



# Franchise Disclosure Document

2025

## FRANCHISE DISCLOSURE DOCUMENT



**MAACO FRANCHISOR SPV LLC**  
a Delaware limited liability company  
440 South Church Street, Suite 700  
Charlotte, North Carolina 28202  
704-377-8855  
**Ted.Rippey@drivenbrands.com**  
**www.maaco.com**  
**www.maacofranchise.com**

The franchise offered is to operate an automobile repair center specializing in automobile painting and body repair under the names “Maaco®,” “Maaco Collision Repair & Auto Painting®,” and “America’s Bodyshop®.”

The total investment necessary to begin operation of an “Auto Body Conversion” Maaco Center franchise is \$196,000 to \$644,000. This includes \$45,000 to \$414,000 that must be paid to the franchisor or affiliate. The total investment necessary to begin operation of a “Ground Up” or “Non-Auto Retrofit” Maaco Center franchise is \$728,500 to \$3,994,000. This includes \$45,000 to \$414,000 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 Maaco 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 3 Maaco Centers) is \$87,500. This includes \$87,500 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. **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 contracts 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](http://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: June 20, 2025, as amended September 18, 2025, [and December 15, 2025](#)

## 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
<b>How much can I earn?</b>	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 B.
<b>How much will I need to invest?</b>	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.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit A includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only Maaco business in my area?</b>	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What’s it like to be a Maaco franchisee?</b>	Item 20 or Exhibit B lists current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	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 S.

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 litigation only in a state or federal court of general jurisdiction in the county or district where our principal headquarters is located (currently in the State of North Carolina). Out-of-state litigation may force you to accept a less favorable settlement for disputes. It may also cost more to litigate with the franchisor in North Carolina than in your own state.
2. **Spousal Liability**. Your spouse may be required to sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your spouse and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

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

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APPLICABLE STATE LAW MAY REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION CONTAINED IN THIS DISCLOSURE DOCUMENT. THESE ADDITIONAL DISCLOSURES, IF ANY, APPEAR IN EXHIBIT T.

## **Item 1**

### **THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES**

#### **The Franchisor**

The franchisor is Maaco Franchisor SPV LLC. For ease of reference, Maaco Franchisor SPV LLC will be referred to as “we,” “us” or “Maaco” in this disclosure document. We will refer to the person or entity who buys the franchise as “you” throughout the disclosure document. If we allow you to assign your Franchise Agreement (defined below) to a corporation, partnership, limited liability company or other business entity, your owners and spouses must sign our Personal Guaranty, which means that all of the Franchise Agreement’s provisions also will apply to your owners.

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. We do business under our company name and “Maaco” and no other name. As described later in this Item, we sell franchises for the operation of automobile painting and body repair centers under the names “Maaco®,” “Maaco Collision Repair & Auto Painting®,” and “America’s Bodyshop®.” We have not offered franchises in any other line of business. If we have an agent in your state for service of process, we disclose that agent in Exhibit S.

#### **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 Maaco.

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 MAACO Franchising, LLC (“MAA”). MAA was the franchisor of Maaco Centers (defined below) before the closing of the Securitization Transaction described below. MAA was originally formed as a Delaware corporation on September 18, 2008 as “Maaco Franchising, Inc.” In April 2013, MAA converted from a corporation to a limited liability company and changed its name to “MAACO Franchising, LLC.” MAA shares our principal business address.

We are the successor to the business founded by Anthony A. Martino in 1972 as Maaco Enterprises, Inc., a Pennsylvania corporation (“MEI”). Mr. Martino served as MEI’s Chief

Executive Officer and Chairman of the Board for over 30 years. Mr. Martino passed away in January 2008. MAA became the owner of the business through the purchase of substantially all of the assets of MEI on October 21, 2008.

MEI began offering franchises for Maaco Centers under the name “Maaco Auto Painting & Bodyworks” in February 1972. In March 2003, MEI introduced a new name “Maaco Collision Repair & Auto Painting” to broaden consumer perception in the marketplace of the ability to do bodywork services, and MEI began franchising under this name. (The term “Maaco Center” refers to businesses operating under the names “Maaco,” “Maaco Auto Painting & Bodyworks,” “Maaco Collision Repair & Auto Painting,” and/or “America’s Bodyshop,” unless the context requires otherwise. The term “Center” refers to the Maaco Center you will operate under the Franchise Agreement.) MEI has operated Maaco Centers at various times since its inception in 1972.

Our affiliates, Driven Product Sourcing LLC (“Driven Product Sourcing”) and Spire Supply, LLC (“Spire Supply”), both Delaware limited liability companies, may sell certain goods and services to our franchisees for use in operating their Maaco Centers, which may include the equipment package, opening inventory, stationery, signage packages and computer hardware. Driven Product Sourcing owns and operates an online platform through which our franchisees (and any other third parties to which Driven Product Sourcing grants access, including the franchisees of some or all of the Driven Holdings affiliates described below) may purchase certain products (the “DrivenAdvantage Platform”). For any products for which we designate Driven Product Sourcing as the designated supplier or an approved supplier, you will generally be required to purchase those products through the DrivenAdvantage Platform. Driven Product Sourcing and Spire Supply share 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.

Our affiliate, Driven Brands Shared Services LLC, a Delaware limited liability company (“Driven Brands Shared Services”), performs certain franchising, marketing, product sales, real estate, intellectual property, operating and reporting services and support services for our franchisees on our behalf. Driven Brands Shared Services shares our principal business address. Driven Brands Shared Services has not offered franchises in any lines of business or operated any business of the type being offered under this disclosure document.

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 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 9 franchisors, including Meineke Franchisor SPV LLC (“Meineke”), 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 Maaco. 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. Meineke, 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.

Meineke franchises automotive centers that offer to the general public automotive repair and maintenance services that it authorizes 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, 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. Meineke and its predecessors have offered Meineke center franchises since September 1972, and Meineke’s affiliate has owned and operated Meineke centers on and off since March 1991. As of December 28, 2024, there were 716 franchised Meineke centers, 17 franchised Meineke centers co-branded with Econo Lube, and no company-owned Meineke centers or company-owned Meineke centers co-branded with Econo Lube operating 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 28, 2024, there were 14 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 28, 2024, there were 8 Econo Lube N’ Tune franchises and 9 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 parts, products and equipment 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 28, 2024, there were 193 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 28, 2024, owned and operated 1 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 28, 2024, there were 471 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 28, 2024, there were 432 franchised Take 5 outlets and 710 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 28, 2024, there were 55 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 28, 2024, there were 212 franchised Fix Auto shops and no company-owned Fix Auto shops operating in the United States.

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 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 28, 2024, there were: (i) 14 franchised Meineke centers and no company-owned Meineke centers in Canada; (ii) 17 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) 317 franchised CARSTAR facilities and 1 company-owned CARSTAR facility in Canada; (v) 32 franchised Take 5 outlets and 7 company-owned Take 5 outlets in Canada; (vi) 71 franchised UniglassPlus businesses, 27 franchised UniglassPlus/Ziebart businesses, and 5 franchised Uniglass Express businesses in Canada, and 1 company-owned UniglassPlus business and 1 company-owned UniglassPlus/Ziebart business in Canada; (vii) 10 franchised VitroPlus businesses, 56 franchised VitroPlus/Ziebart businesses, and 3 franchised Vitro Express businesses in Canada, and 1 company-owned VitroPlus business and 1 company-owned VitroPlus/Ziebart business in Canada; (viii) 31 franchised Docteur du Pare Brise businesses and 2 company-owned Docteur du Pare Brise businesses in Canada; (ix) 11 franchised Go! Glass & Accessories businesses and no franchised Go! Glass businesses in Canada, and 8 company-owned Go! Glass & Accessories businesses and no company-owned Go! Glass businesses in Canada; and (x) 8 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 repair locations. As of December 28, 2024, there were 224 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 Maaco Center franchise.

GoTo Foods LLC ("GoTo Foods") is the indirect parent company to 7 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 7 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, 2024, there were 1,182 franchised and 11 affiliate-owned Auntie Anne's shops in the United States and 815 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, 2024, there were 336 franchised Carvel shoppes in the United States and 39 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, 2024, there were 1,002 franchised and 28 affiliate-owned Cinnabon bakeries in the United States, 1,040 franchised Cinnabon bakeries outside the United States, and 193 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, 2024, there were 726 franchised Jamba stores and 1 affiliate-owned Jamba store in the United States and 61 franchised Jamba stores outside the United States.

McAlister's franchises McAlister's Deli® restaurants, which feature 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, 2024, there were 524 franchised and 36 affiliate-owned McAlister's restaurants 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, 2024, there were 591 franchised and 5 affiliate-owned Moe's Southwest Grill restaurants 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, 2024, there were 280 franchised and 28 affiliate-owned Schlotzsky's restaurants 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 6 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 29, 2024, there were 3,365 Arby's restaurants operating in the United States (2,286 franchised and 1,079 company-owned), including 1 multi-brand location. Additionally, as of December 29, 2024, there were 231 single-branded franchised Arby's restaurants operating internationally.

Baskin-Robbins is the 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 29, 2024, there were 2,245 franchised Baskin-Robbins restaurants operating in the United States. Of those 2,245 restaurants, 974 were single-branded Baskin-Robbins restaurants, 2 were Baskin-Robbins restaurants operating at a multi-brand location, and 1,269 were Dunkin' and Baskin-Robbins combo restaurants. Additionally, as of December 29, 2024, there were 5,651 single-branded franchised Baskin-Robbins restaurants operating internationally and in Puerto Rico.

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 29, 2024, there were 1,183 Buffalo Wild Wings Sports Bars operating in the United States (538



franchised and 645 company-owned) and 65 franchised Buffalo Wild Wings or B-Dubs restaurants operating outside the United States. As of December 29, 2024, there were 140 BWW-GO Restaurants operating in the United States (90 franchised and 50 company-owned).

Dunkin' is the 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 29, 2024, there were 9,768 Dunkin' restaurants operating in the United States (9,734 franchised and 34 company-owned). Of those 9,768 restaurants, 8,480 were single-branded Dunkin' restaurants, 19 were Dunkin' restaurants operating at multi-brand locations, and 1,269 were franchised Dunkin' and Baskin-Robbins combo restaurants. Additionally, as of December 29, 2024, there were 4,328 single-branded franchised Dunkin' restaurants operating internationally.

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. As of December 29, 2024, there were 2,689 Jimmy John's restaurants operating in the United States (2,647 franchised and 42 affiliate-owned). Of those 2,689 restaurants, 2,668 were single-branded Jimmy John's restaurants and 21 were Jimmy John's restaurants operating at multi-brand locations. Additionally, as of December 29, 2024, there were 5 franchised Jimmy John's restaurants operating internationally.

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 29, 2024, there were 3,461 Sonic Drive-Ins operating in the United States (3,144 franchised and 317 company-owned), including 1 multi-brand location.

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 6 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, 2024, there were 525 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, 2024, there were 1,009 Massage Envy locations operating in the United States, including 1,000 operated as total body care Massage Envy businesses and 9 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, 2024, there were 9 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 2 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 Hardee’s/Red Burrito dual concept restaurant. A small number of Carl’s Jr. restaurants offer Green Burrito® Mexican food products through a Carl’s Jr./Green Burrito 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 27, 2025, there were 202 company-operated Hardee’s restaurants and 1,369 franchised Hardee’s restaurants, including 129 Hardee’s/Red Burrito dual concept restaurants, operating in the United States. Additionally, there were 473 franchised Hardee’s restaurants operating outside the United States. Carl’s Jr. restaurants have been franchised since 1984. As of January 27, 2025, there were 50 company-operated Carl’s Jr. restaurants and 982 franchised Carl’s Jr. restaurants, including 218 Carl’s Jr./Green Burrito dual concept restaurants, operating in the United States. In addition, there were 687 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 3 franchisors operating 5 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 3 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, 2024, there were 796 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, 2024, there were 585 ServiceMaster Clean franchises and 1,995 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, 2024, there were 339 Two Men and a Truck franchises and 3 company-owned Two Men and a Truck businesses in the United States. As of December 31, 2024, there were 62 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 5005 Lyndon B. Johnson Pkwy, Suite 600, Dallas, Texas 75244. As of December 31, 2024, there were 644 Nothing Bundt Cakes franchises and 17 company-owned locations operating in the United States. NBC has never offered franchises in any other line of business.

Mathnasium Franchisor LLC (“Mathnasium”) franchises learning centers that provide math instruction using the Mathnasium® system of learning. Mathnasium’s predecessor began offering franchises in late 2003. Mathnasium’s predecessor 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, 2024, there were 995 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, 2024, there were 100 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, 2024, there were 91 franchised Mathnasium centers outside the United States and Canada. 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 3 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 3 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 has its principal place of business at 9410 Camden Field Parkway, Riverview, Florida 33578. As of December 31, 2024, there were 264 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 March 2023. Streamline Brands has its principal place of business at 12240 Lioness Way, Parker, Colorado 80134. As of December 31, 2024, there were 102 franchised and 29 affiliate-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 1 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, 2024, there were 254 franchised and 49 affiliate-owned School of Rock schools in the United States and 92 franchised School of Rock schools outside the United States.

Doctor's Associates LLC ("Subway") franchises retail eating establishments that sell foot-long and other sandwiches, salads and other food items under the Subway® mark. Subway began offering franchises in 1974. Subway became an Affiliated Program through an acquisition in April 2024. Subway has its principal place of business at 1 Corporate Drive, Suite 1000, Shelton, Connecticut 06484. As of December 31, 2024, there were 19,502 Subway franchises and no company-owned locations operating in the United States and an estimated 16,120 franchises operating outside the United States. Subway has never offered franchises in any other line of business.

None of the affiliated franchisors listed above 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 Maaco Centers were transferred to us, and we became the franchisor of all existing and future franchise and related agreements. Ownership and control of all U.S. trademarks and certain intellectual property relating to the operation of Maaco 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 Maaco 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 MAA, the former franchisor of Maaco 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**

The franchise we offer is for the operation of an automobile painting and body repair center using our trade names, trademarks, service marks and related logos, including the trademarks "Maaco®," "Maaco Collision Repair & Auto Painting®," and "America's Bodyshop®"

(collectively, the “Proprietary Marks”), under our standard Franchise Agreement (the “Franchise Agreement”), the current form of which is attached as Exhibit C. Also attached to this disclosure document is the form of Amendment to Franchise Agreement (Transfer) we currently use in resale transactions (Exhibit D), and the form of Renewal Addendum to Franchise Agreement we currently use to renew franchises (Exhibit E).

We also grant multi-unit development rights to qualified franchisees, who will have the non-exclusive right to develop multiple Maaco 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 H. You must commit to developing a minimum of 3 Maaco Centers under the Development Agreement. The Development Agreement also memorializes certain incentives you will receive in connection with each Maaco 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 weekly royalty fee percentage during the first 3 years of the Maaco 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 4 or more Maaco Centers under the Development Agreement, we and you will also sign a Limited Exclusivity Addendum to Area Development Agreement (the “Limited Exclusivity Addendum”), the current form of which is attached as Exhibit H-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 Maaco 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.

We also offer a program where a franchisee meeting our then-current requirements may operate its Maaco Center as a “Fleet Solutions Center” to service primarily fleet and other commercial accounts. If you participate in this program, you will sign a Fleet Addendum to Franchise Agreement (the “Fleet Addendum”), the current form of which is attached as Exhibit G. Under the Fleet Addendum, you will pay a reduced weekly marketing fee for the Center, subject to certain conditions, as further detailed in Item 6.

The various forms of agreements that we and/or MAA have used in the past may have terms and conditions different from the current forms of Franchise Agreement and Development Agreement attached to this disclosure document. We reserve the right to change the form and terms of the franchise agreement, development agreement, and related agreements used in the future.

## **Market and Competition**

The services and products of a Maaco Center are used primarily by the general public for body repair, repainting and refinishing of their personal automobiles. You will typically have to compete with other businesses performing similar services, including automobile dealerships, national or regional automotive centers and local body repair shops. We believe that you can compete effectively with other companies providing similar services as a result of the equipment and products, the advertising and promotional programs used by the Maaco Center, and the techniques which we and our affiliates teach you.

## **Laws and Regulations**

Although we are not aware of any specific laws or regulations specific to the operation of a Maaco Center, you may be required to comply with certain federal, state and local hazardous waste and other environmental laws and regulations in the operation of your Center. In addition, you should be aware that there may be other general laws that apply to your Center's operation, and you should make further inquiries to find out about these laws and regulations.

## **Item 2**

### **BUSINESS EXPERIENCE**

#### **Manager and Chief Executive Officer of Maaco and MAA; Director, Chief Executive Officer and President of Driven Brands: Daniel Rivera**

Mr. Rivera has been a Manager and Chief Executive Officer of Maaco since May 2025. Mr. Rivera also 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 MAA and various Driven Brands' affiliates in May 2025. From February 2023 to April 2025, Mr. Rivera served as Executive Vice President and Chief Operating Officer of Driven Brands. From January 2020 to January 2023, Mr. Rivera was Executive Vice President and Group President, Maintenance for Driven Brands and also served as Brand President for Take 5.

#### **Manager, Executive Vice President, and Secretary of Maaco and MAA; Director, Executive Vice President, General Counsel, and Secretary of Driven Brands: Scott O'Melia**

Mr. O'Melia has served as Manager, Executive Vice President, and Secretary of Maaco and MAA 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.

#### **Executive Vice President and Chief Financial Officer of Maaco, MAA, and Driven Brands: Michael F. Diamond**

Mr. Diamond has served as Executive Vice President and Chief Financial Officer of Maaco and MAA since August 2024. Mr. Diamond also has served as Executive Vice President and Chief

Financial Officer of Driven Brands and various Driven Brands affiliates since August 2024. From September 2020 to July 2024, Mr. Diamond was Executive Vice President – Chief Financial Officer of The Michaels Companies, located in Irving, Texas. ~~From January 2018 to August 2020, Mr. Diamond was Chief Financial Officer, U.S. of Pizza Hut, Inc., located in Plano, Texas.~~

### **Executive Vice President and Chief Operating Officer of Driven Brands: Mo Khalid**

Mr. Khalid has been appointed Executive Vice President and Chief Operating Officer of Driven Brands as of August 2025. From February 2023 to August 2025, Mr. Khalid served as Executive Vice President and Group President, Maintenance for Driven Brands. 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.

### **Senior Vice President of Franchise Development for Driven Brands: Ted Rippey**

Mr. Rippey has been Senior Vice President of Franchise Development for Driven Brands since January 2020.

### **Brand President for Maaco and MAA: ~~Frank Petrane~~ [Missy McKinley](#)**

~~Mr. Petrane~~ [Ms. McKinley](#) has served as Brand President for Maaco and MAA since November 2024. ~~From March 2016 to October 2024, Mr. Petrane was Senior Vice President – Driven Fleet for Driven Brands.~~

### **2025. Chief Operating Officer of Maaco and MAA: ~~Missy McKinley~~**

Ms. McKinley ~~has~~ served as Chief Operating Officer of Maaco and MAA ~~since~~ [from](#) April 2025 ~~to October~~ 2025. From February 2024 to March 2025, Ms. McKinley was Senior Vice President, Operations for Take 5. From December 2019 to January 2024, Ms. McKinley was Senior Vice President, Operations of Boundless Enterprises, d/b/a Scooter's Coffee, located in Omaha, Nebraska.

### **Chief Operating Officer of Maaco and MAA: [Jeremy McGowen](#)**

[Mr. McGowen has been appointed Chief Operating Officer of Maaco and MAA as of November 2025. Mr. McGowen was Vice President of Operations for Meineke from November 2021 to November 2025. From November 2020 to November 2021, Mr. McGowen was the Managing Director for Drive N Style Franchisor SPV LLC, located in Charlotte, North Carolina.](#)

### **~~Vice President of Strategic Integration for Driven Brands: Gary “Dave” Gross~~**

~~Mr. Gross has served as Vice President of Strategic Integration for Driven Brands since December 2024. From October 2024 to November 2024, Mr. Gross was Interim Brand President for Maaco and MAA. From May 2022 to September 2024, Mr. Gross served as Vice President of Strategic Integration for Driven Brands. From April 2019 to April 2022, Mr. Gross was Vice President of Operations for Driven Brands.~~



## **Director, Business Development for Driven Brands: Jennings Huntley**

Mr. Huntley has served as 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, located in Charlotte, North Carolina.

## **Vice President, Franchise Administration and Compliance for Maaco: Grace Makoid**

Ms. Makoid has served as Vice President, Franchise Administration and Compliance for Maaco since April 2024. From January 2019 to March 2024, Ms. Makoid was Senior Director, Franchise Administration and Compliance for Maaco.

### **Item 3** **LITIGATION**

#### **Franchisor-Initiated Actions**

Maaco Franchisor SPV, LLC v. La Familia Auto Mechanic, LLC, Pedro Antonio Chavarria, Jr., and Pedro Chavarria-Castro, Sr., Case No. 1:24-cv-3678, United States District Court for the District of Maryland, filed December 19, 2024. We filed this action against a former franchisee and its guarantors for improper and unauthorized use of the Proprietary Marks. After the former franchisee and its guarantors ceased the unauthorized use of the Proprietary Marks, we moved to dismiss the case, and our motion was granted.

Maaco Franchisor SPV, LLC v. J&L Auto Services, LLC, Liliana M. Astete, and Joel R. Rosa, Case No. 3:24-cv-00262, United States District Court for the Western District of North Carolina, filed March 4, 2024. We filed this action against a former franchisee and its guarantors for their unilateral abandonment and closure of their Maaco Center and failure to pay amounts owed to us under the applicable franchise agreement. This matter has been settled, and the action closed.

#### **Pending Franchisor ~~Action~~Actions**

PJC Management Group, LLC et al. v. MAACO Franchisor SPV LLC, Driven Brands, Inc., and Driven Systems LLC, Case No. 25-CV-059334-590, Mecklenburg County Superior Court (North Carolina), filed November 5, 2025. Ten current Maaco franchisees filed a complaint against Maaco, Driven Brands, and Driven Systems alleging breach of contract, breach of the implied covenant of good faith and fair dealing, and a violation of the North Carolina Unfair and Deceptive Trade Practices Act, N.C. Gen. Stat. 75-1.1 et seq. The franchisees allege that the defendants have misappropriated, misused, or converted fees and other funds paid by the franchisees for advertising and media in order to offset other unrelated costs. The franchisees are seeking an accounting of relevant financial matters and damages in an unspecified amount in excess of \$1 million, as well as treble damages under the North Carolina Unfair and Deceptive Trade Practices Act, a declaration that the non-competition provisions and certain other post-

termination provisions in the applicable franchise agreements are null and void, attorneys' fees, costs, and pre- and post-judgment interest. The defendants have not yet responded to the complaint, and this case remains in the pre-trial stage. Maaco, Driven Brands, and Driven Systems dispute the allegations of wrongdoing and intend to vigorously defend against the action.

Sonia E. Bass, SEB Auto Group, LLC v. MAACO Franchisor SPV LLC, Driven Brands, Inc., Daryl Hurst, and Helmuth Mayer, Case No. 4:24-CV-00820, United States District Court for the Eastern District of Texas, filed August 15, 2024. Plaintiffs, a current franchisee and personal guarantor, filed a complaint in Collin County District Court alleging claims for breach of contract, violations of the Texas Deceptive Trade Practices Act (“DTPA”), fraudulent inducement, negligent misrepresentation, and a declaratory judgment against Maaco and Driven Brands, along with a claim of assault against Maaco’s former Brand President, Daryl Hurst. Helmuth Mayer, another current Maaco franchisee, was named as an alleged necessary party. The complaint alleges that Maaco made misrepresentations and failed to disclose material information prior to the franchisee’s execution of the franchise agreement and failed to provide adequate support to the franchisee. The complaint seeks compensatory damages in an unspecified amount in excess of \$1 million, as well as treble damages under the DTPA, attorneys’ fees, costs, and pre- and post-judgment interest. Defendants removed the action to federal court and filed a motion to transfer venue and a motion to dismiss the DTPA claim. The court granted the motion to transfer venue on June 30, 2025, and the case was transferred to the United States District Court for the Western District of North Carolina, as Case No. 3:25-cv-535-FDW-DCK, on July 21, 2025. Prior to the transfer of action, Helmuth Mayer was dismissed from the suit. The motion to dismiss the DTPA claim remains pending. Under the current schedule, discovery closed on May 8, 2025, but no trial date has been set. Maaco and Driven Brands dispute the allegations of wrongdoing and intend to vigorously defend against the action.

### **Pending Franchisor Parent Actions**

Genesee County Employees’ Retirement System v. Driven Brands Holdings Inc., et al., Case No. 3:23-cv-00895-MOC-DCK, United States District Court for the Western District of North Carolina (Charlotte Division), filed December 22, 2023. Genesee County Employees’ Retirement System filed a putative class action lawsuit in the U.S. District Court for the Western District of North Carolina (the “Court”) against Driven Brands Holdings, as well as former Chief Executive Officer and President of Driven Brands, Jonathan Fitzpatrick, and a former executive of Driven Brands Holdings, Tiffany Mason (collectively, the “Individual Defendants”) for violations of Section 10(b) and Rule 10b-5 of the Securities Exchange Act of 1934 (the “Exchange Act”) by Driven Brands Holdings, as well as violations of Section 20(a) of the Exchange Act by the Individual Defendants. Genesee County Employees’ Retirement System alleges that Driven Brands Holdings failed to disclose information that allegedly resulted in material misstatements about Driven Brands Holdings’ business and prospects in its quarterly filings. Genesee County Employees’ Retirement System seeks unspecified compensatory damages, costs and expenses, and an award of equitable relief, as the Court considers appropriate. Genesee County Employees’ Retirement System, Oakland County Employees’ Retirement System, and Oakland County Voluntary Employees’ Beneficiary Association (collectively, the “Michigan Funds”) moved for appointment as lead plaintiffs. The Michigan Funds purport to represent a class of stockholders who purchased Driven Brands Holdings shares between October 27, 2021 and August 1, 2023.

