terms and conditions of the Existing Franchise Agreement not modified by this Addendum shall remain in full force and effect, unchanged and un-canceled.

12. **Star Rating.** In no event shall Meineke render Franchisee in default of the Existing Franchise Agreement for Franchisee's failure to maintain a specific star rating in accordance with Meineke's then current Meineke Star Rating Program. The star rating criteria shall be used solely for purposes of determining Tier One or Tier Two eligibility status and for no other purpose.

IN WITNESS WHEREOF, the parties have executed and delivered this Addendum as of the _____ day of _____, _____.

DEALER
If a corporation, limited liability company or partnership:

_____
a _____

(Name of corporation, limited liability company or partnership)

MEINEKE FRANCHISOR SPV LLC, a Delaware limited liability company

By:_____

Print Name:_____
Title:_____

GUARANTOR

_____
(an individual)

[VERSION 2]

ADVERTISING ADDENDUM TO FRANCHISE AND TRADEMARK AGREEMENT

THIS ADVERTISING ADDENDUM TO THE FRANCHISE AND TRADEMARK AGREEMENT (the "Addendum") is made by and between Meineke Franchisor SPV LLC ("Meineke") and _____ ("Franchisee") as of the date appearing below Meineke's signature line at the end of this Addendum.

RECITALS

WHEREAS, Meineke and Franchisee are parties to a Meineke Franchise and Trademark Agreement for Meineke Center _____ dated _____, 20__ (the "Existing Franchise Agreement") under which Franchisee will operate a Meineke Center at the location specified in Schedule B of the Existing Franchise Agreement (the "Location") (all initial capitalized terms used but not defined in this Addendum shall have the meanings set forth in the Existing Franchise Agreement); and

WHEREAS, Meineke and Franchisee have agreed to amend the advertising provisions of the Existing Franchise Agreement in accordance with the terms and conditions more particularly set forth herein.

NOW, THEREFORE, in consideration of the promises, mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

13. **Effective Date.** This Addendum shall be in effect on the date of execution by Meineke after first being executed by Franchisee (the "Effective Date").

14. **Tier One Eligibility Criteria.** For purposes of this Addendum, Franchisee shall be a Tier One Franchisee ("Tier One") provided Franchisee has been open and operating for a period of 12 consecutive months and Franchisee meets the following stated eligibility requirements:

a. Franchisee must be at least a "3-Star Dealer" in accordance with the then current Meineke Star Rating Program;

b. Franchisee must be current in any franchise fees or advertising contributions, due and owing to Meineke, Meineke Realty, Inc. or Econo Lube N' Tune, LLC, meaning Franchisee shall not have any accounts receivable balance outstanding more than 30 days in arrears;

c. Franchisee must be: (i) on a current Existing Franchise Agreement, meaning the stated expiration date of the Existing Franchise Agreement shall not have occurred, or; (ii) be actively engaged in the renewal process as determined by Meineke;

d. Franchisee must be engaged in the following operational programs:

i. For the purposes of calculating the eligibility threshold set forth in this Paragraph 2(d)(i), for the first year following the Effective Date, Franchisee must make annual expenditures from Meineke Dealers Association Purchasing Cooperative, Inc. ("MDPCI") vendors, and MDPCI approved programs must amount to 12.5% of Franchisee's annual gross sales. This reflects that the average Meineke Center has a cost of goods sold of 25%, with the purchasing requirement set at 50% of that amount. In subsequent years, this purchasing requirement may be increased above 50%, but at no time will this requirement exceed 70% as calculated using this formula. Any percentage change shall be determined by Meineke only after consultation with the MDPCI.

ii. Franchisee must participate in the then current Meineke preferred tire program, meaning Franchisee must be actively enrolled in the then current Meineke preferred tire program and selling the applicable tires pursuant to the then current Meineke preferred tire program at the Location;

iii. If required by Meineke, Franchisee must participate in the Exxon Mobil Program or a then current Meineke preferred oil change program, meaning Franchisee must be actively enrolled in the Exxon Mobil Program or the then current Meineke preferred oil change program and selling Exxon Mobil or equivalent products pursuant to the then current Meineke preferred oil change program at the Location;

iv. Franchisee must be enrolled and participating in the Meineke Credit Card Program, meaning Franchisee must have executed a definitive agreement with Synchrony Bank or their predecessor or a then current Meineke approved private label consumer credit program, is actively accepting and selling the Meineke Credit Card at the Location and has successfully completed 24 new Synchrony card applications, or its then current equivalent, per calendar year;

v. Franchisee must be utilizing the then current online appointment system;

vi. Franchisee must be enrolled with the LogMyCalls and Telmetrics programs or the then current Meineke preferred equivalent versions of such programs;

vii. Franchisee must log onto Dealer Access an average of at least once per week annually; and

viii. Franchisee must have attended a minimum of either one regional meeting per year or attend either the annual Meineke or the Meineke Dealer's Association ("MDA") Convention.