On May 31, 2024, the Court appointed the Michigan Funds as lead plaintiffs. On August 13, 2024, the Michigan Funds filed an amended complaint and, on October 14, 2024, Driven Brands Holdings filed a motion to dismiss the amended complaint. On February 20, 2025, the Court denied the motion. Driven Brands Holdings disputes the allegations of wrongdoing and intends to vigorously defend against the action.

Terwilliger v. Fitzpatrick, et al., Case No. 3:25-cv-00019, United States District Court for the Western District of North Carolina (Charlotte Division), filed January 10, 2025. Daniel Terwilliger filed a purported derivative complaint in the United States District Court for the Western District of North Carolina against certain current and former Driven Brands Holdings' executive officers and board members, including Jonathan Fitzpatrick, Tiffany Mason, Neal Aronson, Catherine Halligan, Chadwick Hume, Rick Puckett, Karen Stroup, Peter Swinburn, Michael Thompson, and Jose Tomas (collectively, the "Defendants"). The Terwilliger complaint makes largely the same allegations as those in the Genesee complaint, namely, that Driven Brands Holdings failed to disclose information that allegedly resulted in material misstatements about Driven Brands Holdings' business and prospects in its quarterly filings, and purports to state claims for (i) breach of fiduciary duty; (ii) unjust enrichment; (iii) abuse of control; (iv) gross mismanagement; (v) waste of corporate assets; and (vi) violations of Sections 10(b) and 21D of the Exchange Act. Terwilliger seeks, on behalf of Driven Brands Holdings, an award of unspecified damages with interest, restitution, and costs and expenses, an order directing Driven Brands Holdings and the Defendants to take certain actions with respect to Driven Brands Holdings' corporate governance, and any other relief that the court considers appropriate. On April 30 2025, the court granted the parties' joint motion for a stay of proceedings, pending the completion of discovery in the underlying Genesee securities class action. On May 13, 2025, the parties in this action and the Gaiman action summarized below moved the court to lift the stay for the limited purpose of consolidating the 2 shareholder derivative actions and to stay the consolidated action under the same terms as the existing stay. Driven Brands Holdings disputes the allegations of wrongdoing and intends to vigorously defend against the action.

Gaiman v. Fitzpatrick, et al., Case No. 3:25-cv-00288, United States District Court for the Western District of North Carolina (Charlotte Division), filed April 30, 2025. Jonathan Gaiman filed a purported derivative complaint in the United States District Court for the Western District of North Carolina against certain current and former Driven Brands Holdings' executive officers and board members, including Jonathan Fitzpatrick, Tiffany Mason, Neal Aronson, Catherine Halligan, Chadwick Hume, Rick Puckett, Karen Stroup, Peter Swinburn, Michael Thompson, and Jose Tomas. The Gaiman complaint makes largely the same allegations as those in the Genesee and Terwilliger complaints, namely, that Driven Brands Holdings failed to disclose information that allegedly resulted in material misstatements about Driven Brands Holdings' business and prospects in its quarterly filings, and purports to state claims for (i) breach of fiduciary duty; (ii) aiding and abetting breaches of fiduciary duty; (iii) unjust enrichment; (iv) waste of corporate assets; (v) violations of Sections 10(b) and 21D of the Exchange Act; and (vi) violations of Sections 14(a) and Rule 14a-9 of the Exchange Act. Gaiman seeks, on behalf of Driven Brands Holdings, an award of unspecified damages with interest, an accounting of damages, and profits, special benefits, and unjust enrichment obtained by the individual defendants, from the individual defendants' conduct and the imposition of a constructive trust thereon, punitive damages, costs and expenses, and other relief that the court considers just and proper. On May 13, 2025, the

parties in this action and the Terwilliger action moved the court in the Terwilliger action to lift the stay in the Terwilliger action for the limited purpose of consolidating the 2 shareholder derivative actions and to stay the consolidated action under the same terms as the Terwilliger stay. Driven Brands Holdings disputes the allegations of wrongdoing and intends to vigorously defend against the action.

[Kalimon v. Aronson, et al., Case No. 3:25-cv-00764, United States District Court for the Western District of North Carolina \(Charlotte Division\), filed October 7, 2025, and Bushansky vs. Fitzpatrick, et al., Case No. 2025-1306-MTZ, Court of Chancery of the State of Delaware, filed November 18, 2025. John Kalimon and Stephen Bushansky each filed purported derivative complaints against current and former Driven Brands Holdings' executive officers and board members, including those named as defendants in the Terwilliger and Gaiman complaints, as well as our Chief Executive Officer, Daniel Rivera, and Driven Brands Holdings' board member, Damien Harmon. The Kalimon and Bushansky complaints make largely the same allegations as those in the Genessee, Terwilliger, and Gaiman complaints. Driven Brands Holdings disputes the allegations of wrongdoing and intends to vigorously defend against the actions.](#)

### **Concluded Franchisor Actions**

[Collision Consolidation Co. vs. Maaco Franchisor SPV LLC](#), Case No. 23-7248-CB, Circuit Court for the County of Ottawa (Michigan), filed April 14, 2023. The plaintiff, a multi-unit franchisee, filed a lawsuit against Maaco alleging fraudulent inducement, violations of the Michigan Franchise Investment Law and Maryland Franchise Registration and Disclosure Law, negligent misrepresentation, and unfair and deceptive trade practices in violation of the North Carolina Unfair and Deceptive Trade Practices Act. The plaintiff alleged that Maaco made false and misleading financial performance representations regarding the general viability and profitability of operating a Maaco Center franchise in the franchise disclosure document delivered to the plaintiff in connection with the plaintiff's purchase of multiple Maaco Centers from one or more existing Maaco franchisees. The plaintiff sought to rescind its franchise agreements and development agreement entered into with Maaco, and to recover monetary damages, costs, and attorneys' fees. The plaintiff also sought an order and judgment declaring that the non-competition covenants in its franchise agreements were void and unenforceable. After the court dismissed the claim for violations of the North Carolina Unfair and Deceptive Trade Practices Act, the parties entered into a settlement agreement on or about December 12, 2023, under which the remaining claims in the lawsuit were dismissed with prejudice, and the plaintiff agreed to pay Maaco a total of \$5.5 million in exchange for termination of the franchise agreements (and the corresponding personal guarantees) and the development agreement.

[Scott W. Jeffery, Elias Garcia, Maria G. Maravilla, David Gutierrez, Ahmad Elsayed, Neil Michell, and Jacqueline Duenas et al. v. Driven Brands, Inc., Maaco Enterprises, Inc., Maaco Franchising, Inc., Maaco Franchising, LLC](#), Case No. 3:19-CV-05647, United States District Court for the Northern District of California, filed September 9, 2019. Six Maaco franchisees in the greater San Francisco market filed a lawsuit against Driven Brands, MAA and certain of their affiliates, alleging breach of contract, breach of the implied covenant of good faith and fair dealing, and a violation of California Business and Professions Code Section 17200. Specifically, the franchisees alleged, among other things, that MAA misused, converted, or otherwise failed to use

the advertising fees paid by the franchisees for their intended purposes; withdrew certain fleet and commercial account work from the franchisees; failed to return (or reimburse) certain fees to the franchisees; and charged the franchisees an improper software fee. The franchisees sought damages, a declaration that the non-competition provisions in the applicable franchise agreements were null and void, attorneys' fees and costs, and pre- and post-judgment interest. On March 12, 2020, the court granted MAA's motion to dismiss, with leave for the franchisees to amend. On July 17, 2020, the franchisees filed an amended complaint, alleging the same basic claims and naming the corporate franchisees as the plaintiffs and Maaco as the only defendant. On May 17, 2021, the parties entered into a settlement agreement resolving the dispute. MAA agreed, without any admission of liability, to pay the sum of \$100,000 to be divided among the franchisees. The parties further agreed to terminate the franchisees' franchise agreements and to a mutual release of claims. On May 25, 2021, the Court entered an order dismissing the case.

Haidar H. Hamoud v. Maaco Franchising, LLC, Case No. 15-cvs-17660, United States District Court for the Western District of North Carolina, filed September 21, 2015. A former franchisee sued MAA for breach of contract alleging failure to provide adequate operational, marketing, and site selection support. MAA brought counterclaims seeking damages associated with the abandonment of the franchise prior to the expiration of the franchise term. On December 5, 2016, the parties mutually settled the matter and exchanged mutual releases with no admission of liability by either party. As part of the settlement, MAA remitted \$675,000 in exchange for, among other things, all right, title and interest to the former franchisee's franchise agreement.

### **Concluded Driven Affiliate Action**

Syed Abid Hussain and AlphaTaho Inc. v. Maaco Canada Partnership, LP, Maaco Canada GP Corporation, Noah Pollack and Jose Costa, Court File No. FC-54-19, Court of Queen's Bench of New Brunswick, Trial Division, Judicial District of Fredericton, filed February 19, 2019. The plaintiffs filed a Statement of Claim against Maaco Canada Partnership, LP (the predecessor of Maaco Canada SPV LP, the franchisor of Maaco Centers in Canada) and its general partner, Maaco Canada GP Corporation, as well as certain individuals, alleging that the disclosure document included certain omissions or misstatements and seeking rescission of the then-terminated franchise agreement and damages. On December 6, 2019, the defendants entered a Statement of Defence and Counterclaim, seeking a declaration that the plaintiffs ceased operating their Maaco Center prior to the expiration of the franchise agreement, damages for failure to pay royalties, advertising fees and other amounts, plus interest, and damages for early termination of the franchise agreement, plus interest. On January 17, 2022, the court granted the plaintiffs' Motion for Summary Judgment in part, ruling that they were entitled to rescission of the franchise agreement under Section 6(2) of the New Brunswick *Franchises Act* because the defendants did not discharge their disclosure obligations under Section 5 of the *Act*. The court directed a trial on the issue of damages payable by the defendants. On November 18, 2022, the parties entered into a settlement agreement, under which the defendants paid the plaintiffs CAN\$500,000, the respective parties agreed to discontinue the action and counterclaim on a without costs basis, and the parties released each other with respect to the applicable claims. On February 23, 2023, the action and counterclaim were dismissed.

## **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**

**Initial Franchise Fee.** You must pay us a \$45,000 initial franchise fee in a lump sum when you sign the Franchise Agreement. The initial franchise fee is not refundable in whole or in part under any circumstances. We may pay a portion of your initial franchise fee to a referral source.

If you sign a new Development Agreement or if you are an existing franchisee in good standing who desires to purchase an additional Maaco Center for new development, the initial franchise fee will be reduced as follows:

(a) \$22,500 for your second Maaco Center (developed under the Development Agreement, if applicable), and

(b) \$20,000 for your third and each subsequent Maaco Center (developed under the Development Agreement, if applicable).

In connection with single unit development, if you are an existing franchisee in good standing with one of our Driven Brands Holdings affiliates, and you commit to developing and opening a new Maaco Center, the initial franchise fee will be reduced as follows:

(a) \$22,500 if the Center is your second Driven Brands Holdings franchised outlet, and

(b) \$20,000 if the Center is your third or subsequent Driven Brands Holdings franchised outlet.

The initial franchise fee discounts described in this Item 5 may not be combined.

During fiscal year 2024, franchisees paid an initial franchise fee ranging from \$5,000 to \$45,000.

**Development Fee.** 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 Maaco Center required to be developed under the Development Agreement. For each Maaco 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.

**Incentive Programs.** We may periodically implement incentive programs to encourage franchise system growth in addition to or in lieu of the discounts 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.

**Initial Training and Opening Fee.** You must pay us a non-refundable “Initial Training and Opening Fee” of \$10,000 no later than 30 days before your (or your majority investor’s) and the Center’s principal operator’s (if the principal operator is not you or your majority investor) arrival at the initial training program (or 30 days before you are scheduled to open the Center if you are an existing franchisee that is not attending the initial training program). We use the Initial Training and Opening Fee to cover expenses we incur in providing opening assistance and the initial training program. Additional people may attend the initial training program if you pay our then-current training fees for any additional attendees (currently, \$2,500 per attendee). You are responsible for your and your attendees’ travel, lodging, meal, and other expenses during initial training.

**Initial Advertising Contribution.** You must pay us a non-refundable “Initial Advertising Contribution” of \$15,000 no later than 30 days before the Center is scheduled to open. We will use, within one year after the actual opening of the Center, the Initial Advertising Contribution for your grand opening marketing of the Center, which may include traditional marketing, digital marketing, promotional and event materials, and digital, promotional, and traditional assets. The Initial Advertising Contribution is paid to us to purchase these marketing materials. We will determine the types of marketing and marketing materials to be used for the grand opening



marketing of the Center. The actual costs of these programs may exceed your Initial Advertising Contribution, in which case we will charge you the difference. We do not charge you an Initial Advertising Contribution when you renew your franchise.

**Pre-Opening Purchases.** As described fully in Item 7, you may elect to purchase an equipment package, opening inventory, stationery, signage packages, and computer hardware from our affiliates. Based on current costs, we estimate your purchase of these pre-opening items from our affiliates will be between approximately \$255,000 to \$344,000 (whether for an Auto Body Conversion Center, a Ground Up Center, or a Non-Auto Retrofit Center (each as defined and further described in Item 7)).

**Resales.** If you are purchasing an existing Maaco Center, you (or the transferring franchisee) must pay us all training and other fees due under the transferring franchisee's franchise agreement, or in the absence of such a provision in the franchise agreement, you must pay us the then-current fees we charge. Under our current Franchise Agreement, you (as the transferee) also must pay us an initial advertising deposit of \$5,000; however, we have the right to increase this amount by 10% per year from the date that the transferring franchisee's franchise agreement was signed to the closing of the sale. We will use, within one year after the closing of the sale, the initial advertising deposit to market your initial operation of the Center. We will determine the types of marketing and marketing materials to be used for the post-sale marketing of the Center. The actual costs of these marketing programs may exceed your initial advertising deposit, in which case we will charge you the difference. Further, under our current Franchise Agreement, when you (as the transferee) purchase an existing Maaco Center, we will charge you a resale initial franchise fee of \$5,000, payable when you sign the new franchise agreement. Older forms of the franchise agreement may or may not provide for a prorated portion of the initial franchise fee charged at the time of transfer based upon the amount of time that has elapsed under the transferring franchisee's franchise agreement. If the transferring franchisee's franchise agreement does not include a prorated initial franchise fee, you will be charged the full initial franchise fee upon the transfer of the Maaco Center because you must sign the current Franchise Agreement, which includes the full initial franchise fee. If you do not purchase the existing Maaco Center or the transfer of the Maaco Center is terminated due to reasons outside of your or the transferring franchisee's control, we may refund, without interest, the amount of the fees that you paid less our costs and expenses relating to processing your application, including franchise sales commissions, and training, which costs and expenses will not be less than \$5,000, provided that you sign a mutual release in form and substance satisfactory to us.

*[Remainder of Page Intentionally Left Blank]*

**Item 6**

**OTHER FEES**

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>
<b>Type of Fee<sup>1</sup></b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks</b>
Royalty Fee	8% of gross receipts <sup>2</sup> (except that if you develop the Center as a new Maaco Center, you will pay 4% of gross receipts <sup>2</sup> of the Center for the first 6 months the Center is open to the public as a Maaco Center)	Payable on the day of each week that we periodically specify (the "Payment Day"), currently, Friday, on gross receipts for the previous week by electronic withdrawal	<p>We may modify the Payment Day and the corresponding reporting period at any time.</p> <p>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 signed thereunder, 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 weekly royalty fee for the applicable Maaco Center for a limited period of time, subject to certain conditions. See Note 3 for additional information regarding this and other potentially available royalty incentives and discounts.</p>
Weekly Marketing Fee	\$1,200, or an amount equal to the weekly marketing budget of franchisees operating in your designated market area as of the date of the Franchise Agreement, whichever is greater	Payable on the Payment Day, currently, Friday, by electronic withdrawal	<p>The weekly marketing fee is in addition to the Initial Advertising Contribution.</p> <p>See Note 4.</p>

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>
<b>Type of Fee<sup>1</sup></b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks</b>
Management System Software License Fee	CCC One Base Package (as detailed in Note 5) monthly license fee: \$799 to \$973, plus taxes  See Note 5 for additional detail regarding the monthly software license fee and optional software services and products.	Payable monthly on first of each month	You must license the Management System (as defined in Item 11) software from our designated supplier. You and the supplier will enter into a license agreement, under which you will pay a monthly software license fee. We collect these fees on the supplier's behalf.
Commingled Funds Fee	\$2,500, plus \$250 for each subsequent month until you separately account for the funds	Payable 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 Expenses	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 monthly interest	Upon receipt of invoice	Payable if audit reveals that any payments due to us have been understated or an audit is made necessary by your failure to maintain and/or provide reports, supporting records, or other information, including point of sale records, as required under the Franchise Agreement.
Sales Commission	10% of the gross sales price of the Center or \$30,000, whichever is greater	On or before closing date	Paid to us if we obtain a purchaser for your Center or if you sell your Center to an individual under an agreement with us.
Transfer Fee	\$3,000	Prior to effective date of transfer	
Renewal Fee	\$2,500	On or before renewal date	Payment to be included with renewal documents.
Interest on Late Payments	The maximum rate permitted by law or, in the absence of such rate, a rate equal to 1.5% per month	As incurred	Any payment or other amount you owe us or our affiliates or subsidiaries will bear interest, compounded monthly, after the due date.

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>
<b>Type of Fee<sup>1</sup></b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks</b>
Insurance Reimbursement	Policy cost, plus reasonable fee for our expenses (not to exceed \$500 per failure to obtain the required insurance)	As incurred	If you do not obtain the required insurance coverage, we may secure coverage for you and charge you for our costs and expenses.
Indemnification	Will vary under circumstances	As incurred	You must indemnify and hold us, our parents, affiliates and subsidiaries, together with all of their respective former, present and future officers, directors, shareholders, employees, agents, attorneys, servants, representatives, heirs, successors, assigns and predecessors, in their individual and corporate capacities, harmless against any and all claims arising from the development and operation of the Center(s).
Costs of Enforcement	Will vary under circumstances	As incurred	Includes any judgment, reasonable attorneys' fees, court costs and expenses of litigation.
Sublease Payments	Will vary under circumstances	Monthly	Although we or our affiliates generally do not sublease the Center premises to you, if we or they do so, the rent under the sublease may exceed the rent we (or our affiliate) pay to the prime landlord. The mark-up will not exceed 20% of the rent and other charges due under the prime lease.
Technology Access Fee	Currently, \$0	Weekly	We reserve the right to charge you a weekly technology access fee and to increase the weekly technology access fee (up to \$500) with 30 days' prior written notice to you.

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>
<b>Type of Fee<sup>1</sup></b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks</b>
Supplemental or Refresher Training Fee	Our then-current fee  Currently, we charge up to \$400 per person, per day for supplemental or refresher training provided at our headquarters and up to \$500 per person, per day for onsite supplemental or refresher training; we may increase each of these fees and charge up to \$1,000 per person per day	As incurred	Payable if we require you (or your majority investor) and the Center’s principal operator (if applicable) to attend and complete supplemental or refresher training programs, workshops, and/or educational seminars.  You are responsible for all expenses incurred in connection with these programs, including travel expenses, room and board, and wages for your attendees and, in connection with onsite training, travel expenses and room and board for our training instructors. We will provide and pay only for training instructors’ wages and materials.

1/ All fees are uniformly imposed by and, except as otherwise noted, payable to us or our affiliates. All fees are non-refundable except as otherwise noted above.

2/ “Gross receipts” is defined in the Franchise Agreement as the amount of all cash collected, or other consideration received, for all sales of merchandise and services of any nature at, from or in connection with the Center, and the dollar amount of sales attributable to work completed by the franchisee but not paid for by the customer for 90 days after such work was completed, including sublet labor and new and used replacement parts, less sales or equivalent taxes.

3/ The 4% royalty reduction for a new Maaco Center does not apply if you sign a franchise agreement for a Maaco Center you purchase from us, our affiliate or another franchisee.

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 Maaco Center (the “Royalty Reduction Period”), the weekly royalty fee will be reduced to: (a) during the first 12 months of the Royalty Reduction Period, 1% of the gross receipts of the Center; (b) during the second 12 months of the Royalty Reduction Period, 2% of the gross receipts of the Center; and (c) during the third 12 months of the Royalty Reduction Period, 2% of the gross receipts of the Center. If gross receipts of the Center during the first or second 12-month period of the Royalty Reduction Period exceed \$1,100,000 (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 weekly royalty fee will be calculated under the terms of the applicable franchise agreement without regard to the royalty reduction described in this paragraph. If (A) the Franchise Agreement is terminated for any reason prior to the expiration of its term, or (B) 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, you will immediately pay us the difference between (1) the continuing weekly royalty fees for the Royalty Reduction Period (or, if applicable, portion thereof) that you would have been required to pay us under the terms of the Franchise Agreement but for the royalty reduction incentive granted to you, and (2) the continuing weekly royalty fees you actually paid for the Royalty Reduction Period (or, if applicable, portion thereof).

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 3 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 3. Under our incentive programs, we may, among other things, waive or reduce the weekly royalty fee and/or the weekly marketing fee payable by a franchisee for a limited period of time. We may modify or discontinue any incentive program we implement at any time.

4/ Maaco may increase the weekly marketing fee at any time after you sign the Franchise Agreement, except that the amount of any increase after the first 12 months you operate the Center may not exceed 10% per year. The amount of the increase is cumulative and, if we do not increase your weekly marketing fee by the maximum amount permitted in any given year, we may add the amount not charged to you in any given year to the amount chargeable to you in the subsequent year.

As stated in Item 1, if you meet our requirements to operate the Center as a Maaco Fleet Solutions Center, we and you will sign a Fleet Addendum. Under the terms of this Addendum, your weekly marketing fee for the Center will be reduced to \$350; however, on each anniversary of the Fleet Addendum's effective date, the amount of the weekly marketing fee payable under the Fleet Addendum will increase by 10%. Under the Fleet Addendum, you and the Center must meet certain express conditions, including: (a) at least 80% of monthly gross receipts must derive from fleet and other commercial customers; (b) you must operate the Center consistent with, and meet the required standards for, "Maaco Platinum Level Certification"; (c) you must operate the Center consistent with the standards and requirements that National Accounts Program participants and any other fleet and other commercial customers have implemented in their service level agreements with us; (d) you must abide by our other standards, certifications, requirements, and/or qualifications that we periodically specify; and (e) you must be in material compliance with the Franchise Agreement. If you or the Center fails, at any time, to satisfy any of these conditions or 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 terminate the Franchise Agreement, we may terminate the Fleet Addendum, and you must immediately begin paying the weekly marketing fee for the Center stated in the Franchise Agreement, without regard to the Fleet Addendum.

There are no advertising cooperatives. For information concerning marketing programs we administer, see Item 11.

5/ The CCC One Base Package monthly license fee is (a) \$799 through October 31, 2026, (b) \$917 from November 1, 2026 through October 31, 2027, (c) \$935 from November 1, 2027 through October 31, 2028, (d) \$954 from November 1, 2028 through October 31, 2029, and (e) \$973 from November 1, 2029 through the remainder of the software license term, plus taxes.

The CCC One Base Package includes 2 users, Estimating, Shop Management, Repair Methods, Electronic Parts Ordering, Advisor, Indicators, Scorecard, Update Plus, CCC ONE Touch, CCC ONE Mobile, Carwise, Open Shop, Aftermarket Parts, Documents/Photos, Tire, Recall, PDR, Frame Specs, and Mobile Estimating. Optional software services and products include: (a) additional user(s) (additional \$60 per user per month for the third and each additional user); (b) Engage add-on (additional \$149 per month); and (c) fleet and insurance mailboxes (additional \$100 to \$200 per month, depending on the number of mailboxes that you select).

6/ To secure payment of the fees and amounts owed to Maaco and/or any of its affiliates under the Franchise Agreement and all other related agreements, you must sign the security agreement attached as Exhibit C to the Franchise Agreement (the “Security Agreement”). Under the Security Agreement, you will grant Maaco a continuing security interest in all current and future assets of your Center, and all books and records relating to and all proceeds from all of the assets of the Center. This security interest will secure all payment obligations to Maaco and/or any of its affiliates.

**Item 7**

**ESTIMATED INITIAL INVESTMENT**

**Franchise Agreement**

**YOUR ESTIMATED INITIAL INVESTMENT**

**AUTO BODY CONVERSION CENTER (1)**

Column 1 Type of expenditure	Column 2 Amount	Column 3 Method of payment	Column 4 When due	Column 5 To whom payment is to be made
Initial Franchise Fee (2)	\$45,000	Lump sum	Upon signing Franchise Agreement	Us

<b>Column 1 Type of expenditure</b>	<b>Column 2 Amount</b>	<b>Column 3 Method of payment</b>	<b>Column 4 When due</b>	<b>Column 5 To whom payment is to be made</b>
Initial Training and Opening Fee (3)	\$10,000 for one person  (\$2,500 for each additional attendee)	Lump sum	No later than 30 days before arrival at initial training program (or 30 days prior to scheduled opening if you are an existing franchisee who does not attend initial training program)	Us
Initial Advertising Contribution (4)	\$15,000	Lump sum	No later than 30 days before the Center is scheduled to open	Us
Living Expenses During Training (3)	\$3,500 to \$5,000	As incurred	As incurred	Various third parties
Equipment, Signage and Initial Computer Hardware (5)	\$32,500 to \$307,000	Lump sum	If purchasing from our affiliate, before delivery of possession to you; otherwise, as arranged	Affiliate or outside suppliers
Opening Inventory and Supplies (5)	\$15,000 to \$37,000	Lump sum	If purchasing from our affiliate, before delivery of possession to you; otherwise, as arranged	Affiliate or outside suppliers
Construction, Design, Tenant Improvements and Miscellaneous Start-Up Costs (6)	\$25,000 to \$150,000	Lump sum or as incurred	As incurred	Third parties
Additional Funds – 3 Months (7)	\$50,000 to \$75,000	As incurred	As incurred	Third parties
<b>TOTAL (8)</b>	\$196,000 to \$644,000			

### **YOUR ESTIMATED INITIAL INVESTMENT**

#### **GROUND UP CENTER OR NON-AUTO RETROFIT CENTER (1)**

<b>Column 1 Type of expenditure</b>	<b>Column 2 Amount</b>	<b>Column 3 Method of payment</b>	<b>Column 4 When due</b>	<b>Column 5 To whom payment is to be made</b>
Initial Franchise Fee (2)	\$45,000	Lump sum	Upon signing Franchise Agreement	Us



<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>	<b>Column 5</b>
<b>Type of expenditure</b>	<b>Amount</b>	<b>Method of payment</b>	<b>When due</b>	<b>To whom payment is to be made</b>
Initial Training and Opening Fee (3)	\$10,000 for one person  (\$2,500 for each additional attendee)	Lump sum	No later than 30 days before arrival at initial training program (or 30 days prior to scheduled opening if you are an existing franchisee who does not attend initial training program)	Us
Initial Advertising Contribution (4)	\$15,000	Lump sum	No later than 30 days before the Center is scheduled to open	Us
Living Expenses During Training (3)	\$3,500 to \$5,000	As incurred	As Incurred	Various third parties
Equipment, Signage and Initial Computer Hardware (5)	\$240,000 to \$307,000	Lump sum	If purchasing from our affiliate, before delivery of possession to you; otherwise, as arranged	Affiliate or outside suppliers
Opening Inventory and Supplies (5)	\$15,000 to \$37,000	Lump sum	If purchasing from our affiliate, before delivery of possession to you; otherwise, as arranged	Affiliate or outside suppliers
Construction, Design, Tenant Improvements and Miscellaneous Start-Up Costs (6)	\$350,000 to \$3,500,000	Lump sum or as incurred	As incurred	Third parties
Additional Funds – 3 Months (7)	\$50,000 to \$75,000	As incurred	As incurred	Third parties
<b>TOTAL (8)</b>	<b>\$728,500 to \$3,994,000</b>			

The above estimates do not take into consideration any revenue derived during the first 3 months of operation. Unless otherwise noted, none of the expenses listed in the table above are refundable.

### **Explanatory Notes**

1. An “Auto Body Conversion Center” is a Maaco Center to be developed from an existing structure that was recently used as an auto body repair facility and is currently zoned “As of right” for an auto body repair facility and that does not need to be modified structurally to meet our standards and specifications.

A “Ground Up Center” is a Maaco Center to be constructed on an undeveloped parcel of land, which may or may not be zoned “As of right” for an auto body repair facility.

A “Non-Auto Retrofit Center” is a Maaco Center to be developed from an existing structure that was not previously used as an auto body repair facility and may or may not currently be zoned “As of right” for an auto body repair facility and that must be modified structurally to meet our standards and specifications.

2. As stated in Item 5, the initial franchise fee is reduced under certain circumstances.

3. You must pay us the Initial Training and Opening Fee no later than 30 days before arrival at the initial training program (or 30 days before your scheduled opening if you are an existing franchisee and not attending the initial training program). The Initial Training and Opening Fee covers expenses we incur in providing opening assistance and the initial training program. We will provide and pay only for training instructors, facilities, and training materials. All other expenses incurred during initial training, including your (or your majority investor’s) and the Center’s principal operator’s (if applicable) round trip transportation to and from the training site, lodging, and the cost of food, is your responsibility. Additional people may attend the initial training program if you pay our then-current training fees for any additional attendees (currently, \$2,500 per attendee).

4. You must pay us a non-refundable Initial Advertising Contribution no later than 30 days before the Center is scheduled to open. We will use, within one year after the Center’s actual opening, the Initial Advertising Contribution for your grand opening marketing, which may include traditional marketing, digital marketing, promotional and event materials, and digital, promotional, and traditional assets. The Initial Advertising Contribution is paid to us to purchase these marketing materials. We will determine the types of marketing and marketing materials to be used for the grand opening marketing of the Center. The actual costs of these programs may exceed your Initial Advertising Contribution, in which case we will charge you the difference. We do not charge you an Initial Advertising Contribution when you renew your franchise.

5. We will provide you with specifications for the initial inventory, supplies, equipment, and signs required for the opening of the Center. You can purchase these items directly from our affiliate. The amounts stated in the table above represent the estimated costs should you purchase these items from our affiliate and include installation of equipment. The amounts stated may vary considerably should you elect to purchase these items from any other source or third party due to factors such as price differentials between suppliers, shipping distances and installation charges. If you purchase these items from our affiliate, you must pay our affiliate the amounts before it delivers the equipment, inventory, supplies or signage to you. If any item is not available, we or our affiliate may substitute an equivalent item and adjust the price accordingly. If we or our affiliate incurs an increase in the price of any of these items, we may pass this increase on to you. The amounts stated include the cost of purchasing computer hardware as further described in Item 11.

6. This range includes the cost of construction and/or tenant improvements (as applicable) for your Center, as well as architectural and engineering fees, deposits and installation costs for telephones and indoor signs, other utility deposits, and cost of permits and miscellaneous office furniture, equipment and supplies. The cost of construction, tenant improvements, and related services needed for the Center’s premises will vary depending on the size, condition and location of the premises leased. Some landlords may pay some or all of your tenant improvement costs as part of your lease negotiations.

7. This item estimates your initial start-up expenses for a 3-month period (including rent and lease security deposit) and working capital needed for the start-up period. Expenses for the Center include payroll costs but do not include any draw or salary for you. These figures are also intended to cover insurance, utilities, telephone, legal/accounting expenses, rubbish and hazardous waste removal, local advertising and materials, supplies and parts.

You must lease an appropriate building to operate the Center. Most leases are triple net, and the term of the lease is usually 15 years (an initial 5-year term plus 2 5-year options). Typical locations for a Maaco Center are general business districts and commercial/industrial zoned suburban markets. The typical building for a Maaco Center will be of masonry or metal construction, having approximately 7,200 to 10,000 square feet of floor space with appropriate access for automobiles. Rents can range from \$5,600 per month to \$15,000 per month, or more, depending on market conditions. The rent will be paid to a third-party landlord or to us or our affiliate where we own or hold the prime lease for the Center's premises. Landlords customarily require that you personally guaranty the lease for the premises. You may choose to purchase, rather than rent, real estate on which a structure 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 that affect the value of a particular parcel of real estate, this initial investment table does not reflect the potential purchase cost of real estate for the Center.

These figures are estimates, and we cannot guarantee that you will not have additional expenses starting the Center or during the start-up period. Your costs will depend on factors such as how much you follow our methods and procedures; your management skills, experience and business acumen; local economic conditions; the local market for your products and services; the prevailing wage rate; competition; the sales level reached during the initial period and whether you perform services personally.

8. We relied on our predecessors' experience of over 50 years in this business to compile these estimates and on information that we and MAA have obtained from franchisees. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. We do not offer financing directly or indirectly for any other part of the initial investment. The availability and terms of financing will depend on factors such as the availability of financing generally, your creditworthiness, collateral you may have and lending policies of financial institutions. The estimate does not include any finance charge, interest or debt service obligation.

### **Development Agreement**

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 3 Maaco Centers under the Development Agreement, in which case the Development Fee would be \$87,500.

## **Item 8**

### **RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

You must follow the standards and specifications we periodically establish for the inventory and supplies, equipment, computer hardware and Center image (including indoor and outdoor signs) required for the Center. We have the right to require you to purchase or lease goods, services, supplies, fixtures, equipment, and inventory relating to the establishment or operation of the Center only from suppliers we approve, which may include us, our affiliates or our designees, through any manner or method we designate. While we may require you to purchase those items from approved suppliers in the future, currently, we permit you to purchase them from any supplier whose products meet our standards and specifications, as detailed below. Driven Product Sourcing and Spire Supply are currently approved suppliers. As stated in Item 1, Driven Product Sourcing operates the DrivenAdvantage Platform, through which you may purchase certain products for use in operating your Center. Through the DrivenAdvantage Platform, Driven Product Sourcing provides you the opportunity to benefit from Driven Product Sourcing's purchasing power, expertise, and supplier network. For any products for which we designate Driven Product Sourcing as the designated supplier or an approved supplier, you will generally be required to purchase those products through the DrivenAdvantage Platform.

A list of our specifications, which may include minimum standards for delivery, performance, warranties, design and appearance and local zoning, sign and other restrictions for the Center are contained in our Planning Your Opening and Playbook (defined in Item 11). We also will provide specifications for the Maaco National Sign. During the Franchise Agreement's term, we will loan you a copy of, or provide you electronic access to, our Playbook. Currently, you may purchase or lease original and replacement equipment, fixtures, signs and inventory meeting these specifications from any source. However, if you propose to purchase or lease any item of equipment or inventory, computer hardware or any fixture or sign not previously approved by us as meeting our specifications, you must first notify us, and we may require submission of sufficient specifications, photographs, drawings and/or other information and samples to determine whether the item of equipment or inventory or the fixture or sign meets our specifications. We will advise you within a reasonable time (60 days) whether the item of equipment or inventory or the fixture or sign meets our specifications, and that approval may be revoked upon written notice to you.

You may purchase any or all of the equipment, opening inventory and supplies, computer hardware and the indoor and outdoor signs, including the Maaco National Sign, necessary to open the Center from one of our affiliates. Our designated vendor will assist in the installation of equipment, fixtures, and signs. As stated in Item 6, you must license the Management System software from our designated supplier and sign a license agreement with that supplier. Under the license agreement, you will pay a monthly software license fee ranging from \$799 to \$973, plus taxes, for the CCC One Base Package (which includes 2 users). Optional software services and products include: (a) additional user(s) (additional \$60 per user per month for the third and each additional user); (b) Engage add-on (additional \$149 per month); and (c) fleet and insurance mailboxes (additional \$100 to \$200 per month, depending on the number of mailboxes that you select). We collect these fees on the supplier's behalf. If any item is not available, we may

substitute an equivalent item and adjust the price accordingly. If we or our affiliates incur an increase in the price of any of these items, we may pass this increase on to you.

An affiliate of ours will be a supplier of paint and certain other inventory items. In many cases, we or an affiliate are able to purchase items at discount volume prices and resell them to our franchisees at or below the supplier's suggested retail price. If any item is not available, we may substitute an equivalent item and adjust the price accordingly. You must purchase from suppliers we approve, which suppliers may include us and/or our affiliates, paint and other products as we may specify periodically to ensure the integrity of certain marketing programs, and, among other things, facilitate and support purchasing programs and arrangements we negotiate for the franchise system.

We and/or our affiliates may derive revenue based on your purchases and leases, including from charging you (at prices exceeding our and their costs) for services and products that we or our affiliates sell you and from promotional allowances, rebates, volume discounts, and other amounts paid to us and our affiliates by suppliers that we designate, approve, or recommend for some or all Maaco franchisees. We and our affiliates may use all amounts received from suppliers, whether or not based on your and other franchisees' prospective or actual dealings with them, without restriction for any purposes that we and our affiliates consider appropriate.

In the fiscal year ending December 28, 2024, our affiliates' revenue from the sale of all equipment, inventory, supplies and signs to Maaco franchisees was approximately \$36,276,417. We derived these figures from our affiliates' internally prepared financial statements. During 2024, we did not derive any revenues or other material consideration from franchisees' direct purchases or leases. Approximately 78% of your total purchases in connection with the establishment of your Center and approximately 95% of your overall purchases in operating the Center will be purchased from us or our affiliates, approved suppliers or in accordance with our standards and specifications.

In the fiscal year ended December 28, 2024, we and our affiliates received \$2,833,602 in rebates and other payments from suppliers because of their transactions with our franchisees. Currently, we do not provide any material benefits (e.g., renewal or additional franchises) to you based on your use of designated or approved sources, except that you may receive discounts and/or inventory sales credits/rebates we offer periodically. There are no purchasing or distribution cooperatives. Under certain circumstances, we or our affiliates may negotiate purchase arrangements or terms (such as price, service, training) with suppliers for your benefit.

None of our officers currently own an interest in any non-affiliated, third-party suppliers that comprise the existing supply base for the Maaco franchise system.

As described in Item 11 below, we designate in the Franchise Agreement the area in which the Center must be initially located and must approve your selection of the site for the Center within that area. The Center's premises will be leased from a third-party landlord or from us or our affiliate where we own or hold the prime lease for the premises. As further described in Item 6, if you sublease the premises from us or our affiliate, the rent may exceed the amount paid by us or our affiliate to the prime landlord.

As indicated in Item 5 above, you must pay us an Initial Advertising Contribution no later than 30 days before the Center is scheduled to open. We will use, within one year after the actual opening of the Center, the Initial Advertising Contribution for your grand opening marketing of the Center, which may include traditional marketing, digital marketing, promotional and event materials, and digital, promotional, and traditional assets. The Initial Advertising Contribution is paid to us to purchase these marketing materials. We will determine the types of marketing and marketing materials to be used for the grand opening marketing of the Center. The actual costs of these programs may exceed your Initial Advertising Contribution, in which case we will charge you the difference. We do not charge you an Initial Advertising Contribution when you renew your franchise. You must participate in our marketing programs. Our internal marketing division currently administers our marketing program and purchases marketing materials from non-affiliated third parties. We receive certain discounts for media placement.

You must purchase and maintain in effect certain policies of insurance. Currently, you are required to maintain public liability insurance, including employer's liability, garage liability, pollution liability, garagekeeper's legal liability, employment practices liability and commercial umbrella coverage against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the operation of the Center and worker's insurance and other insurance required by law. The insurance carrier must be rated A+ or better by A.M. Best Company, Inc. and be authorized to transact business in the state where the Center's premises is located. We may also increase the policy limits or minimum liability protection or require different or additional kinds of insurance, and all policies of insurance must name us and any other party designated by us as an additional insured. Neither we nor our affiliates will derive revenue as a result of these purchases. In addition to the preceding minimum coverage requirements, under any applicable service level agreement entered into in connection with your participation in one or more corporately managed insurance programs, you must, at your sole expense, obtain and maintain the insurance policies and in the amounts stated in the programs in which you participate for claims that may arise from or in connection with your performance of services at your Center under the service level 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 Maaco Center so that we can assess that site, which is subject to our written acceptance.

*[Remainder of Page Intentionally Left Blank]*

## 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.**

<b>Obligation</b>	<b>Section in agreement</b>	<b>Disclosure document item</b>
a. Site selection and acquisition/lease	Paragraph 2 of Franchise Agreement; Paragraph 5 of Development Agreement	Items 7 and 11
b. Pre-opening purchases/leases	Paragraphs 7A and 7B of Franchise Agreement	Items 5, 7 and 8
c. Site development and other pre-opening requirements	Paragraphs 2 and 7 of Franchise Agreement	Items 7 and 11
d. Initial and ongoing training	Paragraphs 7B, 7C and 7D of Franchise Agreement	Item 11
e. Opening	Paragraph 2E of Franchise Agreement	Items 5 and 11
f. Fees	Paragraphs 3C, 5 and 6 of Franchise Agreement; Paragraph 1 of Fleet Addendum; Paragraph 6 and Exhibit C of Development Agreement	Items 5, 6 and 7
g. Compliance with standards and policies/Operations Manual (Playbook)	Paragraphs 7 and 10 of Franchise Agreement	Items 11 and 16
h. Trademarks and proprietary information	Paragraphs 9, 10 and 11 of Franchise Agreement	Items 13 and 14
i. Restrictions on products/services offered	Paragraphs 7A and 7I of Franchise Agreement	Items 8, 11 and 16
j. Warranty and customer service requirements	Paragraphs 7F, 8, and 16F of the Franchise Agreement	Item 16
k. Territorial development and sales quotas	Paragraphs 1B and 1C of Franchise Agreement; Paragraphs 2 and 3 and Exhibits A and B of Development Agreement; Limited Exclusivity Addendum (if applicable)	Item 12

<b>Obligation</b>	<b>Section in agreement</b>	<b>Disclosure document item</b>
l. On-going product/service purchases	Paragraphs 7E, 7I and 7L of Franchise Agreement	Item 8
m. Maintenance, appearance and remodeling requirements	Paragraph 7E of Franchise Agreement	Not Applicable
n. Insurance	Paragraph 13 of Franchise Agreement; Paragraph 3 of Security Agreement	Items 6 and 8
o. Advertising	Paragraphs 5B and 6 of Franchise Agreement	Items 6, 7, 8 and 11
p. Indemnification	Paragraph 20C of Franchise Agreement; Paragraph 19 of Development Agreement	Not Applicable
q. Owner's participation/management/ staffing	Paragraph 18A of Franchise Agreement	Item 15
r. Records/reports	Paragraph 12 of Franchise Agreement	Not Applicable
s. Inspections/audits	Paragraph 12 of Franchise Agreement	Not Applicable
t. Transfer	Paragraph 14 and Exhibit B of Franchise Agreement; Paragraphs 12, 13 and 14 of Development Agreement	Item 17
u. Renewal	Paragraph 3 of Franchise Agreement	Item 17
v. Post-termination obligations	Paragraph 16 of Franchise Agreement	Item 17
w. Non-competition covenants	Paragraph 18 of Franchise Agreement; Paragraph 11 of Development Agreement	Item 17
x. Dispute resolution	Paragraph 25 of Franchise Agreement; Paragraph 9.3 of Security Agreement; Paragraphs 21 and 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 SYSTEM 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 Maaco franchisees. Driven Brands may delegate certain of these responsibilities to MAA, 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 Assistance**

Before you open the Center, we or our designee will:

1. Designate the area in which you may seek and select a site for your Center (Paragraph 1 of the Franchise Agreement).
2. Provide site specifications and standards for general location and zoning, neighborhood, parking requirements, layout and other physical characteristics and lease terms and conditions for your Center (Paragraph 2 of the Franchise Agreement).
3. As described in Item 8, provide you with the specifications for the initial and replacement inventory and supplies, equipment, and exterior and interior signs required for the Center (Paragraph 4D of the Franchise Agreement). Our designated vendor will assist in the installation of equipment, fixtures, and signs at your Center.
4. Use the Initial Advertising Contribution to provide for the initial advertising of the Center (Paragraph 4B of the Franchise Agreement).
5. Loan you a copy of, or provide you electronic access to, the operations manual (the "Playbook") upon arrival at the initial training program. The Playbook includes mandatory and suggested specifications, standards, operating procedures and rules as we periodically require, as well as information relative to your other obligations under the Franchise Agreement and to the operation of the Center. The Playbook will remain confidential and our property. We will have the right to add to or otherwise modify the Playbook periodically as we deem necessary; however, any addition or modification will not materially alter your fundamental status and rights under the Franchise Agreement, unless we determine that the changes are necessary or desirable to respond to changing market conditions or to enable our franchisees to compete more effectively in the market place (Paragraphs 4E and 10 of the Franchise Agreement). Attached as Exhibit R is a copy of the table of contents of our Playbook as of the date of this disclosure document. The Playbook contains a total of approximately 49 pages.
6. Train you in the operation of a Maaco Center (Paragraph 4A of the Franchise Agreement).

7. If you sign a Development Agreement, for each Maaco Center developed under the Development Agreement, 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 (Paragraph 4 of the Development Agreement).

### **Ongoing Assistance**

During your operation of the Center, we or our designee will:

1. Provide continuing advisory assistance for the operation of the Center as we deem appropriate (Paragraph 4C of the Franchise Agreement).

2. Spend advertising contributions for advertising and promotion, as further described in this Item, but we will not be obligated to spend these advertising contributions during the year in which you contribute (Paragraph 6.1 of the Franchise Agreement).

3. We will conduct, as we deem advisable, inspections of the Center and evaluations of the auto painting and body repair services rendered at the Center (Paragraph 4F of the Franchise Agreement).

4. We may require you to attend additional training programs, as described in this Item 11. (Paragraph 7C of the Franchise Agreement).

5. If you sign the Development Agreement, during the term of the Development Agreement, we will grant you franchises for Maaco Centers if we approve your completed site applications in writing. For each Maaco 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, Paragraphs 4 and 5). (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 Maaco Center.)

### **Marketing and Advertising**

You must pay us the non-refundable Initial Advertising Contribution of \$15,000 no later than 30 days before the Center is scheduled to open. We will use, within one year after the actual opening of the Center, the Initial Advertising Contribution for your grand opening marketing of the Center, which may include traditional marketing, digital marketing, promotional and event materials, and digital, promotional, and traditional assets. The Initial Advertising Contribution is paid to us to purchase these marketing materials. We will determine the types of marketing and marketing materials to be used for the grand opening marketing of the Center. The actual costs of these programs may exceed your Initial Advertising Contribution, in which case we will charge you the difference. We do not charge you an Initial Advertising Contribution when you renew your franchise.

In addition to the Initial Advertising Contribution, you must pay us a weekly marketing fee of \$1,200, or an amount equal to the weekly marketing budget of franchisees operating in your designated market area, whichever is greater, at the same time you pay your weekly royalty payments. We have the right to increase the amount of the marketing fee during the Franchise Agreement's term, except that the amount of any increase after the first 12 months of your operations will not exceed 10% per year. The amount of the increase in marketing fees will be cumulative and, if we do not increase the marketing fees by the maximum amount permitted in any given year, we may add the amount not charged to you in any given year to the amount you pay in subsequent years. Except for franchisees under older forms of franchise agreement, all of our franchisees must contribute at the same rate. Where we or our affiliates operate any Maaco Centers, we make the same marketing contributions as current franchisees in that market. As detailed in Item 6, if you sign the Fleet Addendum, subject to certain conditions, you will pay a reduced weekly marketing fee for the Center.

We use marketing fees for the creation, development, and implementation of marketing, advertising and related programs and materials to enhance the goodwill associated with the Proprietary Marks, to promote the sale of any or all products and services we authorize, and to develop and maintain a favorable public image of Maaco Centers, including website development, Center image enhancement, Maaco Center locator numbers, employing advertising agencies and media buying agencies, supporting market research activities, and preparing, producing and distributing marketing, advertising and related programs and materials. Furthermore, we may pay from the marketing fees collected all costs and expenses related to the research, formulation, development, customer experience, production, media (including website development and costs) and all other costs of such marketing (including the proportionate compensation of our employees who devote time and render services in the conduct, research, formulation, development and production of advertising and marketing programs or the administration of the funds used for these activities). We need not spend marketing fees in the year in which you pay them. Currently, marketing is conducted on a national and regional basis. We also may elect to spend our own funds for advertising and promotional purposes, web compliance, and recruiting tools.

The advertising and promotion we conduct is intended to maximize general public recognition and patronage of the Maaco system in the manner we determine is most effective, and we undertake no obligation in developing, implementing or administering the programs to ensure that expenditures which are proportionate or equivalent to a franchisee's marketing fees are made for the franchisee's Maaco Center or that any Maaco Center will benefit directly or pro rata from the placement of advertising. We are not required to spend any amount on marketing in your area. No percentage of the funds collected are used for marketing that is principally a solicitation for the sale of franchises. We will provide an annual unaudited statement of receipts and disbursement relating to the most recent fully complete fiscal year with respect to systemwide aggregate marketing fees upon your written request. Of the amounts spent on marketing and promotion in the fiscal year ending December 28, 2024, 61% was for working media, 21% for agency fees and non-working media, 16% for administrative fees, and 2% for research (Paragraph 6 of the Franchise Agreement).

As of the date of this disclosure document, we have an advisory council, which is composed of franchisees whom we have selected from a pool of franchisee applicants. The council provides

input in a number of areas relating to the Maaco system, including advertising, but serves solely in an advisory capacity. We have the right to form, change, and/or dissolve any advertising council. You are not required to participate in a local or regional advertising cooperative.

We will be the owner of and will secure multiple remote call forward (“RCF”) (Paragraph 6.2 of the Franchise Agreement) telephone numbers for use in online listings, print listings and digital media. RCF numbers will be used for both online, offline, and print tracking purposes, and calls may be recorded. We may choose to redirect calls from RCF numbers to a call center in the future. We have the right to control all directory listing and internet search engine optimization advertising, telephone numbers and other directories, both in print and online. We may require you to use other directory listings periodically. We will determine, at our sole discretion, the size of display advertisements and the type of advertisement to be placed in all directory listing advertisements. We will place all directory listing advertising for you. You must reimburse us for all telephone bills and charges we pay for the telephone and telephone number used at the Center when you receive the invoice from us or, at our request, you must pay the RCF charges directly upon receipt from us or the telephone company. If we determine any directory listing to be an ineffective means of advertising, we reserve the right to invest current directory listing contributions in other online directories and media.

Our internal marketing division administers all marketing programs. Marketing contributions you pay to us are used to purchase marketing, promotional materials, digital services, Maaco Center location phone numbers and website development services from non-affiliated third parties and for related charges. We receive certain discounts for media placement.

You must use your best efforts to promote the business of the Center through local advertising and promotion and spend the funds that are necessary to accomplish this result. All of your advertising (in any medium) must conform to our standards and specifications, including strategy. Neither individual nor multi-Maaco Center owners may create and maintain their own websites or social media sites (for example, a Facebook page for the Center). If you or any of your employees, representatives, or agents owns, develops or operates, during or after the Franchise Agreement’s term, any website, domain name, or page (or other electronic presence) on any digital media platform for or relating to the Center, or otherwise using the Proprietary Marks, in violation of the Franchise Agreement (each, “Prohibited Medium”), we will have the unilateral right to instruct the applicable domain registrar or digital platform provider either to transfer (whether to us or our designee) ownership of, or to deactivate, each Prohibited Medium, and the applicable domain registrar or digital platform provider will take your execution of the Franchise Agreement as conclusive evidence of our right to take either or both of these actions with respect to each Prohibited Medium without your consent. You will be solely responsible, however, for any and all amounts owed to the applicable service provider accruing through the effective date of transfer. We will create and maintain websites and social media sites to ensure they are consistent with Maaco standards. You must submit to us, for prior approval, samples of all advertising and promotional plans and materials (including strategy with full transparency) that have not been prepared or previously approved by us within the prior 12-month period. You must notify us of any placement of an RCF number in any advertising medium, as we will recommend and provide a unique RCF number to be used for performance tracking.