15. **Tier One and Tier Two Eligibility Criteria.** For purposes of this Addendum, Tier One and Tier Two Franchisees ("Tier Two") shall be determined on an annual basis by Meineke in Meineke's discretion, after consultation with the MDA, in accordance with Paragraph 4(a) set forth herein.

16. **Ongoing MAF Contributions.** Notwithstanding anything stated to the contrary in the Existing Franchise Agreement, for a term of 12 months from the Effective Date Franchisee shall contribute weekly to the MAF 6% of Gross Revenues. For the second 12-month period following the Effective Date and each year thereafter during the Term of the Existing Franchise Agreement, notwithstanding anything stated to the contrary in the Existing Franchise Agreement: (i) if Franchisee is a Tier One franchisee, Franchisee shall contribute weekly to the MAF 6% of Gross Revenues ("Adjusted Tier One MAF Contribution"); and, (ii) if Franchisee is a Tier Two franchisee, Franchisee shall contribute weekly to the MAF 5.5% of Gross Revenues ("Adjusted Tier Two MAF Contribution"). Notwithstanding the foregoing, with respect to Gross Revenues derived from the sale of: (a) towing services, (b) government-regulated inspections, and (c) tires, Franchisee's ongoing weekly MAF contribution shall be reduced as set forth in the Existing Franchise Agreement. Meineke reserves the right to place a cap on annual MAF contributions for Tier Two franchisees as is deemed appropriate after consultation with the MDA. Meineke will allocate the applicable MAF contribution payable under this Addendum, excluding the portion of the MAF contribution derived from the sale of tires, towing services, and government-regulated inspections (which will be allocated in accordance with the Franchise Agreement without regard to this Addendum), as follows: 6% to Creative; 38% to National Advertising; and 56% to Local Directory Advertising and Local Advertising.

a. **Tier One and Tier Two Annual Assessment.** Not later than the end of the first quarter of each calendar year during the Term of the Existing Franchise Agreement, Meineke shall determine, in its discretion after consultation with the MDA, whether Franchisee meets Tier One or Tier Two eligibility requirements. Tier One eligibility shall be determined based on the criteria as set forth in Paragraph 2 herein. Tier Two eligibility shall be determined on a yearly basis by Meineke after consultation with the MDA. Meineke shall make its determination on the basis of Franchisee's or the Location's performance during the prior full calendar year. After assessing Franchisee or the Location's performance during the prior full calendar year, if Meineke determines that Franchisee's tier changes from Tier One to Tier Two or from Tier Two to Tier One, Meineke shall provide Franchisee with written notice, in accordance with the notice provision set forth in Paragraph 5 of this Addendum, and Franchisee shall remit either the Adjusted Tier Two MAF Contribution or the Adjusted Tier One MAF Contribution in accordance with the written notice provided.

17. **Notice.** All notices required to be delivered by this Addendum will be deemed delivered on the same day of the transmission by electronic mail to the electronic mail address provided to Meineke by Franchisee. Nothing in this Addendum shall alter the legal notice provisions set forth in the Existing Franchise Agreement. All Meineke preferred programs referenced in Paragraph 2 shall clearly be communicated by Meineke as such in accordance with this Paragraph 5.

18. **Merger.** In the event there is a direct conflict between the terms of this Addendum and the terms of the Existing Franchise Agreement, the terms of this Addendum relating to the subject matter herein shall control.

19. **Guaranty.** If Franchisee is a corporation and is signing this Addendum as a representative of a corporation, then the guaranty signed by the individual stockholders of the corporation who signed the Existing Franchise Agreement ("Guaranty") shall be guarantors of this Addendum and shall execute where indicated below. The individual stockholders of the corporation shall be guarantors of this Addendum as if this Addendum were a part of the Existing Franchise Agreement when initially signed by the corporation and the guarantor stockholders.

20. **Cancellation.** In the event the average Meineke Center's annual gross sales, as published in Item 19 of Meineke's Franchise Disclosure Document, decreases more than ten percent (10%) as compared to the preceding year, Meineke may at its discretion discontinue this program and terminate this Addendum at any time upon notice to Franchisee. In that event upon notice, Franchisee shall make all advertising payments to the MAF from the time such notice is issued to Franchisee in accordance with the Existing Franchise Agreement. Notwithstanding the foregoing, this cancellation provision shall not be in effect 10 years following the Effective Date and for the remaining Term of the Existing Franchise Agreement thereafter.