We provide and maintain the RCF number for the purposes of tracking performance and, in some cases, recording phone calls. We reserve all rights to online listings. You must cooperate in any of our attempts to gain access and control of directory listings for the purposes of maintaining a competitive search engine ranking, through consistent representation of the business name and information. All content posted on local sites needs to be approved by us.

Only our approved vendor partners will be allowed to use our Proprietary Marks in Google Adwords or other online advertising channels.

### **Computer Hardware and Software**

You must purchase and use our designated shop management system (the “Management System”) and all required hardware to operate the Management System in the operation of your Center. The Management System performs scheduling, parts ordering, estimating, reporting, and point-of-sale functionality. The estimated cost of the Management System’s hardware and software components for 2 workstations (which is typical) is \$5,000 to \$6,500. The Management System currently includes: (1) 2 Dell OptiPlex 7010 – micro – Core i5 13500T 1.6 GHz – vPro Enterprise – 8 G Mfg.; (2) 1 Samsung Galaxy Tab A8 – tablet – Android – 32 GB – 10.5-in.; (3) 1 HP LaserJet Pro 4001dw Desktop Wireless Laser Printer Monochrome: CDW # 7039664; (4) 4 Dell E2222HS – LED monitor – Full HD (1080p) – 22 in.; and (5) 1 Galaxy Tab A8-T-OtterBox Defender Carrying Case (Holster) for 10.5-inch Samsung.

Currently, you may purchase the above hardware from any supplier so long as it meets our standards and specifications; however, we have the right to designate a single supplier, which may be us or one of our affiliates, from which you must purchase the Management System, any software or hardware components relating to the Management System, and/or associated services. You must license the Management System software from our designated supplier and sign a license agreement with that supplier. The current software is the CCC One Base Package, which includes 2 users, Estimating, Shop Management, Repair Methods, Electronic Parts Ordering, Advisor, Indicators, Scorecard, Update Plus, CCC ONE Touch, CCC ONE Mobile, Carwise, Open Shop, Aftermarket Parts, Documents/Photos, Tire, Recall, PDR, Frame Specs, and Mobile Estimating. Under the license agreement, although you currently are not required to pay a set-up fee, you will pay a monthly software license fee ranging from \$799 to \$973, plus taxes. Optional software services and products include: (a) additional user(s) (additional \$60 per user per month for the third and each additional user); (b) Engage add-on (additional \$149 per month); and (c) fleet and insurance mailboxes (additional \$100 to \$200 per month, depending on the number of mailboxes that you select).

We collect these fees on the supplier’s behalf. You will incur additional costs payable directly to the supplier if you purchase optional support, products, and/or services. You may request, and we may agree to provide, specialized training on the use of the Management System software. We may charge a fee for any training we provide. For each computer that you use in the operation of your Center, you must install anti-virus software and keep all software up-to-date, including by installing all vendor-provided software patches. Except as noted above, you need not obtain, and no party has any obligation to provide, any specific maintenance, repairs, updating, upgrading or support contracts for other parts of the Management System.

You must dedicate a telecommunications line for the sole purpose of supporting the Management System. You must also subscribe to an Internet service provider that provides a business class broadband Internet connection with a minimum of 6 Mbps speed. Your Internet solution must include a properly configured and maintained firewall. At our election, you must obtain additional telecommunications and computing infrastructure products required to support our then-current information technology systems.

We recommend that you back up your data locally, which may require you to purchase a “back-up” subscription service. We are not responsible under any circumstances for any malfunction or “crash” of the Management System, including for any Center data lost as a result of that malfunction or “crash.”

If, during the Franchise Agreement’s term, we require you to use a different shop management system, software, hardware or related technology systems, you must purchase that shop management system, software, hardware and systems, and must pay the then-current costs to use the new shop management system, hardware, software or systems, including any initial license fees, equipment purchases, technology fees or maintenance fees imposed by us, approved suppliers, or third parties. There are no contractual limitations on the frequency and cost of this obligation. In addition, you must keep your hardware and operating system upgraded to meet the currently published specifications in the Playbook.

We have unlimited, independent access to all the information and data (including Customer Data (defined in Item 14)) generated and maintained on the Management System (excluding matters relating to your labor relations and employment practices). There are no contractual limitations on our right to access the information. We and our affiliates may use this information and data, together with any records and reports that we require you to provide to us under the Franchise Agreement, for any purpose and in any form as we and they periodically determine, including to conduct marketing and cross-promotional campaigns and to compile on an aggregated basis statistical and performance information relating to our (or our affiliates’) services and products, Maaco Centers, and/or other automotive businesses franchised and owned by us and our affiliates. Because of varying market conditions and types of maintenance and support contracts, we are unable to estimate the annual cost of any optional maintenance, updating, upgrading or support contracts.

## **Location**

You must use your best efforts to seek and select a proposed location for the Center. You must submit to us a description of the location and any other information or materials we may require to evaluate the site (Paragraph 2A of the Franchise Agreement).

We will provide site specifications and standards for general location and zoning, neighborhood, parking requirements, layout and other physical characteristics and lease terms and conditions for Maaco Centers, including lease duration and rental, or terms of purchase, including debt service, if you are purchasing the location for the Center. You must submit the lease (if any)

to us for our approval before you sign it. We will not unreasonably withhold our approval of the lease, and the lease must, among other things, provide that:

- a) The premises will only be used for the operation of your Center;
- b) You will not sublease or assign the lease or any part of the lease;
- c) We will have the right to enter the premises to make any modifications necessary to protect the Proprietary Marks; and
- d) We will have the right, at our election, to receive an assignment of the leasehold interest upon termination or expiration of the Franchise Agreement.

In addition, at our request, you must sign a Collateral Assignment of Lease and Consent and Agreement of Lessor (Exhibit F) to secure your obligations to us under the Franchise Agreement.

Typically, it can take approximately 18 months between the time you sign the Franchise Agreement and the time that the Center becomes operational. This period may vary depending, in part, upon availability of sites in a particular area, the location, condition of the site and your diligence.

## **Training**

We provide an initial training program for you (or your majority investor) and the Center's principal operator (if not you or your majority investor). The initial training program customarily includes 3 weeks of intensive training in the operation and management of the Center, which is provided after you secure the location for the Center and we determine that the Center will be open in 60 days or less. We reserve the right to cancel or modify the length of any training class with less than 4 attendees. The initial training program will be conducted at our headquarters or another training site we choose between 8 and 10 times annually. We may, however, conduct any and all training, classes, courses, meetings, and conferences online, telephonically, or otherwise. The training is in business management methods and techniques rather than in mechanical skills. The methods and techniques include selling our services; marketing; familiarization with paints, related solvents and thinners, painting equipment and its maintenance; safety regulations; basic estimating procedures; parts inventory control; production and workflow; customer relations; telephone communications; national and local fleet accounts; accounting, budgeting, reporting and record keeping; insurance requirements; and facilities maintenance. Confidential and detailed training and procedural PowerPoint slides, printed handouts, online courses, and related documents comprise the instructional materials for our initial training program. We may provide these materials in hard-copy or electronic format. You (or your majority investor) and the Center's principal operator (if applicable) must successfully complete the initial training program(s) we require at least 30 days before opening the Center. Additional people may attend the initial training program if you pay our then-current training fees for any additional attendees (currently, \$2,500 per attendee). You are responsible for your (or your majority investor's), the Center's principal operator's (if applicable), and other attendees' travel, lodging, meal, and other expenses during initial training. If you (or your majority investor) and/or the Center's principal operator (if

applicable) are unable to complete the initial training program to our satisfaction, we may, upon written notice to you, terminate the Franchise Agreement. If you are an existing franchisee, we can require you or you can elect to attend the initial training program before the Center opens. In addition, we will provide 2 weeks of on-site assistance and training to help facilitate the opening of the new Center.

The following chart describes our 3-week training program:

### TRAINING PROGRAM

Column 1 Subject	Column 2 Hours of Classroom Training	Column 3 Hours of On-The-Job Training	Column 4 Location
Pre-work (assigned in the Maaco LMS Platform)	5	0	Conducted Virtually
The Maaco Mindset and Business Model	2	0	Charlotte, North Carolina
Maaco Products and Services	2	0	Charlotte, North Carolina
Maaco Warranty	1	0	Charlotte, North Carolina
The Maaco Phone Track	4	0	Charlotte, North Carolina
The Maaco Sales Track	24	0	Charlotte, North Carolina
CCC One - Estimating and POS Systems	28	0	Charlotte, North Carolina
Sales Management	2	0	Charlotte, North Carolina
Local and National Marketing Overview	1	0	Charlotte, North Carolina
Trade and National Fleet Overview	2	0	Charlotte, North Carolina
Hands on Production/Shop	24	0	Charlotte, North Carolina
Production Management	8	0	Charlotte, North Carolina
Equipment and Facility Maintenance	1	0	Charlotte, North Carolina
Environmental and Safety	1	0	Charlotte, North Carolina
Success Plan Development	2	0	Charlotte, North Carolina
Forecasting and Profit Model	4	0	Charlotte, North Carolina
KPI Benchmarking and Reporting	2	0	Charlotte, North Carolina
Staffing Levels & Personnel Management (Recommendations)	2	0	Charlotte, North Carolina
Customer Management and CSI	1	0	Charlotte, North Carolina
Inventory Control	1	0	Charlotte, North Carolina
Supplier Relationships	2	0	Charlotte, North Carolina
Homework	4	0	Charlotte, North Carolina
Testing & Final Success Plan Presentation	4	0	Charlotte, North Carolina
<b>Total</b>	127	0	

<sup>1</sup>Additional hours of on-the-job training may be added as supplemental training if class size, location and time permit.



The ~~Our~~ training program ~~we provide~~ is provided under the direction of ~~our Vice President of Franchise Services, Dave Gross~~ Mr. Jeremy McGowen, Chief Operating Officer of Maaco and MAA. Mr. ~~Gross~~ McGowen has been with us since ~~April 2008 and has overseen our training department since April 2022~~ November 2025. Mr. ~~Gross~~ McGowen has 1725 years of experience in the fields of training, operations, sales, and new unit development.

You (or your majority investor) and the Center's principal operator (if applicable) must also attend, at our request, supplemental and refresher training programs, sales meetings, operations meetings, advertising meetings and conventions, which we may offer periodically at various locations we determine during the Franchise Agreement's term. You must pay all expenses for these training programs, sales meetings, operations meetings, advertising meetings and conventions as we may reasonably require, including the cost of travel, room, board and wages. Our sole responsibility will be to pay for training instructors and materials. You also must pay our then-current fees for supplemental or refresher training.

## **Item 12**

### **TERRITORY**

You will not receive an exclusive territory under the Franchise Agreement, 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.

#### **Franchise Agreement**

You may operate the Center only at the location we approve. However, you are not restricted as to the area into which you may go to solicit business or the customers whom you may solicit. You have no right to use other channels of distribution such as the Internet, catalog sales or other direct marketing.

If, during the term of the Franchise Agreement, we desire to license a third party to establish a Maaco Center in the Core Based Statistical Area (as then defined by the Office of Management and Budget) in which the Center is located (the "CBSA"), as long as you are in compliance with the Franchise Agreement, we will not grant that license if doing so results in there being more than one Maaco Center for each 50,000 persons in the CBSA.

This franchise is nonexclusive, and we, our subsidiaries and affiliates retain all rights with respect to Maaco Centers, the Proprietary Marks, the sale of similar or dissimilar products and services, and any other activities that we and they deem appropriate, whenever and wherever we and they desire, subject to the restriction stated in the preceding paragraph. For example, we, our subsidiaries and affiliates retain the right to establish and operate, and to allow franchisees and licensees to establish and operate, anywhere, businesses offering similar products and services under any trademarks and service marks, including the Proprietary Marks, that may compete with you for customers, subject to the restriction stated in the preceding paragraph. Customers of Maaco Centers are generated under the brand and belong to the Maaco system, thereby enhancing the value of the brand.

## **Relocation and Options, Rights of First Refusal, or Similar Rights**

You may not relocate the Center without our prior written approval. If you wish to relocate the Center, you must submit an application for relocation identifying the site to which you wish to relocate. The application must be submitted to us. We will review the demographics and character of the proposed site to determine whether or not it will be approved by us.

Except as provided below in connection with a Development Agreement, we do not grant to you any options, rights of first refusal or similar rights to acquire additional franchises within a particular territory.

## **Development Agreement**

If you wish to enter into a Development Agreement, you must commit to developing a minimum of 3 Maaco 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 Maaco 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 Maaco Centers that you must develop to maintain your development rights and, for each Maaco Center, the dates by which you must sign the purchase agreement, lease, or sublease, sign the then-current franchise agreement, and open the Maaco 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 Maaco Center located in the Development Area, or a Maaco Center located in the Development Area that has been closed for fewer than 12 months, will not be considered a new Maaco Center and, consequently, will not count towards your development obligations under the Development Schedule.

Your right to develop Maaco 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 Maaco Centers, in any geographic area, including the Development Area (“Permitted Businesses”), regardless of the proximity to or effect on the Maaco Centers developed under the Development Agreement or otherwise operated by you and/or your affiliates. Permitted Businesses may directly compete with the 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 4 or more Maaco Centers under the Development Agreement, we and you 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 Development Agreement’s term, neither we nor our affiliates will grant a franchise for the operation of a Maaco Center to anyone else in the Development Area, except for any franchised Maaco 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 Maaco 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 Maaco Centers using marks other than the Proprietary 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 Maaco Centers. After the Limited Exclusivity Addendum terminates or expires, we and our affiliates may license others to develop and/or operate Maaco Centers in the Development Area.

You may not develop or operate Maaco 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 Maaco Centers stated in the Development Schedule, (b) withhold evaluation or approval of site proposal packages for new Maaco 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.

### **Designated Area Reservation Letter**

If we and you enter into a Designated Area Reservation Letter, the current form of which is attached to this disclosure document as Exhibit N, we will reserve (but not grant) to you the


limited exclusive right to enter into a franchise agreement for a new (ground-up) Maaco Center to be located in a specified geographic area for a limited period of time.

**Item 13**

**TRADEMARKS**

MAA owned the then-existing Proprietary Marks until the Securitization Transaction. As noted in Item 1, we became the owner of these Proprietary Marks in July 2015 and grant you the right to use the Proprietary Marks in the operation of the Center.

The following Proprietary Marks are registered on the Principal Register of the United States Patent and Trademark Office (the “USPTO”):

<b>Proprietary Mark</b>	<b>Registration Number</b>	<b>Registration Date</b>
MAACO	1,084,252	January 31, 1978
MAACO	1,084,283	January 31, 1978
MAACO	1,480,014	March 8, 1988
	2,853,706	June 15, 2004
COSMOLLISION	2,617,360	September 10, 2002
MAACOVER	2,575,354	June 4, 2002
MAACO COLLISION REPAIR & AUTO PAINTING	3,006,015	October 11, 2005
AMERICA’S BODYSHOP	4,904,491	February 23, 2016
UH OH BETTER GET MAACO	1,459,555	September 29, 1987
#MAACOVER	6,889,302	November 1, 2022
NORTH AMERICA’S BODYSHOP	3,433,537	May 20, 2018

All required affidavits of use have been filed. We or our affiliates also have renewed the registrations of all of these Proprietary Marks (except for Registration Nos. 4,904,491, 6,889,302, and 3,433,537, for which a renewal filing is not yet due).

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 infringement, opposition or cancellation proceedings or material litigation, involving the Proprietary Marks which is relevant to their use in any state. There are no agreements currently in effect which significantly limit our right to use or license the use of the Proprietary Marks in any manner material to the franchise. Furthermore, we do not actually know of either superior prior rights or infringing uses that could materially affect your use of the Proprietary Marks in any state.

You must follow our rules when you use the Proprietary Marks. You are prohibited from using any Proprietary Mark as part of any corporate name or with any prefix, suffix or other

modifying words, terms, designs or symbols (other than logos we license to you). In addition, you may not use any Proprietary Mark in selling unauthorized products or services or in any other manner we have not explicitly authorized in writing.

You must immediately notify us of any infringement of or challenge to your use of any Proprietary Mark. We will have sole discretion to take whatever action we deem appropriate to protect the Proprietary Mark.

If we decide that you should modify or discontinue your use of any Proprietary Mark and/or use one or more additional or substitute Proprietary Marks, you must comply with this decision. We are not obligated by the Franchise Agreement or otherwise to protect any or all rights which you have to use our Proprietary Marks or to protect you against claims of infringements or unfair competition with respect to our Proprietary Marks. The Franchise Agreement does not provide for you to receive compensation for tangible costs of changing any Proprietary Mark.

Under the Franchise Agreement, you agree not to contest, directly or indirectly, Maaco's ownership, title, right or interest in its Proprietary Marks, trade secrets, methods, procedures and advertising techniques which are part of our business or contest our sole right to register, use or license others to use such Proprietary Marks, trade secrets, methods, procedures and techniques.

The Development Agreement does not grant you any rights to use the Proprietary Marks. You obtain the right to use the Proprietary 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 of our written materials, videos, online training materials, online communications, and related materials, although these materials have not been registered with the United States Registrar of Copyrights. The written materials, videos, online training materials, online communications, and related materials are considered proprietary and confidential and are considered our property and may be used by you only as provided in the Franchise Agreement.

There currently are no effective determinations of the United States Copyright Office or any court regarding any of the copyrighted materials. There are no agreements in effect which significantly limit our right to use or license the copyrighted materials. Finally, there are no infringing uses actually known to us which could materially affect your use of the copyrighted materials in any state. We are not required by any agreement to protect or defend copyrights.

Your entire knowledge of the operation of the Center, including the specifications, standards and operating procedures of the Center, is derived from information we disclose to you and all this information is confidential and our trade secrets. You may not, during and after the Franchise Agreement's term, communicate, divulge, or use for the benefit of any other person, persons, partnership, association or entity, any trade secrets or Confidential Information, knowledge, or know-how concerning the methods of operation of a Maaco Center. You may disclose these trade secrets and Confidential Information only to your employees who must have

access in order to operate the Center. “Confidential Information” includes the Playbook, our operating systems, our publications, including *Paintline*, and any other documents, marketing/advertising strategies, media buying policies, training materials, methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge and experience used in developing and operating Maaco Centers and all data and other information generated by, or used or developed in, operating the Center, including Customer Data, and any other information contained periodically in the Management System.

You must comply with our reasonable instructions, prevailing industry standards (including payment card industry data security standards), and all applicable laws and regulations regarding the organizational, physical, administrative and technical measures and security procedures to safeguard the confidentiality and security of Customer Data on your Management System or in your possession or control. You also must employ reasonable means to safeguard the confidentiality and security of Customer Data. “Customer Data” means (a) customer invoices; (b) customers’ names, addresses, telephone numbers, and e-mail addresses; (c) cash collected from customers; (d) customer vehicle information and service history; and (e) other personal information of or relating to the Center’s customers and prospective customers. If there is a suspected or actual breach of security or unauthorized access involving your Customer Data (a “Data Security Incident”), you must notify us immediately after becoming aware of it and specify the extent to which Customer Data was compromised or disclosed. You must comply with our instructions in responding to any Data Security Incident. We and our designated affiliates have the right, but no obligation, to control the direction and handling of any Data Security Incident and any related investigation, litigation, administrative proceeding or other proceeding at your expense.

During and after the Franchise Agreement’s term, we and our affiliates may make all disclosures and use the Customer Data in our and their business activities and in any manner that we or they deem necessary or appropriate. You must secure from your vendors, customers, prospective customers and others all consents and authorizations, and provide them all disclosures, that applicable law requires to transmit the Customer Data to us and our affiliates and for us and our affiliates to use that Customer Data in the manner that the Franchise Agreement contemplates.

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**

Except as otherwise approved by us in writing, you (or if the franchisee is more than one person, the person approved by us as the Center’s principal operator) must devote full time, energy and efforts to the management and supervision of the Center. The Center must at all times be managed and operated by you (or if the franchisee is more than one person, the person approved by us as the Center’s principal operator). You (or your majority investor) and the individual conducting the day-to-day management and operation of the Center as the principal operator (if not you or your majority investor) must attend and complete to our satisfaction the initial training

program. The majority investor is defined as any signatory to the Franchise Agreement who has collateralized a loan for the business, guaranteed the lease, or guaranteed the mortgage for the operation of the Center.

If you are married, we will require both you and your spouse to sign the Franchise Agreement and related agreements as individuals. We will permit the Franchise Agreement to be assigned to a corporation or other business entity formed for the convenience of ownership of the Center. Our consent will be subject to satisfaction of the following requirements:

- a) The entity must be newly organized and its charter or other organizational documents must provide that its activities are confined exclusively to the operation of the Center;
- b) You must hold a majority ownership interest in the entity, must not diminish your proportionate ownership interest in the entity, except as may be required by law, and must act as its principal executive officer; and
- c) You and the entity must sign our then-current form of assignment agreement, under which the entity agrees to discharge your obligations under the Franchise Agreement. Without limiting the preceding sentence, the entity and its direct and indirect owners will also comply with the franchisee entity requirements in the Franchise Agreement, including the execution of our then-current form of personal guarantee by each of the entity's direct and indirect owners.

If you are a partnership, corporation, limited liability company or other legal entity, we will require that each of your direct and indirect owners sign a personal guaranty agreeing to be personally bound, jointly and severally, by your financial and other obligations under the Franchise Agreement.

If you sign the Development Agreement, prior to opening your first Maaco 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 Maaco Centers within the Development Area.

If you are an entity, each individual owner 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**

You may not offer or sell any products or services that do not meet our standards and specifications. You may not use the Center's premises for any purpose other than the operation of a Maaco Center. You must, at all times during the term of the Franchise Agreement, comply with, and operate the Center for, the required minimum number of hours of operation that we prescribe periodically in writing. As of the date of this disclosure document, the required minimum number of hours of operation for a Maaco Center is 9 hours per day, Monday through Friday, and 5 hours

on Saturday. In order to maintain operational consistency and consumers' trust, if you desire to modify the Center's operating hours, you must secure the prior written consent of our Vice President of Operations for that proposed modification; we will not consider more than one proposed modification to the Center's operating hours during any 90-day period. You are not limited in the customers to whom you may sell such goods or services. You must offer all products and services that we periodically authorize in writing for Maaco Centers. We have the right to change the types of authorized goods and services and there are no limits on our right to make changes.

In order to be eligible to participate in certain programs that we have established and/or offer certain products or services, we may require you and/or your Center to meet certain requirements, which may include obtaining certain certifications offered through us or third parties (such as manufacturers).

We have determined that it is in the best interest of all Maaco Centers for us to establish throughout the franchise system uniform guarantees and warranties to customers. In order to accomplish this objective, you must offer to customers of the Center, on forms we require, guarantees and warranties that we periodically require. We have developed a mandatory program for franchisees under which you must satisfy valid customer claims made within the applicable guarantee or warranty period, whether from work performed at the Center or at any other Maaco Center (including those owned by us or our affiliates).

You will be entitled to reimbursement from the Maaco Center that originally guaranteed or warranted the work (Paragraph 8C of the Franchise Agreement). While the Franchise Agreement does not contain a provision dealing with work performed at company-owned Maaco Centers, it is our policy to reimburse you for work originally warranted by a company-owned Maaco Center. The reimbursement will be in an amount not to exceed Maaco's current nationally recommended warranty rates. You must reimburse any Maaco Center that satisfies any warranty or guarantee issued by it as we require within 5 days after receipt of an invoice approved by us. If there is a dispute between any customer of the Center and you over any warranty issued by the Center or any other Maaco Center, we may evaluate the dispute and make a determination of the manner in which you resolve the dispute. You will be bound by this determination. You authorize us to charge for warranty services performed by another Maaco Center on customer warranties you issue, and to credit you for warranty services performed on customer warranties issued by another Maaco Center, as we may determine to be appropriate periodically for the national customer warranty program. You must pay us any net debit balances, and we will pay you any net credit balances, with respect to the national customer warranty program at such times and on such conditions as we periodically determine.

If you purchase an existing Maaco Center, you must honor the prior owner's warranty claims. Attached to this disclosure document as Exhibits K and L are copies of the form of Warranty Work Franchise Transfer Acknowledgment and Warranty Agreement, respectively, you must sign if you are purchasing an existing Maaco Center.

You may not offer any other warranties or guarantees to customers without our prior written consent.



**Item 17**

**RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION**

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

**THE FRANCHISE RELATIONSHIP**

<b>Provision</b>	<b>Section in franchise or other agreement</b>	<b>Summary</b>
a. Term of the franchise	Paragraph 3 of Franchise Agreement; Paragraph 2 of Development Agreement	<p>The term of the Franchise Agreement is 15 years.</p> <p>The term of the Development Agreement expires on the earlier of the final opening deadline specified in the Development Schedule, or the date on which the last Maaco Center required to be developed under the Development Agreement opens for business.</p>
b. Renewal or extension of the term	Paragraph 3 of Franchise Agreement	<p>15-year renewal if you meet certain requirements.</p> <p>There is no renewal or extension right under the Development Agreement.</p>
c. Requirements for you to renew	Paragraph 3 of Franchise Agreement	<p>Written notice, you are not then in default, you have paid all amounts owed, provide a current lease for the premises, provide an assignment of leasehold interest upon termination or expiration of any renewal term, refurbish Center, sign a release (if state law allows), pay renewal fee and sign our then-current form of franchise agreement and Renewal Addendum to Franchise Agreement (Exhibit E) containing modifications necessary to conform the terms of the new franchise agreement to the terms of your Franchise Agreement, as applicable. “Renewal” means signing our then-current franchise agreement, which could contain materially different terms (including fees). If you do not formally renew your franchise and you continue to operate your Center, we may treat your franchise as having been renewed, or we may treat your Franchise Agreement as extended.</p>

<b>Provision</b>	<b>Section in franchise or other agreement</b>	<b>Summary</b>
d. Termination by you	Not Applicable	Not Applicable
e. Termination by us without cause	Not Applicable	Not Applicable
f. Termination by us with cause	Paragraphs 2B and 15 of Franchise Agreement; Paragraph 7 of Security Agreement; Paragraph 8B of Development Agreement	<p>We can terminate the Franchise Agreement or the Development Agreement if you commit any one of several violations. In addition, we can terminate the Franchise Agreement if you fail to secure a site within 9 months from the date you sign the Franchise Agreement or open your Center within 18 months from the date you sign the Franchise Agreement.</p> <p>If you default under the Security Agreement, we have all rights, options and remedies available to us under the Uniform Commercial Code (as adopted under applicable state law), as well as any other rights, options and remedies available at law or in equity, and have the right to seek the appointment of a receiver over you, your business, and/or its assets.</p>
g. "Cause" defined-defaults which can be cured	Paragraph 15 of Franchise Agreement; Paragraph 6 of Security Agreement; Paragraphs 8B(10) and 9 of Development Agreement; Paragraph 5 of Limited Exclusivity Addendum	<p>Under the Franchise Agreement, 7 days for improper use of Proprietary Marks; 15 days for failure to pay amounts owed; 30 days for all other defaults under the Franchise Agreement not listed in (h.) below.</p> <p>Under the Security Agreement, failure to perform or observe terms of Security Agreement and cure the default within 30 days after written notice from us.</p> <p>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 development obligations under the Development Schedule, in lieu of termination, we may (1) reduce the number of Maaco Centers in the Development Schedule; (2) withhold evaluation or approval of site proposal packages for new Maaco Centers; (3) extend the Development Schedule; and/or (4) if applicable, terminate the Limited Exclusivity Addendum.</p>

<b>Provision</b>	<b>Section in franchise or other agreement</b>	<b>Summary</b>
<p>h. “Cause” defined-defaults which cannot be cured</p>	<p>Paragraph 15 of Franchise Agreement; Paragraph 6 of Security Agreement; Paragraph 8B of Development Agreement</p>	<p>Under the Franchise Agreement, non-curable defaults include bankruptcy; abandonment; felony arrest and/or conviction; unauthorized transfer; failure to comply with in-term covenants; unauthorized use of Confidential Information or the Playbook; improper transfer upon death or disability; violation of health or safety laws; material misrepresentation; repeated customer complaints; misrepresentation or intentional underreporting of business figures or reports; failure to successfully complete training program; repeated violations; and failure to open Center on time.</p> <p>Under the Security Agreement, non-curable defaults include failure to completely and timely meet your payment obligations under the Franchise Agreement, materially incorrect or misleading representations in Security Agreement, financial statement or other document, notice of bulk sale of your Center’s assets, bankruptcy-related events, challenge validity or enforceability of Security Agreement or the perfection or priority of lien granted to us, and material adverse change in your financial condition or ability to make payments under the Franchise Agreement.</p> <p>Under the Development Agreement, non-curable defaults include failure to execute purchase agreement, lease, or sublease for any Center by applicable secure deadline; failure to develop and open any Center by applicable opening deadline; failure to have open and operating at least the cumulative number of new Maaco 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, a crime involving moral turpitude, or other crime or offense likely to affect adversely the reputation and goodwill of the Maaco system</p>

Provision	Section in franchise or other agreement	Summary
		and Proprietary Marks; abandonment or failure to actively operate; violation of laws or regulations; unauthorized transfer; and violation of non-compete or confidentiality restrictions.
i. Your obligations on termination/non-renewal	Paragraph 16 of Franchise Agreement; Paragraph 8C of Development Agreement	<p>Under the Franchise Agreement, cease operating Center, cease use of Maaco system and Proprietary Marks; stop accepting new customers, complete work-in-progress and deliver all motor vehicles to owners; cancel assumed or equivalent name registrations; modify or alter Center’s premises to prevent operation of any business (including removing all signage immediately, but no later than 2 days after termination); pay outstanding amounts, which amounts include a \$25,000 warranty “hold back” payable to us to provide for correction of any workmanship defects in warranted work that you performed; return all Customer Data and customer lists and the Playbook; and comply with covenants.</p> <p>Under the Development Agreement, cease using Confidential Information and return confidential materials to us.</p>
j. Assignment of contract by us	Paragraph 14 of Franchise Agreement; Paragraph 12 of Development Agreement	No restriction on our right to assign the Franchise Agreement or the Development Agreement.
k. “Transfer” by you – definition	Paragraph 14 of Franchise Agreement; Paragraph 13 of Development Agreement	<p>Transfer under the Franchise Agreement includes transfer of any interest in the franchise, the assets of the franchise, or the business conducted at the Center, or any direct or indirect ownership interest in you.</p> <p>Transfer under the Development Agreement includes the transfer of any interest in the Development Agreement or you.</p>

<b>Provision</b>	<b>Section in franchise or other agreement</b>	<b>Summary</b>
l. Our approval of transfer by you <sup>1</sup>	Paragraph 14 of Franchise Agreement; Paragraph 13 of Development Agreement	<p>We have the right to approve all transfers.</p> <p>Under the Franchise Agreement, we will not consent to a transfer to a transferee if the transferee (or any of the transferee’s direct or indirect owners or affiliates) operates, has any direct or indirect ownership interest in, or performs services for a Competitive Business (defined in (q.) below). If you terminate or attempt to terminate the Franchise Agreement to engage in a transfer that violates the preceding sentence, we will be entitled to injunctive relief prohibiting the transfer, which transfer will be void.</p>
m. Conditions for our approval of transfer	Paragraph 14 of Franchise Agreement; Paragraphs 13 and 14 of Development Agreement	<p>You must provide any prospective party to a transfer a copy of the Franchise Agreement; pay us all amounts due and sign a general release (if state law allows); transferee signs a new franchise agreement, any and all of the provisions of which may differ materially from any and all of those contained in the Franchise Agreement, including the weekly royalty fee and the weekly marketing fees, and any addenda we require, which may include the Amendment to Franchise Agreement (Transfer) (Exhibit D); transferee completes training and pays the resale initial franchise fee (dictated by your current franchise agreement); transferee assumes all warranty and guarantee work of the transferring franchisee and signs all documentation we require to effect that assumption; transferee and its owners and affiliates are not in a Competitive Business; you complete the following Center refurbishing tasks, at your expense: (a) install our current merchandising system, (b) install our current exterior signage and trade dress, (c) general cleaning, fixing, repairing and painting of the Center, (d) complete maintenance service of equipment (including oven, booth, mixing equipment and compressors), (e) replace equipment not repairable, when necessary, and (f) purchase hardware and software to operate our current computerized management information system; and you have at the Center premises</p>

Provision	Section in franchise or other agreement	Summary
		<p>the mix and quantity of inventory we then require for the operation of the Center, which will, at minimum, be equal to \$3,000.</p> <p>You will also pay the transfer fee in your Franchise Agreement if listed. If as a result of our marketing/referral efforts, an individual/transferee is identified or if the transferee has already signed a franchise agreement with us, you will pay us a sales commission. If you transfer the franchise to a corporation, the corporation must be newly organized and activities will be confined exclusively to operation of the Center; you will own a majority interest in corporation; and stock certificate must bear required statement.</p> <p>You may only transfer the Development Agreement with a transfer of all Maaco Centers that you (and, if applicable, your affiliates) own and operate.</p> <p>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 Maaco 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.</p>

<b>Provision</b>	<b>Section in franchise or other agreement</b>	<b>Summary</b>
n. Our right of first refusal to acquire your business	Paragraph 14H and Exhibit B of Franchise Agreement	You may not transfer any interest in the franchise, the assets of the franchise, the business conducted at the Center, or you to any third party without first offering the interest to us in writing at the same price and on the same terms and conditions as stated in the proposed third-party offer. We may accept the offer within 90 days after receipt of all required information. We may assign our right of first refusal.
o. Our option to purchase your business	Paragraph 17 and Exhibit B of Franchise Agreement	We will have the right for a period of 90 days after termination or expiration of the Franchise Agreement to inform you that we intend to purchase the Center’s assets for fair market value. If the parties are unable to agree on the fair market value, the purchase price will be determined by an independent appraiser we select. We may assign our purchase option.
p. Your death or disability	Paragraph 14F of Franchise Agreement	Franchise must be transferred to an approved buyer within 12 months.
q. Non-competition covenants during the term of the franchise	Paragraph 18B of Franchise Agreement; Paragraph 11A of Development Agreement	<p>You will not: divert any business or customer of business to any Competitive Business; or own, maintain, engage in, be employed by, finance or have any interest in any Competitive Business.</p> <p>A “Competitive Business” is any other business providing, in whole or in part, motor vehicle painting or body repair services or products; however, any other automotive business franchised by Driven Brands Holdings or its subsidiaries will not be considered a Competitive Business.</p>

<b>Provision</b>	<b>Section in franchise or other agreement</b>	<b>Summary</b>
r. Non-competition covenants after the franchise is terminated or expires	Paragraph 18C of Franchise Agreement; Paragraph 11B of Development Agreement	For a period of 1 year from the later of expiration, termination, transfer, your ceasing to operate the Center, or your compliance with these restrictions, you will not divert any business or customer of the business to any Competitive Business. In addition, you will not own, maintain, engage in, be employed by, finance, or have any interest in any Competitive Business at the Center, within 10 miles of the Center or within 10 miles of any existing or proposed Maaco Center; however, under the Development Agreement, these restrictions apply to a Competitive Business located: (1) in the Development Area; (2) within 10 miles of the border of the Development Area; or (3) within a 10-mile radius of any Center (including any Maaco retail store) that is then operating or under development or construction.
s. Modification of the agreement	Paragraph 23 of Franchise Agreement; Paragraph 9.1 of Security Agreement; Paragraph 16 of Development Agreement	Modification only upon written agreement of the parties. Playbook is subject to change by us.  The Security Agreement can be waived, amended, terminated or discharged, and Maaco's security interest and liens can be released, only explicitly in a writing signed by Maaco, and, in the case of amendment, in a writing signed by you and Maaco.
t. Integration/merger clause	Paragraph 23 of Franchise Agreement; Paragraph 17 of Development Agreement	Generally, only the terms of the applicable agreement are binding (subject to state law). Any representations or promises made outside this disclosure document and applicable agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Not Applicable	Not Applicable
v. Choice of forum	Paragraph 25 of Franchise Agreement; Paragraph 9.3 of Security Agreement; Paragraph 22A of Development Agreement	Litigation in the county or district court where our then-current principal offices are located (currently in Charlotte, North Carolina) (subject to state law).



<b>Provision</b>	<b>Section in franchise or other agreement</b>	<b>Summary</b>
w. Choice of law	Paragraph 25 of Franchise Agreement; Paragraph 9.4 of Security Agreement; Paragraph 21 of Development Agreement	North Carolina law applies (subject to state law).

<sup>1</sup> 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 M), which requires you to defer loan payments for a period of 90 days if your purchaser is in monetary default to us under its 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 Receipts and Key Performance Indicators**

Part A of this financial performance representation includes the historical average and historical median gross receipts and certain key performance indicators for 317 franchised Maaco Centers that operated from December 31, 2023 through December 28, 2024 (the “2024 Fiscal Year”) and that met the following criteria: (i) the Maaco Center had operated for at least 2 full years as of the end of the 2024 Fiscal Year; (ii) the Maaco Center operated as a full production (as opposed to satellite) location; and (iii) the Maaco Center reported gross receipts and KPI data to us for the full 2024 Fiscal Year. As of the end of the 2024 Fiscal Year, there were a total of 363 Maaco Centers in operation. However, we excluded the performance of: (a) 11 Maaco Centers because they had not been open and operating for at least 2 full years as of the end of the 2024 Fiscal Year; (b) 33 Maaco Centers that failed to submit weekly gross receipts reports for the entire 2024 Fiscal Year; and (c) 2 Maaco Centers that operated as satellite locations and therefore do not use the prototypical business format and operating procedures for a Maaco Center that form the basis of the franchise opportunity that we offer in this disclosure document. Also excluded are 19 Maaco Centers that closed during the 2024 Fiscal Year, none of which operated for less than 12 months. “Gross receipts” means the amount of all cash collected, or other

consideration received, for all sales of merchandise and services of any nature at, from or in connection with the Maaco Center, and the dollar amount of sales attributable to work completed by the franchisee but not paid for by the customer for 90 days after such work was completed, including sublet labor and new and used replacement parts, less sales or equivalent taxes.

We separated the 317 Maaco Centers into the top performing 50% and bottom performing 50% based on average gross receipts, with the top performing 50% reflecting the results of those Maaco Centers with the highest average gross receipts for the 2024 Fiscal Year, and the bottom performing 50% reflecting the results of those Maaco Centers with the lowest average gross receipts for the 2024 Fiscal Year. The Maaco Centers in this financial performance representation operate throughout the United States in both urban and suburban areas and have operated for an average of 25.9 years.

	Top 50%	Bottom 50%	Median for All Maaco Centers	Average for All Maaco Centers	# / % Met / Exceeded Average
# Maaco Centers	159	158	317	317	
<b>Gross Receipts</b>	<b>\$2,226,532</b>	<b>\$1,001,411</b>	<b>\$1,348,304</b>	<b>\$1,615,904</b>	<b>110 / 35%</b>
Trade %	44%	27%	31%	36%	125 / 39%
Conversion %	54%	53%	52%	53%	147 / 46%
Retention %	52%	48%	49%	50%	142 / 45%
Estimates	1,205	997	1,084	1,102	153 / 48%
Retail Cars	577	450	500	514	151 / 48%
Total Cars	1,063	672	769	869	124 / 39%

	Top 50%	Bottom 50%
Lowest Gross Receipts	\$1,348,304	\$445,821
Highest Gross Receipts	\$10,463,135	\$1,342,652
Median Gross Receipts	\$1,762,542	\$1,044,398
# Met / Exceeded Average	53	89
% Met / Exceeded Average	33%	56%

There were 5 Maaco Centers that were open for at least 1 full year and less than 2 full years as of the end of the 2024 Fiscal Year. These 5 Maaco Centers had average gross receipts of \$841,818, median gross receipts of \$727,984, lowest gross receipts of \$528,834, and highest gross receipts of \$1,375,124 for the 2024 Fiscal Year. Of these 5 Maaco Centers, 2 Maaco Centers (or 40%) met or exceeded the average gross receipts of these 5 Maaco Centers.

Footnotes to this Financial Performance Representation:

1. “Trade %” means the percentage of vehicles serviced by the Maaco Centers resulting from national fleet accounts, as well as local trade business.

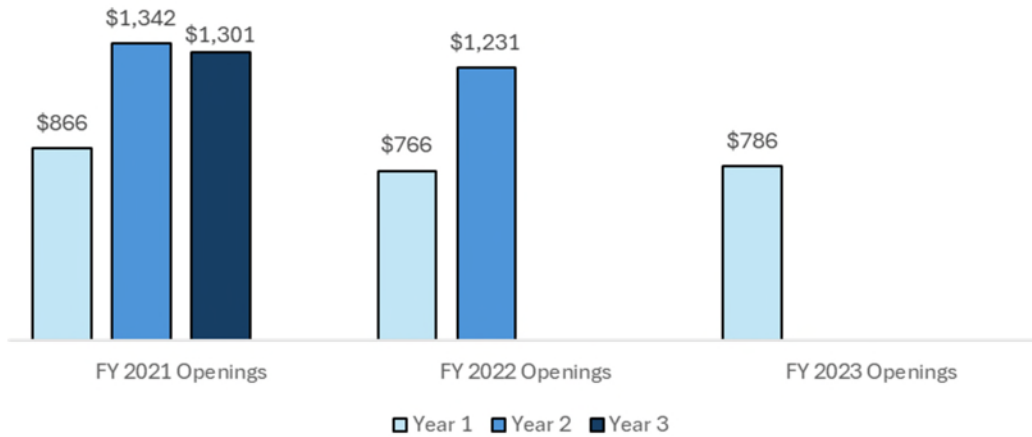
2. “Conversion %” means the number of estimates written by the Maaco Centers divided by the number of total leads received (excluding leads we received from our Online Estimating Tool – OET). A lead is any inquiry about services provided by a Maaco Center, whether through a phone call, website, or walk-in customer. We track this metric to determine a Maaco Center’s eligible level of certification.
3. “Retention %” means the number of customers retained by the Maaco Centers divided by the number of estimates written. This KPI measures the conversion of estimates written to actual buying customers.
4. “Estimates” means the overall number of estimates written by the Maaco Centers.
5. “Retail Cars” means the total number of vehicles serviced by the Maaco Centers that were owned by individuals or families used for personal transportation, leisure and/or commuting. Generally, these vehicles are not utilized for commercial use.
6. “Total Cars” means the total number of vehicles serviced by the Maaco Centers.

## **B. New Maaco Center Gross Receipts Ramp**

Part B of this financial performance representation reflects the historical average and historical median gross receipts ramps for 14 Maaco Centers operated by franchisees that developed and opened their Maaco Centers during the 3-year period from December 27, 2020 through December 30, 2023. We included the results of all new Maaco Centers that were developed and opened during this period. We did not include the results of any Maaco Centers that opened during the 2024 Fiscal Year because they had not operated for 1 full year by December 28, 2024. We also did not include the results of 2 Maaco Centers identified as “opened” during the 2022 Fiscal Year (defined below) in Table No. 3, Column 4 in Item 20. Those Maaco Centers were existing Maaco Centers that were originally developed and opened prior to December 27, 2020 and were closed before being repurchased and operated by new franchisees.

We separated the gross receipts ramp results of the 14 Maaco Centers included in Part B of this financial performance representation by the fiscal year in which they opened for business as a Maaco Center within the MAACO franchise network. In the charts below: (a) “FY 2021 Openings” include the gross receipts ramp for the first 3 years of operation for those Maaco Centers that opened between December 27, 2020 through December 25, 2021 (the “2021 Fiscal Year”); (b) “FY 2022 Openings” include the gross receipts ramp for the first 2 years of operation for those Maaco Centers that opened between December 26, 2021 through December 31, 2022 (the “2022 Fiscal Year”); and (c) “FY 2023 Openings” include the gross receipts ramp for the first year of operation for those Maaco Centers that opened between January 1, 2023 through December 30, 2023.

### Annual Gross Receipts Ramp (in thousands)



<b>FY 2021 Openings</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
Maaco Center Count	4	3	3
Average Gross Receipts	\$866,382	\$1,341,794	\$1,301,437
Highest Gross Receipts	\$1,048,694	\$1,775,923	\$1,520,577
Lowest Gross Receipts	\$606,369	\$900,938	\$928,982
Median Gross Receipts	\$905,232	\$1,348,522	\$1,454,751
#/% Met/Exceeded Average	2 / 50%	2 / 67%	2 / 67%

<b>FY 2022 Openings</b>	<b>Year 1</b>	<b>Year 2</b>
Maaco Center Count	4	4
Average Gross Receipts	\$765,559	\$1,231,154
Highest Gross Receipts	\$1,061,429	\$2,148,357
Lowest Gross Receipts	\$611,734	\$830,848
Median Gross Receipts	\$694,537	\$972,704
#/% Met/Exceeded Average	1 / 25%	1 / 25%

<b>FY 2023 Openings</b>	<b>Year 1</b>
Maaco Center Count	6
Average Gross Receipts	\$786,313
Highest Gross Receipts	\$1,375,124
Lowest Gross Receipts	\$357,954
Median Gross Receipts	\$756,931
#/% Met/Exceeded Average	3 / 50%

Footnotes to this Financial Performance Representation:

1. The beginning and ending dates of “Year 1,” “Year 2,” and “Year 3” in this financial performance representation differ for each Maaco Center because each Maaco Center opened for business on a different date.
2. There was 1 Maaco Center that opened during this period (during the 2021 Fiscal Year) and subsequently closed, which Center submitted all its weekly gross receipts information to us prior to its closing date. This Maaco Center was open for at least 1 full year, and we included its first year of operation gross receipts results in “Year 1” in the “FY 2021 Openings” chart. This Maaco Center did not operate for at least 3 full years and, as a result, its gross receipts results are not included in “Year 2” and “Year 3” in the “FY 2021 Openings” chart.

\* \* \*

Our management prepared this financial performance representation based on gross receipts 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 Maaco 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 Maaco Center, however, we may provide you with the actual records of that Maaco 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.

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**Item 20**

**OUTLETS AND FRANCHISEE INFORMATION**

All figures in the following tables are as of our fiscal year ends of December 28, 2024, December 30, 2023, and December 31, 2022.

Table No. 1

**Systemwide Outlet Summary  
For years 2022 to 2024**

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	2022	411	398	-13
	2023	398	376	-22
	2024	376	363	-13
Company-Owned	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Total Outlets	2022	411	398	-13
	2023	398	376	-22
	2024	376	363	-13

Table No. 2

**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)  
For years 2022 to 2024**

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Arizona	2022	0
	2023	2
	2024	0
Arkansas	2022	2
	2023	0
	2024	0
California	2022	1
	2023	3
	2024	0
Delaware	2022	0
	2023	1
	2024	0

Column 1	Column 2	Column 3
State	Year	Number of Transfers
Florida	2022	2
	2023	1
	2024	3
Georgia	2022	0
	2023	0
	2024	1
Illinois	2022	0
	2023	1
	2024	0
Kansas	2022	0
	2023	1
	2024	0
Massachusetts	2022	0
	2023	1
	2024	0
Michigan	2022	1
	2023	0
	2024	0
Minnesota	2022	0
	2023	1
	2024	0
Nebraska	2022	0
	2023	0
	2024	1
New Jersey	2022	2
	2023	1
	2024	4
New York	2022	0
	2023	1
	2024	0
North Carolina	2022	1
	2023	0
	2024	0
Oklahoma	2022	3
	2023	0
	2024	0
Oregon	2022	2
	2023	0
	2024	0
Pennsylvania	2022	0
	2023	1
	2024	0

Column 1	Column 2	Column 3
State	Year	Number of Transfers
South Carolina	2022	2
	2023	0
	2024	1
Texas	2022	2
	2023	1
	2024	3
Tennessee	2022	1
	2023	0
	2024	2
Virginia	2022	0
	2023	1
	2024	0
Washington	2022	0
	2023	0
	2024	1
Totals	2022	19
	2023	16
	2024	16

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Table No. 3

**Status of Franchised Outlets  
For years 2022 to 2024**

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Alabama	2022	5	1	1	0	0	0	5
	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
Arizona	2022	9	0	0	0	0	0	9
	2023	9	0	0	0	0	0	9
	2024	9	0	0	0	0	0	9
Arkansas	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
	2024	4	0	2	0	0	0	2



Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termina- tions	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Opera- tions - Other Reasons	Col. 9 Outlets at End of the Year
California	2022	48	0	2	0	0	0	46
	2023	46	2	3	0	0	0	45
	2024	45	0	1	0	0	0	44
Colorado	2022	8	0	2	0	0	0	6
	2023	6	0	0	0	0	0	6
	2024	6	0	1	0	0	0	5
Connecticut	2022	2	1	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
Delaware	2022	2	0	1	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Florida	2022	36	0	0	0	0	0	36
	2023	36	0	0	0	0	0	36
	2024	36	1	3	0	0	0	34
Georgia	2022	20	1	0	0	0	0	21
	2023	21	0	0	0	0	0	21
	2024	21	0	1	0	0	0	20
Hawaii	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Idaho	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Illinois	2022	16	0	1	0	0	0	15
	2023	15	0	0	0	0	0	15
	2024	15	2	0	0	0	0	17
Indiana	2022	8	0	1	1	0	0	6
	2023	6	0	0	0	0	0	6
	2024	6	0	1	0	0	0	5
Iowa	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Kansas	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	1	0	0	0	1

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termina- tions	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Opera- tions - Other Reasons	Col. 9 Outlets at End of the Year
Kentucky	2022	1	0	0	0	0	0	1
	2023	1	0	1	0	0	0	0
	2024	0	0	0	0	0	0	0
Louisiana	2022	2	0	0	0	0	0	2
	2023	2	1	0	0	0	0	3
	2024	3	0	0	0	0	0	3
Maine	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Maryland	2022	14	0	1	0	0	0	13
	2023	13	1	4	0	0	0	10
	2024	10	0	0	0	0	0	10
Massachusetts	2022	10	0	0	0	0	0	10
	2023	10	0	0	0	0	0	10
	2024	10	0	2	0	0	0	8
Michigan	2022	13	0	0	0	0	0	13
	2023	13	0	6	0	0	0	7
	2024	7	0	1	0	0	0	6
Minnesota	2022	6	0	0	0	0	0	6
	2023	6	0	2	0	0	0	4
	2024	4	0	0	0	0	0	4
Mississippi	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
Missouri	2022	7	0	0	0	0	0	7
	2023	7	0	0	0	0	0	7
	2024	7	1	0	0	0	0	8
Montana	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Nebraska	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Nevada	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termina- tions	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Opera- tions - Other Reasons	Col. 9 Outlets at End of the Year
New Jersey	2022	23	0	0	0	0	0	23
	2023	23	0	0	0	0	0	23
	2024	23	0	1	0	0	0	22
New Mexico	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
New York	2022	8	0	0	0	0	0	8
	2023	8	0	0	0	0	0	8
	2024	8	0	0	0	0	0	8
North Carolina	2022	15	1	0	0	0	0	16
	2023	16	0	0	0	0	0	16
	2024	16	0	1	0	0	0	15
North Dakota	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Ohio	2022	8	0	1	0	0	0	7
	2023	7	0	5	0	0	0	2
	2024	2	1	0	0	0	0	3
Oklahoma	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	1	1	0	0	0	3
Oregon	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
Pennsylvania	2022	19	0	3	0	0	0	16
	2023	16	0	3	0	0	0	13
	2024	13	0	0	0	0	0	13
Puerto Rico	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Rhode Island	2022	2	0	1	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
South Carolina	2022	10	0	0	0	0	0	10
	2023	10	0	0	0	0	0	10
	2024	10	0	0	0	0	0	10

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termina- tions	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Opera- tions - Other Reasons	Col. 9 Outlets at End of the Year
Tennessee	2022	9	0	1	0	0	0	8
	2023	8	0	0	0	0	0	8
	2024	8	0	2	0	0	0	6
Texas	2022	38	0	1	0	0	0	37
	2023	37	0	1	0	0	0	36
	2024	36	0	0	0	0	0	36
Utah	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
Virginia	2022	22	0	1	0	0	0	21
	2023	21	0	2	0	0	0	19
	2024	19	0	0	0	0	0	19
Washington	2022	15	0	1	0	0	0	14
	2023	14	1	1	0	0	0	14
	2024	14	0	1	0	0	0	13
West Virginia	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Wisconsin	2022	4	1	0	0	0	0	5
	2023	5	1	0	0	0	0	6
	2024	6	0	0	0	0	0	6
Totals	2022	411	6	18	1	0	0	398
	2023	398	6	28	0	0	0	376
	2024	376	6	19	0	0	0	363

Table No. 4

**Status of Company-Owned Outlets  
For years 2022 to 2024**

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	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0

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
Totals	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0

Table No. 5

**Projected Openings as of December 28, 2024**

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
Alabama	1	0	0
Arizona	5	0	0
California	10	0	0
Connecticut	2	0	0
District of Columbia	4	0	0
Florida	9	0	0
Georgia	2	0	0
Hawaii	3	0	0
Illinois	4	0	0
Kansas	0	1	0
Louisiana	5	0	0
Maryland	6	0	0
Massachusetts	6	0	0
Michigan	4	0	0
Missouri	1	0	0
Mississippi	4	0	0
New Hampshire	0	1	0
New Jersey	3	0	0
Nevada	3	0	0
New York	7	1	0
North Carolina	6	1	0
Ohio	7	3	0

Column 1	Column 2	Column 3	Column 4
State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet In The Next Fiscal Year	Projected New Company-Owned Outlet In The Next Fiscal Year
Oklahoma	1	0	0
Oregon	2	0	0
Pennsylvania	5	0	0
South Carolina	1	0	0
Tennessee	2	2	0
Texas	17	2	0
Virginia	3	0	0
Washington	1	0	0
Wisconsin	1	0	0
Totals	125	11	0

A list of the names of all franchisees and the addresses and telephone numbers of their Maaco Centers is attached as Exhibit B-1 to this disclosure document. A list of the names and last known home addresses and telephone numbers of every franchisee who has had a franchise terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement or the area development agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of this disclosure document's issuance date is attached as Exhibit B-2. Franchisees who have signed a franchise agreement, but have not yet opened a Maaco Center as of December 28, 2024, are listed on Exhibit B-3. Franchisees whose franchise agreements were terminated during the most recently completed fiscal year, before the Maaco Center opened for business are listed in Exhibit B-4. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last 3 years, some franchisees have signed confidentiality agreements with us. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the Maaco Center 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.