21. **Survival.** The terms and conditions of the Existing Franchise Agreement not modified by this Addendum shall remain in full force and effect, unchanged and un-canceled.

22. **Star Rating.** In no event shall Meineke render Franchisee in default of the Existing Franchise Agreement for Franchisee's failure to maintain a specific star rating in accordance with Meineke's then current Meineke Star Rating Program. The star rating criteria shall be used solely for purposes of determining Tier One or Tier Two eligibility status and for no other purpose.

IN WITNESS WHEREOF, the parties have executed and delivered this Addendum as of the _____ day of _____, _____.

DEALER
If a corporation, limited liability company or partnership:

_____
a _____

(Name of corporation, limited liability company or partnership)

MEINEKE FRANCHISOR SPV LLC, a Delaware limited liability company

By:_____

Print Name:_____
Title:_____

GUARANTOR

_____
(an individual)

EXHIBIT AA

TRI PARTY AGREEMENT

TRI PARTY AGREEMENT

THIS TRI PARTY AGREEMENT (the "Agreement") is made this _____ day of _____, ____, by and among Meineke Franchisor SPV LLC, with an address at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 ("Meineke"), _____, with an address at _____ ("Franchisee"), and _____, with an address at _____ ("Lender").

W I T N E S S E T H:

WHEREAS, Franchisee has signed a Franchise Agreement dated _____, ____ (the "Franchise Agreement") with Meineke related to the operation of a Meineke Car Care Center at _____ (the "Center"). A copy of the Franchise Agreement is attached to and made a part of this Agreement as Exhibit "A";

WHEREAS, the Center was previously owned and operated by Lender;

WHEREAS, Lender is making a loan of approximately $_____ (the "'Loan") for the purpose of financing Franchisee's purchase of the Center; and

WHEREAS, Meineke is willing to acknowledge the Loan provided Lender and Franchisee agree to the following terms and conditions.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The above recitals are true and correct and hereby incorporated herein.

2. Meineke agrees to provide Lender with a copy of any written notice of default ("Notice of Default") served on Franchisee by Meineke relating to Franchisee's failure to pay Meineke monies due under the Franchise Agreement ("Monetary Default"), at the same time such Notice of Default is provided to Franchisee.

3. Lender agrees that, upon receipt of a copy of the Notice of Default, it shall defer Franchisee's obligation to make Loan payments to Lender for the lesser of ninety (90) days from the date of delivery of a copy of the Notice of Default to Lender or until Meineke gives Lender notice that Franchisee has cured the Monetary Default, to allow Franchisee to make payments to Meineke to cure the Monetary Default.

4. Lender agrees that any deferral of Loan payments resulting or arising under the terms of this Agreement shall not cause Lender to take any action under the Loan documents unless the Loan payments under the Loan documents are not paid to Lender after the deferral period ends.

5. Lender acknowledges that any rights it has under the Loan documents to take possession of or operate the Center if Franchisee defaults under the Loan, are subject to the

restrictions on assignment contained in the Franchise Agreement, including but not limited to, Franchisor's right to approve the transfer of any interest in the Center.

6. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, successors and assigns. Nothing contained in this Agreement shall release the parties from their obligations under this Agreement.

7. This Agreement shall be construed and interpreted in accordance with the laws of the State of North Carolina, which laws shall control in the event of any conflict of law. The parties agree that any action arising out of or relating to this Agreement shall be commenced, litigated and concluded only in any state or federal court of general jurisdiction in the county or district where Meineke's corporate offices are located. All parties irrevocably submit to the jurisdiction of such court and irrevocably waive any objection that they may have to either the jurisdiction or venue or such court. All parties further irrevocably agree not to argue that any such court is an inconvenient forum or to request transfer of any such action to any other court.

8. This Agreement constitutes the entire integrated agreement of the parties and may not be changed without the written consent of all the parties.

9. In the event Meineke retains the services of legal counsel to enforce the terms of this Agreement, Meineke shall be entitled to recover all costs and expenses from the responsible party, including reasonable attorneys' fees, incurred in enforcing the terms of this Agreement.

10. The persons executing this Agreement on behalf of corporations acknowledge their authority to do so.

Intending to be legally bound, the parties execute this Agreement as of the date first written above.

Meineke Franchisor SPV LLC

By: _____

Lender:

_____

_____

Franchisee:

_____

_____

State Effective Dates

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

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	May 31, 2024 (Exempt)
Hawaii	Pending
Illinois	May 31, 2024 (Exempt)
Indiana	Pending
Maryland	Pending (Exempt)
Michigan	May 31, 2024
Minnesota	Pending
New York	May 31, 2024 (Exempt)
North Dakota	Pending (Exempt)
Rhode Island	Pending (Exempt)
South Dakota	Pending
Virginia	Pending (Exempt)
Washington	Pending (Exempt)
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.