As stated in Item 11, we have established a franchisee advertising council that provides non-binding input regarding Maaco franchise system marketing issues. The address for our franchisee advertising council is the same as our principal business address (440 South Church Street, Suite 700, Charlotte, North Carolina 28202); the council does not maintain a separate telephone number, e-mail address, or website. There are otherwise no trademark-specific franchisee organizations that have been created, sponsored or endorsed by us or any independent franchisee organizations that have asked to be included in this disclosure document.

## **Item 21**

### **FINANCIAL STATEMENTS**

Attached as Exhibit A are the audited consolidated financial statements of Driven Systems, our parent company, and its subsidiaries for the fiscal years ended December 28, 2024, December 30, 2023, and December 31, 2022; and Driven Systems' unaudited balance sheet as of March 29, 2025, and its unaudited statements of income and cash flows for the 3-month period ended March 29, 2025. Driven Systems guarantees the performance of Maaco. A copy of the guarantee of Driven Systems is attached as Exhibit J.

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 A are the audited consolidated financial statements of Driven Brands and its subsidiaries for the fiscal years ended December 28, 2024, December 30, 2023, and December 31, 2022; and Driven Brands' unaudited balance sheet as of March 29, 2025, and its unaudited statements of income and cash flows for the 3-month period ended March 29, 2025. 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 have 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 Maaco, have guaranteed the indebtedness incurred in connection with each of these transactions. See the Footnotes to the financial statements in Exhibit A for more information about these transactions.

## **Item 22**

### **CONTRACTS**

The following contracts/documents are exhibits:

C	Franchise Agreement
D	Amendment to Franchise Agreement (Transfer)
E	Renewal Addendum to Franchise Agreement
F	Collateral Assignment of Lease and Consent and Agreement of Lessor
G	Fleet Addendum to Franchise Agreement
H	Area Development Agreement
H-1	Limited Exclusivity Addendum to Area Development Agreement
I	New Franchise Disclosure Questionnaire
K	Warranty Work Franchise Transfer Acknowledgment
L	Warranty Agreement
M	Tri Party Agreement
N	Designated Area Reservation Letter
O	Waiver and Release

- P International Emergency Economic Powers Act Compliance Questionnaire
- Q Release of Telephone Number and Transfer of Telephone Service
- T State Riders to Franchise Agreement

**Item 23**

**RECEIPTS**

Our and your copies of the Franchise Disclosure Document Receipt are located at the last 4 pages of this disclosure document.



**EXHIBIT A**  
**FINANCIAL STATEMENTS**

**DRIVEN SYSTEMS LLC**

Consolidated Financial Statements and Report of  
Independent Auditors

**Driven Systems LLC and Subsidiaries**

For the years ended  
December 28, 2024, December 30, 2023  
and December 31, 2022

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## **Report of Independent Auditors**

To the Management 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 28, 2024, December 30, 2023, and December 31, 2022, and the related consolidated statements of operations, of member's 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 28, 2024, 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.

### ***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  
May 22, 2025

**DRIVEN SYSTEMS LLC AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**

<i>(in thousands)</i>	<b>December 28, 2024</b>	<b>December 30, 2023</b>	<b>December 31, 2022</b>
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 855	\$ 1,000	\$ 1,000
Accounts and notes receivable, net	72,891	4,817	7,028
<b>Total current assets</b>	<b>73,746</b>	<b>5,817</b>	<b>8,028</b>
Other assets	1,867	736	454
Intangible assets, net	475,519	482,680	488,626
Goodwill	10,158	19,390	19,390
<b>Total assets</b>	<b>\$ 561,290</b>	<b>\$ 508,623</b>	<b>\$ 516,498</b>
<b>Liabilities and members' equity</b>			
Current liabilities:			
Deferred franchise revenue	\$ 30,599	\$ 27,762	\$ 25,682
<b>Total liabilities</b>	<b>30,599</b>	<b>27,762</b>	<b>25,682</b>
Members' equity	530,691	480,861	490,816
<b>Total members' equity</b>	<b>530,691</b>	<b>480,861</b>	<b>490,816</b>
<b>Total liabilities and members' equity</b>	<b>\$ 561,290</b>	<b>\$ 508,623</b>	<b>\$ 516,498</b>

The accompanying notes are an integral part of these consolidated financial statements.

**DRIVEN SYSTEMS LLC AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

<i>(in thousands)</i>	For the years ended		
	December 28, 2024	December 30, 2023	December 31, 2022
<b>Revenue:</b>			
Franchise fee revenue	\$ 240,426	\$ 245,135	\$ 211,935
Other revenue	29,751	44,581	49,382
<b>Total revenue</b>	270,177	289,716	261,317
<b>Costs and expenses:</b>			
Operating expenses	95,028	84,039	75,834
Loss on sale of business	—	1,620	—
Amortization	8,887	8,989	8,925
<b>Total costs and expenses</b>	103,915	94,648	84,759
<b>Net income</b>	\$ 166,262	\$ 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*

<b>Balance as of December 25, 2021</b>	\$ 509,206
Net income	176,558
Deemed distribution to Parent	<u>(194,948)</u>
<b>Balance as of December 31, 2022</b>	\$ 490,816
Net income	195,068
Maaco contribution	4,838
Deemed distribution to Parent	<u>(209,861)</u>
<b>Balance as of December 30, 2023</b>	\$ 480,861
Net income	166,262
Deemed distribution to Parent	<u>(116,432)</u>
<b>Balance as of December 28, 2024</b>	<u>\$ 530,691</u>

The accompanying notes are an integral part of these consolidated financial statements.

**DRIVEN SYSTEMS LLC AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

<i>(in thousands)</i>	<b>For the years ended</b>		
	<b>December 28, 2024</b>	<b>December 30, 2023</b>	<b>December 31, 2022</b>
<b>Net income</b>	\$ 166,262	\$ 195,068	\$ 176,558
Adjustments to reconcile net income to net cash provided by operating activities:			
Amortization	8,887	8,989	8,925
Loss on sale of business	—	1,620	3,144
Other	(1,727)	174	—
<b>Changes in assets and liabilities:</b>			
Accounts and notes receivable, net	(69,205)	1,930	2,352
Deferred franchise revenue	2,837	2,080	3,969
<b>Cash provided by operating activities</b>	<b>107,054</b>	<b>209,861</b>	<b>194,948</b>
<b>Cash flow from investing activities:</b>			
Proceeds from sale of business	9,233	—	—
<b>Cash flows provided by investing activities</b>	<b>9,233</b>	<b>—</b>	<b>—</b>
<b>Cash flows from financing activities:</b>			
Deemed distribution to parent	(116,432)	(209,861)	(194,948)
<b>Cash used in financing activities</b>	<b>(116,432)</b>	<b>(209,861)</b>	<b>(194,948)</b>
<b>Net change in cash</b>	<b>(145)</b>	<b>—</b>	<b>—</b>
<b>Cash, beginning of period</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>Cash, end of period</b>	<b>\$ 855</b>	<b>\$ 1,000</b>	<b>\$ 1,000</b>
<b>Supplemental cash flow disclosures - non-cash items:</b>			
Contributed accounts receivable, net	61,645	—	—

The accompanying notes are an integral part of these consolidated financial statements.

**DRIVEN SYSTEMS LLC AND SUBSIDIARIES**  
**NOTES TO 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 28, 2024, Driven Brands, Inc. 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”) and 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 28, 2024, the Securitization Entities encompassed approximately 3,850 units worldwide, with 83% located within the United States and the remainder located in Canada. Approximately 81% of the units were franchised as of December 28, 2024. The assets and liabilities of nine FUSA company-operated stores were sold in January 2024.

Meineke, Merlin’s, Pro Oil, and Econo Lube each provide automotive repair and maintenance services through retail locations. Maaco, CARSTAR, and ABRA provide auto body repairs and painting services through retail locations. 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 is a distribution and sourcing company serving as a single point for inventory sourcing for the Company.

On July 31, 2015, the Parent contributed to the various Securitization Entities, through the Company and Driven Brands Funding, LLC, 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 CARSTAR, Take 5, FUSA, 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, 1-800 Radiator 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 by brand and licensed use.

## DRIVEN SYSTEMS LLC AND SUBSIDIARIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

On May 13, 2016, the Parent contributed to Carstar Franchisor SPV LLC, through the Company and Driven Brands Funding, LLC, substantially all of its U.S. intellectual property, trademarks/tradenames, franchise agreements, development agreements, and all rights to develop and expand the CARSTAR franchise brand (collectively, the “Carstar Securitization IP”) at a value of approximately \$18 million. The Parent, certain non-securitization Canadian subsidiaries, and Carstar Franchisor SPV LLC entered into the 2016 Amended and Restated Master License Agreement whereby Carstar Franchisor SPV LLC granted to Parent (i) a non-exclusive license to use and sublicense to Non-Securitization Entities the Carstar Securitization IP in connection with owning and operating the company-owned store locations and (ii) an exclusive license to use and sublicense the Carstar Securitization IP in connection with other products and services for a royalty varying by brand and licensed use.

On April 24, 2018, the Parent contributed to Take 5 Properties SPV LLC and Take 5 Franchisor SPV LLC, through the Company and Driven Brands Funding, LLC, substantially all of its U.S. intellectual property, trademarks/tradenames, franchise agreements, development agreements, lease assets and all rights to develop and expand the Take 5 franchise brand (collectively, the “Take 5 Securitization IP”), along with property and equipment, (collectively, the “Take 5 Managed Assets”) at a value of approximately \$113 million (\$81 million in property and equipment, \$35 million in intangible assets and \$3 million in deferred rent liabilities). The Parent, certain non-securitization subsidiaries, Take 5 Properties SPV LLC, and Take 5 Franchisor SPV LLC entered into the 2018 Amended and Restated Master License Agreement whereby Take 5 Franchisor SPV LLC granted to Parent (i) a non-exclusive license to use and sublicense to Non-Securitization Entities the Take 5 Securitization IP in connection with owning and operating the company-owned store locations and (ii) an exclusive license to use and sublicense the Take 5 Securitization IP in connection with other products and services for a royalty varying by brand and licensed use.

On April 24, 2018, the Parent contributed to Driven Product Sourcing LLC, through the Company and Driven Brands Funding, LLC, substantially all of its U.S. intellectual property, trademarks/tradenames, and certain product sourcing contracts (collectively, the “Spire Supply Assets”) of Spire Supply at a value of \$0.

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.

During the year ended December 28, 2019, the Parent contributed to Take 5 Properties SPV LLC, through the Company and Driven Brands Funding, LLC, property and equipment at a value of approximately \$31 million.

On July 6, 2020, the Parent contributed to FUSA Properties SPV LLC and FUSA Franchisor SPV LLC, through the Company and Driven Brands Funding, LLC, substantially all of its U.S. intellectual property, trademarks/tradenames, franchise agreements, development agreements, lease assets, and all rights to develop and expand the Fix Auto franchise brand (collectively, the “FUSA Securitization IP”), along with property and equipment, (collectively, the “FUSA Managed Assets”) at a value of approximately \$35 million, which included \$19 million of goodwill. The Parent, certain non-securitization subsidiaries, FUSA Properties SPV LLC 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 IP, FUSA Managed Assets, 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 has been realized on the transactions.

## DRIVEN SYSTEMS LLC AND SUBSIDIARIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The Securitization Entities entered into an amended and restated Management Agreement dated April 24, 2018, 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, Carstar Securitization IP, Take 5 Securitization IP, Take 5 Managed Assets, Spire Supply Assets, FUSA Securitization IP, FUSA Managed Assets, 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, Carstar Securitization IP, Take 5 Securitization IP, Take 5 Managed Assets, Spire Supply Assets, FUSA Securitization IP, FUSA Managed Assets, 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 a management fee 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 years ending December 28, 2024 and December 30, 2023 both consisted of 52-weeks. Fiscal year ending December 31, 2022 consisted of 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 intangible assets and goodwill, as well as impairment of intangible assets and goodwill, and allowance for credit losses. 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 Sheets 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 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. The Company maintains cash balances in interest bearing transaction accounts with various financial institutions, which are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to \$250 thousand. The Company has not experienced any losses of cash, despite maintaining balances that exceed the federally insured limit.

## DRIVEN SYSTEMS LLC AND SUBSIDIARIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

#### *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 Other 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 receivable on a non-accrual status, interest income recorded on the note is reversed through Other revenue.

#### *Goodwill and Indefinite-Lived 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 trademark 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 forecasted 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.

Management tests goodwill for impairment at the reporting unit level 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.

#### *Definite Lived Intangible Assets*

The Company's definite lived intangible assets are comprised primarily of trademarks, franchise agreements, and license agreements.

## DRIVEN SYSTEMS LLC AND SUBSIDIARIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Intangible assets with definite lives are being amortized on a straight-line basis over the estimated useful life of each asset as follows:

	<b>Estimated Useful Life</b>
Franchise agreements	3 to 30 years
License agreements	7 to 19 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 are 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.

#### ***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, the 2019 Amended and Restated Master License Agreement and License Agreements, and 2020 Amended and Restated Master 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. Company-owned store revenue is driven by servicing of customer vehicles, net of operating expenses except for rent expense. Product distribution margin revenue is based on paint and supply products delivered to franchisees. Advertising fee royalty revenue is based on the fee arrangements set forth in the subsidiaries' franchise agreements and is recognized net of advertising expenditures. 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 Operations. 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.

**DRIVEN SYSTEMS LLC AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 3—Accounts and Notes Receivable, net**

The balance on the Consolidated Balance Sheets is primarily related to customers, vendors, and franchisees. In June 2024, Driven Brands, Inc. contributed assets to Driven Brands Funding LLC. Assets contributed included accounts receivable for the following brands: Radiator, ABRA, CARSTAR, FUSA, Meineke, Maaco, Product Sourcing, and Take 5. The impact of the accounts receivable contribution was \$62 million.

Accounts and notes receivable, net consisted of the following:

<i>(in thousands)</i>	<b>December 28, 2024</b>	<b>December 30, 2023</b>	<b>December 31, 2022</b>
Accounts receivable	\$ 78,088	\$ 7,673	\$ 12,835
Notes receivable	2,113	927	645
<b>Accounts and notes receivables, gross</b>	<b>80,201</b>	<b>8,600</b>	<b>13,480</b>
Less:			
Allowance for doubtful accounts	(5,443)	(3,047)	(5,998)
<b>Accounts and notes receivables, net</b>	<b>\$ 74,758</b>	<b>\$ 5,553</b>	<b>\$ 7,482</b>
Accounts and notes receivable long-term	\$ 1,867	\$ 736	\$ 454
Accounts and notes receivable current	72,891	4,817	7,028
<b>Accounts and notes receivables, net</b>	<b>\$ 74,758</b>	<b>\$ 5,553</b>	<b>\$ 7,482</b>

**Note 4— Goodwill and Intangible Assets**

Changes in the carrying amount of goodwill for the years ended December 28, 2024 and December 30, 2023 are as follows:

<i>(in thousands)</i>	<b>Total</b>
<b>Balance at December 30, 2023</b>	<b>19,390</b>
Sale of business unit	(9,232)
<b>Balance at December 28, 2024</b>	<b>\$ 10,158</b>

During the year ended December 28, 2024, Driven Funding sold nine FUSA company-operated stores to a franchisee. The Company allocated \$9 million of goodwill based on the fair value at the time of sale.

Intangible assets consisted of the following:

<i>(in thousands)</i>	<b>December 28, 2024</b>		
	<b>Gross carrying value</b>	<b>Accumulated amortization</b>	<b>Net Carrying Value</b>
<b>Definite-lived intangible assets</b>			
Franchise Agreements	\$ 198,764	\$ 66,469	132,295
License Agreements	10,700	6,739	3,961
	209,464	73,208	136,256
<b>Indefinite-lived intangible assets</b>			
Trademarks	339,263	—	339,263
<b>Total intangible assets</b>	<b>\$ 548,727</b>	<b>\$ 73,208</b>	<b>\$ 475,519</b>



**DRIVEN SYSTEMS LLC AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

<i>(in thousands)</i>	<b>December 30, 2023</b>		
	<b>Gross carrying value</b>	<b>Accumulated amortization</b>	<b>Net Carrying Value</b>
<b>Definite-lived intangible assets</b>			
Franchise Agreements	\$ 196,363	\$ 58,863	\$ 137,500
License Agreements	10,700	5,458	5,242
	<u>207,063</u>	<u>64,321</u>	<u>142,742</u>
<b>Indefinite-lived intangible assets</b>			
Trademarks	339,938	—	339,938
<b>Total intangible assets</b>	<u>\$ 547,001</u>	<u>\$ 64,321</u>	<u>\$ 482,680</u>

<i>(in thousands)</i>	<b>December 31, 2022</b>		
	<b>Gross carrying value</b>	<b>Accumulated amortization</b>	<b>Net Carrying Value</b>
<b>Definite-lived intangible assets</b>			
Franchise Agreements	\$ 198,874	\$ 51,998	\$ 146,876
License Agreements	10,517	3,967	6,550
	<u>209,391</u>	<u>55,965</u>	<u>153,426</u>
<b>Indefinite-lived intangible assets</b>			
Trademarks	335,200	—	335,200
<b>Total intangible assets</b>	<u>\$ 544,591</u>	<u>\$ 55,965</u>	<u>\$ 488,626</u>

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 28, 2024, December 30, 2023, and December 31, 2022.

Amortization expense related to intangible assets for the next five fiscal years and thereafter is as follows:

<i>(in thousands)</i>	
2025	\$ 8,939
2026	8,939
2027	8,933
2028	7,839
2029	7,805
Thereafter	93,801
<b>Total amortization</b>	<u>\$ 136,256</u>

**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 \$116 million, \$210 million, and \$195 million for the years ended December 28, 2024, 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 \$50 million, \$40 million, and \$36 million for the years ended December 28, 2024, December 30, 2023, and December 31, 2022 respectively. These fees are included in Operating expenses on the Consolidated Statements of Operations.

## **DRIVEN SYSTEMS LLC AND SUBSIDIARIES**

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Driven Brands Funding, LLC (the “Issuer”) holds approximately \$2 billion in debt in the form of six Senior Notes maturing in April 2049, October 2049, January 2051, October 2051, October 2052, and October 2054. 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, \$44 million, and \$40 million for the years ended December 28, 2024, 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 May 22, 2025, 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 29, 2025 and March 30, 2024

**DRIVEN SYSTEMS LLC AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**(UNAUDITED)**

<i>(in thousands)</i>	<b>March 29, 2025</b>	<b>December 28, 2024</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 837	\$ 855
Accounts and notes receivable, net	93,438	72,891
<b>Total current assets</b>	<b>94,275</b>	<b>73,746</b>
Notes receivable, net	1,632	1,867
Intangible assets, net	473,285	475,519
Goodwill	10,158	10,158
<b>Total assets</b>	<b>\$ 579,350</b>	<b>\$ 561,290</b>
<b>Liabilities and members' equity</b>		
Current liabilities:		
Deferred franchise revenue	\$ 30,416	\$ 30,599
<b>Total liabilities</b>	<b>30,416</b>	<b>30,599</b>
Members' equity	548,934	530,691
<b>Total members' equity</b>	<b>548,934</b>	<b>530,691</b>
<b>Total liabilities and members' equity</b>	<b>\$ 579,350</b>	<b>\$ 561,290</b>

**DRIVEN SYSTEMS LLC AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(UNAUDITED)**

<i>(in thousands)</i>	<b>Three months ended</b>	
	<b>March 29, 2025</b>	<b>March 30, 2024</b>
<b>Revenue:</b>		
Franchise fee revenue	\$ 60,197	\$ 53,105
Other revenue	3,378	6,878
<b>Total revenue</b>	<b>63,575</b>	<b>59,983</b>
<b>Costs and expenses:</b>		
Operating expenses	5,633	16,848
Amortization	2,328	2,220
<b>Total costs and expenses</b>	<b>7,961</b>	<b>19,068</b>
<b>Net income</b>	<b>\$ 55,614</b>	<b>\$ 40,915</b>

**DRIVEN SYSTEMS LLC AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF MEMBERS' EQUITY**  
**(UNAUDITED)**

*in thousands*

<b>Balance as of December 30, 2023</b>	\$ 480,861
Net income	40,915
Deemed distribution to Parent	<u>(41,176)</u>
<b>Balance as of March 30, 2024</b>	<u>\$ 480,600</u>
<b>Balance as of December 28, 2024</b>	\$ 530,691
Net income	55,614
Deemed distribution to Parent	<u>(37,371)</u>
<b>Balance as of March 29, 2025</b>	<u>\$ 548,934</u>

**DRIVEN SYSTEMS LLC AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(UNAUDITED)**

<i>(in thousands)</i>	<b>Three months ended</b>	
	<b>March 29, 2025</b>	<b>March 30, 2024</b>
<b>Net income</b>	\$ 55,614	\$ 40,915
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization	2,328	2,220
Other operating, net	(94)	—
<b>Changes in assets and liabilities:</b>		
Accounts and notes receivable, net	(20,312)	(3,064)
Deferred franchise revenue	(183)	1,105
<b>Cash provided by operating activities</b>	<b>37,353</b>	<b>41,176</b>
<b>Cash flows from financing activities:</b>		
Distributions to parent	(37,371)	(41,176)
<b>Cash used in financing activities</b>	<b>(37,371)</b>	<b>(41,176)</b>
<b>Net change in cash</b>	<b>(18)</b>	<b>—</b>
<b>Cash, beginning of period</b>	<b>855</b>	<b>1,000</b>
<b>Cash, end of period</b>	<b>\$ 837</b>	<b>\$ 1,000</b>



**DRIVEN BRANDS, INC.**

Consolidated Financial Statements and Report of  
Independent Auditors

**Driven Brands Inc. and Subsidiaries**

For the years ended  
December 28, 2024, December 30, 2023  
and December 31, 2022

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## **Report of Independent Auditors**

To the Management 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 28, 2024, 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 28, 2024, 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.

### ***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  
May 22, 2025

**DRIVEN BRANDS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**

<i>(in thousands)</i>	<b>December 28, 2024</b>	<b>December 30, 2023</b>	<b>December 31, 2022</b>
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 129,633	\$ 150,581	\$ 158,799
Restricted cash	358	657	657
Accounts and notes receivable, net	174,234	146,295	167,249
Inventory	55,900	63,612	54,696
Prepaid and other assets	24,005	25,031	26,878
Related party receivable	378,222	328,953	258,476
Income tax receivable	—	3,680	1,698
Assets held for sale	73,109	—	—
Advertising fund assets, restricted	49,716	45,627	36,421
<b>Total current assets</b>	<b>885,177</b>	<b>764,436</b>	<b>704,874</b>
Related party receivable	128,144	128,144	128,144
Property and equipment, net	406,906	361,330	303,893
Operating lease right-of-use assets	412,544	397,211	335,760
Deferred commissions	7,246	6,312	7,121
Intangibles, net	634,794	703,573	727,646
Goodwill	1,205,531	1,238,504	1,225,457
Deferred tax asset	—	2,576	1,827
Other assets	126,098	55,248	28,414
<b>Total assets</b>	<b>\$ 3,806,440</b>	<b>\$ 3,657,334</b>	<b>\$ 3,463,136</b>
<b>Liabilities and shareholders' equity</b>			
Current liabilities:			
Accounts payable	\$ 78,779	\$ 51,280	\$ 41,348
Income taxes payable	58,250	42,446	4,834
Accrued expenses and other liabilities	155,893	146,104	184,561
Current portion of long-term debt	27,185	26,426	27,605
Advertising fund liabilities	22,030	23,392	36,726
<b>Total current liabilities</b>	<b>342,137</b>	<b>289,648</b>	<b>295,074</b>
Long-term debt, net	2,122,346	2,177,283	2,213,218
Operating lease liabilities	397,652	371,404	313,644
Deferred tax liabilities	118,209	141,909	139,568
Deferred revenue	31,314	30,507	29,310
Long-term accrued expenses and other liabilities	2,037	3,749	5,947
<b>Total liabilities</b>	<b>3,013,695</b>	<b>3,014,500</b>	<b>2,996,761</b>
Shareholders' equity:			
Class A common stock, \$.01 par value, authorized 60,000,000 voting shares; 56,560,217 shares issued and outstanding at December 28, 2024, December 30, 2023, and December 31, 2022	565	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	339,565	291,426	274,922
Retained earnings	458,822	364,781	209,246
Accumulated other comprehensive loss	(6,207)	(14,321)	(18,728)
<b>Total shareholders' equity attributable to Driven Brands Inc.</b>	<b>792,745</b>	<b>642,451</b>	<b>466,005</b>
<b>Non-controlling interests</b>	<b>—</b>	<b>383</b>	<b>370</b>
<b>Total shareholders' equity</b>	<b>792,745</b>	<b>642,834</b>	<b>466,375</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 3,806,440</b>	<b>\$ 3,657,334</b>	<b>\$ 3,463,136</b>

The accompanying notes are an integral part of these consolidated financial statements.

**DRIVEN BRANDS INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

<i>(in thousands)</i>	<b>Fiscal year ended</b>		
	<b>December 28, 2024</b>	<b>December 30, 2023</b>	<b>December 31, 2022</b>
Net revenue:			
Franchise royalties and fees	\$ 188,634	\$ 190,367	\$ 171,734
Company-operated store sales	1,176,774	1,130,996	933,906
Advertising contributions	101,316	98,850	87,750
Supply and other revenue	285,625	286,072	247,084
<b>Total net revenue</b>	<b>1,752,349</b>	<b>1,706,285</b>	<b>1,440,474</b>
Operating expenses:			
Company-operated store expenses	747,096	697,317	553,650
Advertising expenses	101,617	97,290	87,986
Supply and other expenses	137,176	154,586	140,107
Selling, general and administrative expenses	433,995	357,192	325,462
Acquisition costs	2,439	7,589	9,657
Store opening costs	5,135	4,885	2,809
Depreciation and amortization	77,505	75,933	55,892
Asset impairment charges	9,320	4,542	107
<b>Total operating expenses</b>	<b>1,514,283</b>	<b>1,399,334</b>	<b>1,175,670</b>
<b>Operating income</b>	<b>238,066</b>	<b>306,951</b>	<b>264,804</b>
Other (income) expense, net			
Interest expense, net	104,648	108,002	88,124
Loss on debt extinguishment	205	—	—
Loss (gain) on foreign currency transactions, net	12,836	(1,997)	5,511
<b>Total other expenses, net</b>	<b>117,689</b>	<b>106,005</b>	<b>93,635</b>
Income before taxes	120,377	200,946	171,169
Income tax expense	26,336	45,411	17,538
<b>Net income</b>	<b>94,041</b>	<b>155,535</b>	<b>153,631</b>
Net loss attributable to non-controlling interests	—	—	—
<b>Net income attributable to Driven Brands Inc.</b>	<b>\$ 94,041</b>	<b>\$ 155,535</b>	<b>\$ 153,631</b>

The accompanying notes are an integral part of these consolidated financial statements.

**DRIVEN BRANDS INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

<i>(in thousands)</i>	<b>Fiscal year ended</b>		
	<b>December 28, 2024</b>	<b>December 30, 2023</b>	<b>December 31, 2022</b>
<b>Net income</b>	\$ 94,041	\$ 155,535	\$ 153,631
Other comprehensive income:			
Foreign currency translation adjustments	7,489	1,062	(15,275)
Gain (loss) on swap, net	625	3,345	(1,866)
Other comprehensive income (loss), net	8,114	4,407	(17,141)
Total comprehensive income	102,155	159,942	136,490
Comprehensive gain (loss) attributable to non-controlling interests	—	\$ 13	\$ (36)
<b>Comprehensive income attributable to Driven Brands Inc.</b>	<b>\$ 102,155</b>	<b>\$ 159,929</b>	<b>\$ 136,526</b>

The accompanying notes are an integral part of these consolidated financial statements.



**DRIVEN BRANDS INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**

<i>in thousands</i>	<b>Common stock, Class A and B</b>	<b>Additional paid-in- capital</b>	<b>Retained earnings</b>	<b>Accumulated other comprehensive income (loss)</b>	<b>Non- controlling interests</b>	<b>Total equity</b>
<b>Balance as of December 25, 2021</b>	\$ 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
<b>Balance as of December 31, 2022</b>	\$ 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
<b>Balance as of December 30, 2023</b>	\$ 565	\$ 291,426	\$ 364,781	\$ (14,321)	\$ 383	\$ 642,834
Net income	—	—	94,041	—	—	94,041
Other comprehensive income	—	—	—	8,114	—	8,114
Equity-based compensation expense	—	48,139	—	—	—	48,139
Acquisition of non-controlling interest	—	—	—	—	(383)	(383)
<b>Balance as of December 28, 2024</b>	\$ 565	\$ 339,565	\$ 458,822	\$ (6,207)	\$ —	\$ 792,745

The accompanying notes are an integral part of these consolidated financial statements.

**DRIVEN BRANDS INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

<i>(in thousands)</i>	Year ended		
	December 28, 2024	December 30, 2023	December 25, 2022
<b>Net income</b>	\$ 94,041	\$ 155,535	\$ 153,631
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	77,505	75,933	55,892
Equity-based compensation expense	48,139	15,300	20,583
Loss (gain) on foreign denominated transactions	20,620	(4,581)	10,287
(Gain) loss on foreign currency derivative	(7,784)	2,584	(4,776)
Loss (gain) on sale of fixed assets	14,687	(3,787)	(13,918)
Bad debt expense	6,525	1,838	5,746
Asset impairment costs	9,320	4,542	107
Amortization of cloud computing	8,270	1,923	—
Amortization of deferred financing costs and bond discounts	8,412	8,558	7,058
(Benefit) provision for deferred income taxes	(19,303)	373	2,467
Loss on extinguishment of debt	205	—	—
Other, net	13,964	14,800	1,104
<b>Changes in assets and liabilities:</b>			
Accounts and notes receivable, net	(46,091)	6,064	(49,043)
Inventory	(4,377)	(9,515)	(16,836)
Prepaid and other assets	1,074	3,014	(9,333)
Related party receivable	(49,002)	(69,840)	126,011
Advertising fund assets and liabilities, restricted	(5,451)	(16,861)	13,495
Other assets	(79,214)	(41,677)	(22,907)
Deferred commissions	(934)	418	3,407
Deferred revenue	807	1,937	1,925
Accounts payable	27,472	10,402	(31,122)
Accrued expenses and other liabilities	15,664	(27,272)	(51,271)
Income tax payable	17,631	35,497	352
<b>Cash provided by operating activities</b>	<b>152,180</b>	<b>165,185</b>	<b>202,859</b>
<b>Cash flows from investing activities:</b>			
Capital expenditures	(298,260)	(158,225)	(103,239)
Cash used in business acquisitions, net of cash acquired	(2,055)	(36,727)	(405,011)
Proceeds from sale-leaseback transactions	51,370	39,168	16,107
Proceeds from sale or disposal of businesses and fixed assets	144,764	8,234	19,918
<b>Cash used in investing activities</b>	<b>(104,181)</b>	<b>(147,550)</b>	<b>(472,225)</b>
<b>Cash flows from financing activities:</b>			
Payment of debt extinguishment and issuance costs	(9,441)	—	(7,172)
Proceeds from the issuance of long-term debt	274,794	—	365,000
Repayment of long-term debt	(327,538)	(22,971)	(20,159)
Acquisition of non-controlling interest	(383)	—	—

Repayment of principal portion of finance lease liability	(2,760)	(3,844)	(2,561)
(Distribution to) contribution from parent	—	(3,118)	6,834
Other, net	—	227	321
<b>Cash provided by financing activities</b>	<b>(65,328)</b>	<b>(29,706)</b>	<b>342,263</b>
Effect of exchange rate changes on cash	(3,525)	9,519	(2,489)
<b>Net change in cash, cash equivalents, restricted cash, and cash included in advertising fund assets, restricted</b>	<b>(20,854)</b>	<b>(2,552)</b>	<b>70,408</b>
Cash and cash equivalents, beginning of period	150,581	158,799	82,676
Cash included in advertising fund assets, restricted, beginning of period	38,537	32,871	38,586
Restricted cash, beginning of period	657	657	657
<b>Cash, cash equivalents, restricted cash, and cash included in advertising fund assets, restricted, beginning of period</b>	<b>189,775</b>	<b>192,327</b>	<b>121,919</b>
Cash and cash equivalents, end of period	129,633	150,581	158,799
Cash included in advertising fund assets, restricted, end of period	38,930	38,537	32,871
Restricted cash, end of period	358	657	657
<b>Cash, cash equivalents, restricted cash, and cash included in advertising fund assets, restricted, end of period</b>	<b>\$ 168,921</b>	<b>\$ 189,775</b>	<b>\$ 192,327</b>

**Supplemental cash flow disclosures  
- non-cash items:**

Capital expenditures included in accrued expenses and other liabilities	\$ 9,578	\$ 2,127	\$ 4,492
Related party asset purchases included in capital expenditures	134,860	—	—
Deferred consideration included in accrued expenses and other liabilities	1,596	2,630	27,303

**Supplemental cash flow disclosures  
- cash paid for:**

Interest	\$ 97,080	\$ 108,119	\$ 88,655
Income taxes	—	—	13,202

The accompanying notes are an integral part of these consolidated financial statements.

**DRIVEN BRANDS INC. AND SUBSIDIARIES**  
**NOTES TO 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 28, 2024, the Driven Franchise Brands and AGN encompass 4,077 units worldwide, with 84% 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 in July 2023. The assets and liabilities of nine FUSA company-operated stores were sold in January 2024.

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 Vitres D’Auto (“PH Glass”) are distribution and sourcing companies serving as a single point for inventory sourcing for the Company. PH Glass was sold in August 2024. 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 years ending December 28, 2024 and December 30, 2023 both consisted of 52-weeks. Fiscal year ending December 31, 2022 consisted of 53-weeks.

***Basis of Presentation***

The consolidated financial statements include the accounts of 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.

**DRIVEN BRANDS INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED 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 continually monitors its positions with, and the credit quality of, the financial institutions in which it maintains its deposits. As of December 28, 2024 and December 30, 2023, 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, \$39 million, and \$34 million at December 28, 2024, 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 Sheets.

***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 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 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 28, 2024, 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.

**DRIVEN BRANDS INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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 Sheets. The Company recorded capitalized cloud computing arrangement costs of \$116 million and \$52 million as of December 28, 2024 and December 30, 2023, respectively, which included \$46 million and \$29 million of cloud computing assets not-in-service and accumulated amortization of \$10 million and \$2 million, respectively. During the years ended December 28, 2024 and December 30, 2023, we recorded cloud computing amortization of \$8 million and \$2 million, respectively. 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 a 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, amendments may 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 Sheets 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 lease renewals are included in the lease term in determining the ROU assets and liabilities when we are reasonably certain we will exercise the option.

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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 Indefinite-Lived 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 trademark 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 forecasted 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 September 29, 2024, the first day of the fourth quarter, the Company performed its annual impairment assessment of goodwill and indefinite-lived intangibles and determined there was no impairment in the years ended December 28, 2024, 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.

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Intangible assets with definite lives are being amortized on a straight-line basis over the estimated useful life of each asset as follows:

	<b>Estimated Useful Life</b>
Trademarks	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 are 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 trademarks 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. During the year ended December 28, 2024, assets held for sale were purchased from a Related Party and continue to be marketed by the Company. During the year, the Company purchased approximately \$123 million, sold \$43 million, and impaired \$7 million, resulting in a net gain of \$6 million for the year ended December 28, 2024. 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 Statements 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 Statements 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



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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 Sheets.

*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 are recognized 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, included in Deferred commissions on the accompanying Consolidated Balance Sheets, 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 Operations ratably over the life of the associated franchise agreement.

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*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 Sheets 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 Sheets 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 Operations.

*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 has 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.

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.

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Financial assets and liabilities measured at fair value on a recurring basis as of December 28, 2024 are summarized as follows:

<i>(in thousands)</i>	Level 1	Significant other observable inputs (Level 2)	Total
Derivative assets, recorded in Other assets	—	5,742	5,742
Derivative liabilities, recorded in Accrued expenses and other liabilities	—	19	19

Financial assets and liabilities measured at fair value on a recurring basis as of December 30, 2023 are summarized as follows:

<i>(in thousands)</i>	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:

<i>(in thousands)</i>	Level 1	Significant other observable inputs (Level 2)	Total
Mutual fund investments held in rabbi trust	\$ 758	\$ —	\$ 758
Derivative assets, 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 carrying value and estimated fair value of total long-term debt were as follows:

<i>(in thousands)</i>	<b>December 28, 2024</b>		<b>December 30, 2023</b>		<b>December 31, 2022</b>	
	Carrying value	Estimated fair value	Carrying value	Estimated fair value	Carrying value	Estimated fair value
Long-term debt	<u>\$2,178,626</u>	<u>\$2,109,965</u>	<u>\$2,231,959</u>	<u>\$2,067,579</u>	<u>\$2,277,675</u>	<u>\$1,998,250</u>

***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

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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 Operations.

***Deferred Financing Costs***

The costs related to the issuance of debt are presented in the accompanying balance sheets 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 Operations.

***Recently Issued Accounting Standards***

In December 2023, the FASB issued ASU 2023-09, Improvements to Income Tax Disclosures. This ASU improves the transparency of income tax disclosures, including consistent categories and greater disaggregation of information in the tax rate reconciliation as well as disaggregation of income taxes paid by jurisdiction. This ASU is effective for annual periods beginning after December 15, 2024, with early adoption permitted for annual financial statements that have not yet been issued or made available for issuance. The Company is evaluating the impact of this guidance on its consolidated financial statements and related disclosures.

**Note 3—Accounts and Notes Receivable, net**

Accounts and notes receivable, net consisted of the following:

<i>(in thousands)</i>	<b>December 28, 2024</b>	<b>December 30, 2023</b>	<b>December 31, 2022</b>
Accounts receivable	\$ 189,662	\$ 157,653	\$ 185,569
Notes receivable	3,073	3,816	4,335
<b>Total gross receivables</b>	<b>192,735</b>	<b>161,469</b>	<b>189,904</b>
Less allowance for doubtful accounts	(15,674)	(11,604)	(19,504)
Less current portion of accounts and notes receivable	(174,234)	(146,295)	(167,249)
<b>Notes receivable, long term</b>	<b>\$ 2,827</b>	<b>\$ 3,570</b>	<b>\$ 3,151</b>

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The changes in the allowance for accounts and notes receivable are as follows:

*(in thousands)*

<b>Balance as of December 31, 2021</b>	\$	18,421
Bad debt expense		5,745
Write-off of uncollectible receivables		(4,662)
<b>Balance as of December 25, 2022</b>	\$	19,504
Bad debt expense		1,837
Write-off of uncollectible receivables		(9,737)
<b>Balance at December 30, 2023</b>	\$	11,604
Bad debt expense, net of recoveries		6,525
Write-off of uncollectible receivables		(2,455)
<b>Balance at December 28, 2024</b>	\$	15,674

**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.

**2024 Acquisitions**

The Company completed one acquisition within the Maintenance business unit during the twelve months ended December 28, 2024, representing two sites for an aggregate cash consideration, net of cash acquired and liabilities assumed, of less than \$1 million.

**2023 Acquisitions**

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 amounts for assets acquired and liabilities assumed for the 2023 acquisitions are as follows:

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**2023 Maintenance Business unit**

<i>(in thousands)</i>	<b>Maintenance</b>
<b>Assets:</b>	
Operating lease right-of-use assets	\$ 3,693
Property and equipment, net	3,855
<b>Assets acquired</b>	<b>7,548</b>
<b>Liabilities:</b>	
Accrued expenses and other liabilities	275
Operating lease liabilities	3,394
<b>Total liabilities assumed</b>	<b>3,669</b>
Cash consideration, net of cash acquired	8,108
Deferred consideration	490
<b>Total consideration, net of cash acquired</b>	<b>\$ 8,598</b>
<b>Goodwill</b>	<b>\$ 4,719</b>

**2023 Paint, Collision & Glass Business unit**

<i>(in thousands)</i>	<b>Paint, Collision &amp; Glass</b>
<b>Assets:</b>	
Inventory	\$ 35
Property and equipment, net	667
<b>Assets acquired</b>	<b>702</b>
Cash consideration, net of cash acquired	4,947
Deferred consideration	695
<b>Total consideration, net of cash acquired</b>	<b>\$ 5,642</b>
<b>Goodwill</b>	<b>\$ 4,940</b>

**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.

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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.

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**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:

<i>(in thousands)</i>	<b>Auto Glass Fitters Inc.</b>	<b>Jack Morris Auto Glass</b>	<b>K&amp;K Glass</b>	<b>All Star Glass</b>	<b>Auto Glass Now</b>	<b>All Other Paint, Collision &amp; Glass</b>	<b>Total PC&amp;G</b>
<b>Assets:</b>							
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
<b>Total assets acquired</b>	<b>75,533</b>	<b>56,109</b>	<b>40,643</b>	<b>44,573</b>	<b>180,910</b>	<b>36,630</b>	<b>434,398</b>
<b>Liabilities:</b>							
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
<b>Total liabilities assumed</b>	<b>3,464</b>	<b>2,323</b>	<b>587</b>	<b>8,231</b>	<b>10,281</b>	<b>3,021</b>	<b>27,907</b>
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
<b>Consideration, net of cash acquired</b>	<b>\$ 72,069</b>	<b>\$ 53,786</b>	<b>\$ 40,056</b>	<b>\$ 36,342</b>	<b>\$ 170,629</b>	<b>\$ 33,609</b>	<b>\$ 406,491</b>



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**2022 Maintenance Business unit**

The provisional amounts for assets acquired and liabilities assumed for the 2022 Maintenance acquisitions are as follows:

<i>(in thousands)</i>	<b>Maintenance</b>
<b>Assets:</b>	
Inventory	362
Property and equipment, net	5,040
Operating lease right-of-use assets	10,323
Goodwill	18,542
Deferred tax asset	844
<b>Total assets acquired</b>	<b>35,111</b>
<b>Liabilities:</b>	
Accrued expenses and other liabilities	792
Operating lease liabilities	9,402
<b>Total liabilities assumed</b>	<b>10,194</b>
Cash Consideration, net of cash acquired	22,849
Deferred Consideration	2,068
<b>Total Consideration, net of cash acquired</b>	<b>\$ 24,917</b>

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.

**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 \$2 million, \$3 million, and \$27 million of deferred consideration related to acquisitions at December 28, 2024, December 30, 2023, December 31, 2022, respectively. The Company paid \$1 million, \$24 million, and less than \$1 million of deferred consideration related to prior acquisitions during the years ended December 28, 2024, December 30, 2023, December 31, 2022, respectively. Deferred consideration is recorded within investing activities on the Consolidated Statements of Cash Flow at the time of payment.

**Divestitures**

During the third quarter of 2024, the Company completed the sale of its Canadian distribution business, primarily operated under the PH Vitres D'Auto brand at a sale price of approximately \$78 million. The sale included essentially all assets and liabilities associated with the business as well as allocated goodwill of \$13 million resulting in a loss of \$2 million on the sale of business within Selling, general and administrative expenses on the Consolidated Statements of Operations during the year ended December 28, 2024. Approximately \$47 million of the sale proceeds were utilized to repay a portion of outstanding secured senior notes with the remainder paid to a Related Party.

During the year ended December 28, 2024, the Company sold nine FUSA company-operated stores to a franchisee at a sale price of \$18 million. The Company sold certain store assets as well as allocated \$9 million of goodwill based on the fair value at the time of sale, resulting in a gain of \$5 million on the sale of businesses within Selling, general, and administrative expenses on the Consolidated Statements of Operations during the year ended December 28, 2024.

**DRIVEN BRANDS INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 5 —Property and Equipment**

Property and equipment consisted of the following:

<i>(in thousands)</i>	<b>December 28, 2024</b>	<b>December 30, 2023</b>	<b>December 31, 2022</b>
Buildings	\$ 69,940	\$ 35,468	\$ 20,967
Land	20,349	16,633	2,864
Furniture and fixtures	35,687	32,449	23,464
Computer equipment and software	74,184	75,788	35,607
Store equipment	68,455	34,921	30,053
Leasehold improvements	256,997	239,533	201,416
Finance lease right-of-use assets	14,824	16,567	36,246
Vehicles	14,440	8,448	7,527
Construction in progress	61,038	54,416	59,669
Total property and equipment	615,914	514,223	417,813
Less: accumulated depreciation	(209,008)	(152,893)	(113,920)
<b>Total property and equipment, net</b>	<b>\$ 406,906</b>	<b>\$ 361,330</b>	<b>\$ 303,893</b>

Depreciation expense was \$51 million, \$51 million, and 33 million for the years ended December 28, 2024, December 30, 2023, and December 31, 2022, respectively.

**Note 6 —Goodwill and Other Intangible Assets**

Changes in the carrying amount of goodwill are as follows:

<i>(in thousands)</i>	<b>Total</b>
<b>Balance at December 25, 2021</b>	<b>\$ 938,137</b>
Acquisitions	298,873
Sale of business unit	(3,495)
Purchase price adjustments	(34)
Foreign exchange	(8,024)
<b>Balance at December 31, 2022</b>	<b>\$ 1,225,457</b>
Acquisitions	9,659
Sale of business unit	(587)
Purchase price adjustments	2,324
Foreign exchange	1,651
<b>Balance at December 30, 2023</b>	<b>1,238,504</b>
Acquisitions	599
Sale of business unit	(22,413)
Foreign exchange	(11,159)
<b>Balance at December 28, 2024</b>	<b>\$ 1,205,531</b>

Intangible assets for the years ended are as follows:

(in thousands)

<b>Balance at December 28, 2024</b>			
	<b>Gross Carrying Value</b>	<b>Accumulated Amortization</b>	<b>Net Carrying Value</b>
<b>Definite-Lived Amortizable</b>			
Franchise agreements	\$ 219,043	\$ (78,386)	\$ 140,657
License agreements	11,893	(7,132)	4,761
Membership agreements	11,600	(7,673)	3,927
Customer relationships	82,108	(17,224)	64,884
Developed technology	25,561	(21,388)	4,173
Trademarks & other	14,243	(13,968)	275
Total definite lived amortizable	364,448	(145,771)	218,677
<b>Indefinite-Lived</b>			
Trademarks	416,117	—	416,117
Total	\$ 780,565	\$ (145,771)	\$ 634,794
<b>Balance at December 30, 2023</b>			
	<b>Gross Carrying Value</b>	<b>Accumulated Amortization</b>	<b>Net Carrying Value</b>
<b>Definite-Lived Amortizable</b>			
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
<b>Indefinite-Lived</b>			
Trademarks	431,488	—	431,488
Total	\$ 846,979	\$ (143,406)	\$ 703,573
<b>Balance at December 31, 2022</b>			
	<b>Gross Carrying Value</b>	<b>Accumulated Amortization</b>	<b>Net Carrying Value</b>
<b>Definite-Lived Amortizable</b>			
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
<b>Indefinite-Lived</b>			
Trademarks	431,839	—	431,839
Total	\$ 844,439	\$ (116,793)	\$ 727,646

Intangible assets decreased \$42 million relating to the sale of the Canadian distribution business during the year ended December 28, 2024. Refer to Note 4 for additional information.

Amortization expense was \$23 million, \$25 million, and \$23 million for the years ended December 28, 2024, December 30, 2023, December 31, 2022, respectively.

Amortization expense related to intangible assets for the next five fiscal years and thereafter is as follows:

<i>(in thousands)</i>	
2025	\$ 20,353
2026	18,504
2027	16,411
2028	15,382
2029	14,879
Thereafter	133,250
<b>Total amortization</b>	<b>\$ 218,779</b>

### Note 7—Long-term Debt

Our long-term debt obligations consist of the following:

<i>(in thousands)</i>	<b>December 28, 2024</b>	<b>December 30, 2023</b>	<b>December 31, 2022</b>
Series 2018-1 Securitization Senior Notes, Class A-2	\$ —	\$ 259,188	\$ 261,938
Series 2019-1 Securitization Senior Notes, Class A-2	275,176	285,000	288,000
Series 2019-2 Securitization Senior Notes, Class A-2	254,258	263,313	266,063
Series 2020-1 Securitization Senior Notes, Class A-2	163,081	168,875	170,625
Series 2020-2 Securitization Senior Notes, Class A-2	421,548	436,500	441,000
Series 2021-1 Securitization Senior Notes, Class A-2	424,841	439,875	444,375
Series 2022-1 Securitization Senior Notes, Class A-2	348,156	360,438	364,088
Series 2024-1 Securitization Senior Notes, Class A-2	273,625	—	—
Other debt <sup>(1)</sup>	17,941	18,770	41,586
<b>Total debt</b>	<b>2,178,626</b>	<b>2,231,959</b>	<b>2,277,675</b>
Less: debt issuance costs	(29,095)	(28,250)	(36,852)
Less: current portion of long-term debt	(27,185)	(26,426)	(27,605)
<b>Total long-term debt, net</b>	<b>\$ 2,122,346</b>	<b>\$ 2,177,283</b>	<b>\$ 2,213,218</b>

(1) Amount primarily consists of finance lease obligations.