RECEIPT

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

If Meineke Franchisor SPV 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 franchisor or an affiliate in connection with the proposed franchise sale. Michigan requires us to give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Meineke Franchisor SPV 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 appropriate state agency listed on Exhibit A.

The franchisor is Meineke Franchisor SPV LLC located at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202. Its telephone number is (704) 377-8855.

Issuance Date: May 31, 2024

The franchise seller(s) for this offering are:

☐ Nadine Moussalli ☐ Adriana Crisp ☐ Darrin Krader ☐ Rinaldo Sintjago ☐ Ted Rippey
☐ Jacob Weyand ☐ Jennings Huntley ☐ Joseph Robinson ☐ _____

at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202, (704) 377-8855.

Meineke Franchisor SPV LLC authorizes the respective state agencies identified on Exhibit A to receive service of process for it in a particular state.

I have received a disclosure document from Meineke Franchisor SPV LLC dated May 31, 2024, that included the following Exhibits:

A. State Administrators/Agents for Service of Process
B. State-Specific Additional Disclosures and Agreement Riders
C. Franchise and Trademark Agreement
D. Franchise Application
E. Sublease Agreement
F. Industry-Specific Laws
G. Addendum to Lease and Collateral Assignment of Lease
H-1. M.Key Software License and Maintenance Agreement
H-2. M.Key Sales Contract
H-3. Automatic Draft Authorization
I. Operations Manual Table of Contents
J. Encroachment Insurance Policy
K. Release of Telephone Number and Transfer of Telephone Service
L. Renewal/Resale Release
M. List of Meineke Franchisees and List of Meineke Franchisees Who Have Left the System
N. Financial Statements
O. Insurance Compliance for Meineke Car Care Centers
P. Additional Documentation Required for Both the Purchase of a New License and for the Resale of an Existing License
Q. Additional Documentation Required for the Resale of an Existing License
R. Small Market Addendum
S. Area Development Agreement
S-1. Limited Exclusivity Addendum to Area Development Agreement
T. Conversion Agreement
U. 5 Star Analysis and Scoring
V. Guarantee of Performance
W. Co-brand Addendum to Franchise and Trademark Agreement
X. Market Area Reservation Letter
Y. Disclosure Acknowledgment Addendum
Z. Advertising Addenda to Franchise and Trademark Agreement
AA. Tri Party Agreement

[Signature Page Attached]

RECEIPT (cont.)

_____ Date:_____
Signature - Prospective Franchisee

_____
Print Name

_____ Date:_____
Signature - Prospective Franchisee

_____
Print Name

_____ Date:_____
Signature - Prospective Franchisee

_____
Print Name

_____ Date:_____
Signature - Prospective Franchisee

_____
Print Name

Center No. _____

(This copy is for you to keep)

RECEIPT

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

If Meineke Franchisor SPV 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 franchisor or an affiliate in connection with the proposed franchise sale. Michigan requires us to give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

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Issuance Date: May 31, 2024

The franchise seller(s) for this offering are:

☐ Nadine Moussalli ☐ Adriana Crisp ☐ Darrin Krader ☐ Rinaldo Sintjago ☐ Ted Rippey
☐ Jacob Weyand ☐ Jennings Huntley ☐ Joseph Robinson ☐ _____

at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202, (704) 377-8855.

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G. Addendum to Lease and Collateral Assignment of Lease
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H-2. M.Key Sales Contract
H-3. Automatic Draft Authorization
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J. Encroachment Insurance Policy
K. Release of Telephone Number and Transfer of Telephone Service
L. Renewal/Resale Release
M. List of Meineke Franchisees and List of Meineke Franchisees Who Have Left the System
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P. Additional Documentation Required for Both the Purchase of a New License and for the Resale of an Existing License
Q. Additional Documentation Required for the Resale of an Existing License
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S-1. Limited Exclusivity Addendum to Area Development Agreement
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W. Co-brand Addendum to Franchise and Trademark Agreement
X. Market Area Reservation Letter
Y. Disclosure Acknowledgment Addendum
Z. Advertising Addenda to Franchise and Trademark Agreement
AA. Tri Party Agreement

[Signature Page Attached]

RECEIPT (cont.)

_____ Date:_____	_____ Date:_____
Signature - Prospective Franchisee	Signature - Prospective Franchisee
_____	_____
Print Name	Print Name
_____ Date:_____	_____ Date:_____
Signature - Prospective Franchisee	Signature - Prospective Franchisee
_____	_____
Print Name	Print Name

Center No. _____

(Please sign a copy of this receipt, date your signature, and return it to Meineke Franchisor SPV LLC via mail at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202, or via facsimile at (888) 356-8192.)