### 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 had a final legal maturity date in April 2048 and an anticipated repayment date in April 2025. The 2018-1 Senior Notes were secured by substantially all assets of the Issuer and were guaranteed by the Securitization

Entities. The Company capitalized \$7 million of debt issuance costs related to the 2018-1 Senior Notes. The 2018-1 Senior Notes were repaid in July 2024.

#### **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 had 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. In July 2024, the 2019 VFN was refinanced with the 2024 VFN described below.

#### **2020-1 Securitization Senior Notes**

In July 2020, Driven Brands Funding, LLC and Driven Brands Canada Funding Corporation (together, the “Co-Issuers”), each wholly owned indirect subsidiaries of the Company, issued \$175 million 2020-1 Securitization Senior Notes (the “2020-1 Senior Notes”) bearing a fixed interest rate of 3.786% per annum. The 2020-1 Senior Notes have a final legal maturity date in July 2050 and an anticipated repayment date in July 2027. The 2020-1 Senior Notes are secured by substantially all assets of the Co-Issuers and are guaranteed by the Canadian Co-Issuer and various subsidiaries of the Canadian Co-Issuer. The Company capitalized \$11 million of debt issuance costs related to the 2020-1 Senior Notes.

#### **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.

#### **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. 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. 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.

### 2024-1 Securitization Senior Notes

In July 2024, the Co-Issuers issued \$275 million of 2024-1 Class A-2 Securitization Senior Notes (the “2024-1 Senior Notes”) bearing a fixed interest rate of 6.372% per annum. The 2024-1 Senior Notes have a final legal maturity date in October 2054 and an anticipated repayment date in October 2031. The 2024-1 Senior Notes are secured by substantially all assets of the Co-Issuers and are guaranteed by the Co-Issuers and each of their respective subsidiaries. Proceeds from the 2024-1 Senior Notes were primarily used to repay the Company’s 2018-1 Class A-2 Securitization Senior Notes (the “2018-1 Senior Notes”). The Company incurred costs with third parties related to the issuance of the 2024-1 Senior Notes of \$2 million included within Interest expense, net on the Consolidated statements of Operations. The Company capitalized \$10 million of debt issuance costs related to the 2024-1 Senior Notes.

### Series 2024-1 Variable Funding Securitization Senior Notes

In July 2024, the Co-Issuers issued Series 2024-1 Variable Funding Senior Notes, Class A-1 (the “2024 VFN”) in the revolving amount of \$400 million. The 2024 VFN have a final legal maturity date in October 2054. The commitment under the 2024 VFN is set to expire in October 2029, with the option of two one-year extensions. The 2024 VFN are secured by substantially all assets of the Co-Issuers and are guaranteed by the Co-Issuers and each of their respective subsidiaries. Borrowings incur interest at the Base Rate plus an applicable margin or SOFR plus an applicable margin. As of December 28, 2024, there were no amounts outstanding under the 2024 VFN and \$26 million of outstanding letters of credit, which reduced the borrowing availability under the 2024 VFN.

Scheduled debt repayments for the next five fiscal years and thereafter is as follows:

<i>(in thousands)</i>	
2025	\$ 27,185
2026	544,482
2027	515,133
2028	823,778
2029	3,406
Thereafter	264,642
<b>Total future repayments</b>	<b>\$ 2,178,626</b>

The Company has potential borrowing availability within the 2022-1 Class A-1 Notes and 2024 VFN for scheduled debt repayments due within 12 months of the date of the issuance of these financials.

### Covenants of the Notes

The 2019-1 Senior Notes, 2019-2 Senior Notes, 2019-3 VFN, 2020-2 Senior Notes, 2021-1 Senior Notes, 2022-1 Senior Notes, and 2024-1 Senior Notes (collectively, 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 28, 2024, 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 28, 2024. 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 28, 2024.

## 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:

<i>(in thousands)</i>	<b>Balance Sheet Location</b>	<b>December 28, 2024</b>	<b>December 30, 2023</b>	<b>December 25, 2022</b>
<b>Right-of-use assets</b>				
Finance leases	Property and equipment, net	\$ 14,824	\$ 16,534	\$ 36,213
Operating leases	Operating lease right-of-use assets	412,544	397,211	335,760
Total right-of-use assets		<u>\$ 427,368</u>	<u>\$ 413,745</u>	<u>\$ 371,973</u>
<b>Current lease liabilities</b>				
Finance leases	Current portion of long-term debt	\$ 3,906	\$ 3,387	\$ 3,317
Operating leases liabilities	Accrued expenses and other liabilities	46,482	44,603	33,689
		<u>\$ 50,388</u>	<u>\$ 47,990</u>	<u>\$ 37,006</u>
<b>Long-term lease liabilities</b>				
Finance leases	Long-term debt	\$ 11,213	\$ 13,775	\$ 35,390
Operating leases	Operating lease liabilities	397,652	371,404	313,644
Total long-term lease liabilities		<u>\$ 408,865</u>	<u>\$ 385,179</u>	<u>\$ 349,034</u>

The lease cost for operating and finance leases recognized in the Consolidated Statements of Operations were as follows:

<i>(in thousands)</i>	<b>December 28, 2024</b>	<b>December 30, 2023</b>	<b>December 31, 2022</b>
Amortization of right-of-use assets	\$ 4,278	\$ 1,446	\$ 2,928
Interest on lease liabilities	1,155	845	1,715
Operating lease expense	71,888	67,403	59,550
Short-term lease expense	1,757	145	430
Variable lease expense	573	1,615	1,522
Total lease expense, net	<u>\$ 79,651</u>	<u>\$ 71,454</u>	<u>\$ 66,145</u>

The Company also subleases certain facilities to franchisees and recognized \$5 million of sublease revenue during each of the years ended December 28, 2024, December 30, 2023, and December 31, 2022, respectively, as a component of Supply and other revenue on the Consolidated Statements of Operations.

For the year ended December 28, 2024, the Company sold 34 maintenance properties in various locations throughout the U. S. for a total of \$51 million, resulting in a net gain of \$7 million. Concurrent 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 25 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 \$41 million and \$41 million, respectively, related to these lease arrangements.

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. Concurrent 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.

	<b>December 28, 2024</b>	<b>December 30, 2023</b>	<b>December 31, 2024</b>
Weighted average remaining lease terms (years)			
Operating	11.1	10.1	15.6
Financing	9.6	10.5	12.0
Weighted average remaining discount rate			
Operating	6.3 %	5.9 %	5.3 %
Financing	4.4 %	4.4 %	5.0 %



Supplemental cash flow information related to the Company's lease arrangements were as follows:

<i>(in thousands)</i>	<b>December 28, 2024</b>	<b>December 30, 2023</b>	<b>December 31, 2024</b>
<b>Cash paid for amounts included in the measurement of lease liabilities:</b>			
Operating cash flows used in operating leases	\$ 68,189	\$ 60,991	\$ 56,678
Operating cash flows used in finance leases	198	845	1,715
Financing cash flows used in finance leases	2,760	993	1,641
<b>Right-of-use assets obtained in exchange for lease obligations:</b>			
Operating leases	\$ 49,974	\$ 103,193	\$ 59,772
Finance leases	2,535	—	10,906

As of December 28, 2024, future minimum lease payments under noncancellable leases were as follows:

<i>(in thousands)</i>	<b>Finance</b>	<b>Operating</b>	<b>Income from subleases</b>
2025	\$ 4,549	\$ 74,810	\$ 5,022
2026	4,051	70,852	4,485
2027	3,369	64,317	4,057
2028	1,864	57,540	3,099
2029	1,395	52,119	1,613
Thereafter	3,101	280,957	8,958
<b>Total undiscounted cash flows</b>	<b>18,329</b>	<b>600,595</b>	<b>\$ 27,234</b>
Less: Present value discount	3,210	156,461	
Less: Current lease liabilities	3,906	46,482	
<b>Long-term lease liabilities</b>	<b>\$ 11,213</b>	<b>\$ 397,652</b>	

#### **Note 10—Income Taxes**

The components of our income tax expense were as follows:

<i>(in thousands)</i>	<b>Year Ended</b>		
	<b>December 28, 2024</b>	<b>December 30, 2023</b>	<b>December 25, 2022</b>
<b>Current:</b>			
Federal	\$ 33,608	\$ 38,916	\$ 7,568
State	3,511	6,706	5,158
Foreign	8,520	(680)	600
<b>Deferred:</b>			
Federal	(8,606)	(10,273)	12,984
State	1,619	11,502	(13,067)
Foreign	(12,316)	(760)	4,295
<b>Total income tax expense</b>	<b>\$ 26,336</b>	<b>\$ 45,411</b>	<b>\$ 17,538</b>

Deferred tax assets (liabilities) are comprised of the following:

<i>(in thousands)</i>	<b>December 28, 2024</b>	<b>December 30, 2023</b>	<b>December 25, 2022</b>
<b>Deferred tax asset</b>			
Accrued liabilities	\$ 1,697	\$ 1,572	\$ 6,159
Accounts receivable allowance	3,916	3,289	5,046
Net operating loss carryforwards	—	2,960	9,054
Lease liabilities	108,151	101,835	82,669
Interest expense limitation	30,157	27,249	8,537
Deferred revenue	7,494	7,283	6,693
Other deferred assets	8,838	5,632	5,091
<b>Total deferred tax asset</b>	<b>160,253</b>	<b>149,820</b>	<b>123,249</b>
<b>Less valuation allowance</b>	<b>—</b>	<b>(1,112)</b>	<b>(1,216)</b>
<b>Net deferred tax asset</b>	<b>160,253</b>	<b>148,708</b>	<b>122,033</b>
<b>Deferred tax liabilities</b>			
Goodwill and intangible assets	161,588	166,614	156,429
Right of use lease assets	100,491	97,577	80,156
Fixed asset basis differences	14,414	21,150	17,317
Unrealized foreign exchange differences	(1,180)	(371)	(920)
Other deferred liabilities	3,149	3,071	6,793
<b>Total deferred liabilities</b>	<b>278,462</b>	<b>288,041</b>	<b>259,775</b>
<b>Net deferred liabilities</b>	<b>\$ 118,209</b>	<b>\$ 139,333</b>	<b>\$ 137,742</b>

The Company's effective tax rate for the year ended December 28, 2024, 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 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 28, 2024, the Company had a liability for uncertain tax positions of 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 28, 2024, 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 28, 2024, the Company has no remaining pre-tax federal or state tax operating loss carry forwards. As of December 28, 2024, the Company has no net operating loss carryforwards in Canada. As of December 28, 2024, the Company had \$516 million of goodwill that was deductible for tax purposes.

## **Note 11—Related-Party Transactions**

The Company has a related party receivable of \$506 million at December 28, 2024 with the Driven Holdings LCC, its parent company, of which \$378 million and \$128 million is classified as current and noncurrent, respectively, on the Consolidated Balance Sheets. The Company had a 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 Sheets. The Company had a 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 Sheets.

The Company made payments for facilities maintenance services in the aggregate amount of approximately \$4 million, \$7 million, and \$6 million during the years ended December 28, 2024, December 30, 2023, and December 31, 2022, respectively, 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—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 and the other vesting criteria are achieved as a result. 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 fails to execute any general release required to be executed.

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 Ultimate Parent's initial public offering ("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”) and the achievement of the other vesting criteria. The percentage of vesting was based on achieving certain performance criteria. No vesting occurred as a result of the as the other vesting criteria were not achieved. In connection with the IPO, the Performance Units were exchanged for performance-based restricted stock awards. Employees who received IPO Options had the same vesting conditions for the performance-based portion of the IPO Options as the performance-based restricted stock awards.

In October 2023, the Ultimate Parent 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.

	Unvested Time Awards	Weighted Average Grant Date Fair Value, per unit	Unvested Performance Awards	Weighted Average Grant Date Fair Value, per unit
<b>Outstanding as of December 25, 2021</b>	428,305	\$ 13.31	4,093,509	\$ 15.84
Forfeited/Cancelled	(30,869)	10.34	(77,760)	15.34
Vested	(107,767)	12.95	—	—
<b>Outstanding as of December 31, 2022</b>	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	—	—
<b>Outstanding as of December 30, 2023</b>	3,103,091	\$ 11.31	800,025	\$ 16.22
Forfeited/Cancelled	(31,078)	12.40	(421,292)	16.55
Vested	(70,611)	14.16	—	—
<b>Outstanding as of December 28, 2024</b>	3,001,402	\$ 11.23	378,733	\$ 15.85

There was approximately \$8 million of unrecognized compensation expense related to the time-based restricted stock awards at December 28, 2024, which is expected to be recognized over a weighted-average vesting period of 0.4 years.

There was \$5 million of unrecognized compensation expense related to the performance-based restricted stock awards at December 28, 2024. No compensation costs were recognized for the performance-based restricted stock awards in the presented years given the performance criteria was not met or probable. Certain former employees continued to hold performance-based awards after the IPO.

#### ***Restricted Stock Units and Performance Stock Units***

The Ultimate Parent issued 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 typically 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. Certain 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 28, 2024	December 30, 2023	December 31, 2022
Annual dividend yield	—%	—%	—%
Expected term (years)	2.4-2.8	2.6-2.8	2.7-3.0
Risk-free interest rate	3.89%-4.65%	3.65%-4.51%	2.32%-3.05%
Expected volatility	49.2%-54.1%	37.9%-38.8%	40.9%-43.9%
Correlation to the index peer group	42.6%-49.2%	60.2%-60.3%	50.7%-59.5%

There was approximately \$20 million of total unrecognized compensation cost related to the unvested RSUs at December 28, 2024, which is expected to be recognized over a weighted-average vesting period of 1.9 years. In addition, there was approximately \$12 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 restricted stock units and performance stock units granted:

	Unvested Time Units	Weighted Average Grant Date Fair Value, per unit	Unvested Performance Units	Weighted Average Grant Date Fair Value, per unit
<b>Balance as of December 25, 2021</b>	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	—	—
<b>Balance as of December 31, 2022</b>	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 <sup>(1)</sup>	—	—	13,808	24.69
Vested	(105,149)	27.31	(82,848)	24.69
<b>Balance as of December 30, 2023</b>	806,536	\$ 21.07	844,948	\$ 31.24
Granted	1,580,185	13.91	1,215,468	15.62
Forfeited/Cancelled	(304,462)	16.91	(492,192)	26.38
Vested	(279,525)	21.09	(111,547)	32.20
<b>Balance as of December 28, 2024</b>	<u>1,802,734</u>	\$ 15.27	<u>1,456,677</u>	\$ 19.58

<sup>(1)</sup> Reflects the number of awards achieved above target levels for shares vested in the period.

## Stock Options

The Ultimate Parent issued 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 Ultimate Parent 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 vesting period of five years, but such vesting could accelerate for certain options based on certain conditions under the award.

The fair value of all time based units granted or modified was estimated using a Black-Scholes option pricing model using the following weighted-average assumptions for fiscal 2023:

	<b>For the Year Ended</b>
	<b>December 30, 2023</b>
Annual dividend yield	—%
Weighted-average expected life (years)	6.5
Risk-free interest rate	4.82%
Expected volatility	49.8%

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 did not have sufficient historical transactions of its own shares to calculate expected volatility. The Ultimate Parent does not intend to pay dividends or distributions in the future.

The following are the stock options granted:

	<b>Time Based Stock Options Outstanding</b>	<b>Weighted Average Exercise Price</b>	<b>Performance Based Stock Options Outstanding</b>	<b>Weighted Average Exercise Price</b>
<b>Outstanding as of December 25, 2021</b>	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	—	—
<b>Outstanding as of December 31, 2022</b>	3,593,329	\$ 26.79	3,278,936	\$ 22.00
Modified	2,438,643	4.15	(2,438,643)	7.32
Forfeited/Cancelled	(448,028)	16.01	(553,038)	7.14
Exercised	(270,376)	22.00	—	—
<b>Outstanding as of December 30, 2023</b>	5,313,568	\$ 17.64	287,255	\$ 7.53
Forfeited/Cancelled	(130,740)	22.00	(287,255)	7.53
<b>Outstanding as of December 28, 2024</b>	5,182,828	\$ 17.59	—	\$ —
<b>Exercisable as of December 28, 2024</b>	687,032	\$ 20.76	—	\$ —

There was approximately \$8 million of total unrecognized compensation cost related to the unvested stock options at December 28, 2024, which is expected to be recognized over a weighted-average vesting period of 1.0 years.

For the years ended December 28, 2024, December 30, 2023, and December 31, 2022, 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.

### ***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 ESPP. The ESPP and International ESPP plans authorized the issuance of 1,790,569 shares of the Ultimate Parent's common stock. Total ESPP contributions were \$1 million for each of the years ended December 28, 2024, December 30, 2023, and December 31, 2022 and 73,196, 82,546, and 111,924 shares of the Ultimate Parent's common stock were purchased in each of the respective periods.

The Company recognized share-based compensation expense of \$48 million, \$15 million, and \$21 million for the years ended December 28, 2024, December 30, 2023, and December 31, 2022, respectively.

### **Note 14 - Subsequent Events**

The Company evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through May 22, 2025, 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 29, 2025 and March 30, 2024

**DRIVEN BRANDS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**(UNAUDITED)**

<i>(in thousands)</i>	<u>March 29, 2025</u>	<u>December 28, 2024</u>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 115,007	\$ 129,633
Restricted cash	332	358
Accounts and notes receivable, net	197,125	174,234
Inventory	53,439	55,900
Prepaid and other assets	33,769	24,005
Related party receivable	352,219	378,222
Assets held for sale	70,691	73,109
Advertising fund assets, restricted	55,140	49,716
<b>Total current assets</b>	<u>877,722</u>	<u>885,177</u>
Related party receivable	128,144	128,144
Property and equipment, net	436,247	406,906
Operating lease right-of-use assets	421,411	412,544
Deferred commissions	7,315	7,246
Intangibles, net	630,558	634,794
Goodwill	1,206,391	1,205,531
Other assets	126,806	126,098
<b>Total assets</b>	<u>\$ 3,834,594</u>	<u>\$ 3,806,440</u>
<b>Liabilities and shareholders' equity</b>		
Current liabilities:		
Accounts payable	\$ 102,722	\$ 78,779
Income taxes payable	56,788	58,250
Accrued expenses and other liabilities	159,641	155,893
Current portion of long-term debt	27,184	27,185
Advertising fund liabilities	24,058	22,030
<b>Total current liabilities</b>	<u>370,393</u>	<u>342,137</u>
Long-term debt, net	2,119,491	2,122,346
Operating lease liabilities	410,762	397,652
Deferred tax liabilities	118,209	118,209
Deferred revenue	31,060	31,314
Long-term accrued expenses and other liabilities	1,596	2,037
<b>Total liabilities</b>	<u>3,051,511</u>	<u>3,013,695</u>
Shareholders' equity:		
Class A common stock, \$.01 par value, authorized 60,000,000 voting shares; 56,560,217 shares issued and outstanding at December 28, 2024 and December 30, 2023	565	565
Additional paid-in-capital	351,353	339,565
Retained earnings	454,435	458,822
Accumulated other comprehensive loss	(23,270)	(6,207)
<b>Total shareholders' equity</b>	<u>783,083</u>	<u>792,745</u>
<b>Total liabilities and shareholders' equity</b>	<u>\$ 3,834,594</u>	<u>\$ 3,806,440</u>

**DRIVEN BRANDS INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(UNAUDITED)**

<i>(in thousands)</i>	<b>Three months ended</b>	
	<b>March 29, 2025</b>	<b>March 30, 2024</b>
Net revenue:		
Franchise royalties and fees	\$ 44,710	\$ 45,045
Company-operated store sales	314,131	284,229
Advertising contributions	25,325	24,070
Supply and other revenue	63,970	74,160
<b>Total net revenue</b>	<b>448,136</b>	<b>427,504</b>
Operating expenses:		
Company-operated store expenses	202,586	168,728
Advertising expenses	37,918	24,070
Supply and other expenses	34,538	35,228
Selling, general and administrative expenses	132,547	99,382
Depreciation and amortization	19,923	18,114
<b>Total operating expenses</b>	<b>427,512</b>	<b>345,522</b>
<b>Operating income</b>	<b>20,624</b>	<b>81,982</b>
Other (income) expense, net		
Interest expense, net	27,004	28,986
Loss (gain) on foreign currency transactions, net	(531)	3,801
<b>Total other expenses, net</b>	<b>26,473</b>	<b>32,787</b>
(Loss) income before taxes	(5,849)	49,195
Income tax (benefit) expense	(1,462)	18,420
<b>Net (loss) income</b>	<b>(4,387)</b>	<b>30,775</b>
<b>Net (loss) income attributable to Driven Brands Inc.</b>	<b>\$ (4,387)</b>	<b>\$ 30,775</b>

**DRIVEN BRANDS INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**  
**(UNAUDITED)**

<i>in thousands</i>	<b>Common stock, Class A and B</b>	<b>Additional paid-in- capital</b>	<b>Retained earnings</b>	<b>Accumulated other comprehensive income (loss)</b>	<b>Non- controlling interests</b>	<b>Total equity</b>
<b>Balance as of December 30, 2023</b>	\$ 565	\$ 291,426	\$ 364,781	\$ (14,321)	\$ 383	\$ 642,834
Net income	—	—	30,775	—	—	30,775
Other comprehensive income	—	—	—	(3,086)	—	(3,086)
Equity-based compensation expense	—	11,861	—	—	—	11,861
Contributions	—	—	—	—	—	—
<b>Balance as of March 30, 2024</b>	<b>\$ 565</b>	<b>\$ 303,287</b>	<b>\$ 395,556</b>	<b>\$ (17,407)</b>	<b>\$ 383</b>	<b>\$ 682,384</b>
<b>Balance as of December 28, 2024</b>	<b>\$ 565</b>	<b>\$ 339,565</b>	<b>\$ 458,822</b>	<b>\$ (6,207)</b>	<b>\$ —</b>	<b>\$ 792,745</b>
Net income	—	—	(4,387)	—	—	(4,387)
Other comprehensive income	—	—	—	(17,063)	—	(17,063)
Equity-based compensation expense	—	11,788	—	—	—	11,788
<b>Balance as of March 29, 2025</b>	<b>\$ 565</b>	<b>\$ 351,353</b>	<b>\$ 454,435</b>	<b>\$ (23,270)</b>	<b>\$ —</b>	<b>\$ 783,083</b>

**DRIVEN BRANDS INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(UNAUDITED)**

<i>(in thousands)</i>	Three months ended	
	March 29, 2025	March 30, 2024
<b>Net (loss) income</b>	\$ (4,387)	\$ 30,775
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	19,923	18,114
Equity-based compensation expense	11,788	11,861
Loss (gain) on foreign denominated transactions	(1,071)	5,586
(Gain) loss on foreign currency derivative	363	(1,785)
Gain on sale of fixed assets	(1,906)	(6,310)
Bad debt expense	4,348	2,063
Asset impairment costs	5,194	57
Amortization of cloud computing	1,881	1,345
Amortization of deferred financing costs and bond discounts	2,154	2,048
Provision for deferred income taxes	—	3,906
Other, net	(3,464)	5,893
<b>Changes in assets and liabilities:</b>		
Accounts and notes receivable, net	(27,240)	(16,314)
Inventory	2,462	(3,994)
Prepaid and other assets	(9,764)	(1,937)
Related party receivable	26,004	(84,523)
Advertising fund assets and liabilities, restricted	(3,396)	7,650
Other assets	(9,222)	(31,615)
Deferred commissions	(69)	(331)
Deferred revenue	(254)	1,659
Accounts payable	30,983	15,172
Accrued expenses and other liabilities	(11,389)	70,940
Income tax payable	(1,462)	8,564
<b>Cash provided by operating activities</b>	<b>31,476</b>	<b>38,824</b>
<b>Cash flows from investing activities:</b>		
Capital expenditures	(49,557)	(24,464)
Cash used in business acquisitions, net of cash acquired	—	(1,160)
Proceeds from sale-leaseback transactions	5,560	4,550
Proceeds from sale or disposal of businesses and fixed assets	3,625	18,249
<b>Cash provided by (used in) investing activities</b>	<b>(40,372)</b>	<b>(2,825)</b>
<b>Cash flows from financing activities:</b>		
Repayment of long-term debt	(5,725)	(7,616)
Repayment of principal portion of finance lease liability	(1,026)	(867)

<b>Cash provided by financing activities</b>	(6,751)	(8,483)
Effect of exchange rate changes on cash	292	(943)
<b>Net change in cash, cash equivalents, restricted cash, and cash included in advertising fund assets, restricted</b>	(15,355)	26,573
Cash and cash equivalents, beginning of period	129,633	150,581
Cash included in advertising fund assets, restricted, beginning of period	38,930	38,537
Restricted cash, beginning of period	358	657
<b>Cash, cash equivalents, restricted cash, and cash included in advertising fund assets, restricted, beginning of period</b>	168,921	189,775
Cash and cash equivalents, end of period	115,007	172,229
Cash included in advertising fund assets, restricted, end of period	38,227	43,462
Restricted cash, end of period	332	657
<b>Cash, cash equivalents, restricted cash, and cash included in advertising fund assets, restricted, end of period</b>	<u>\$ 153,566</u>	<u>\$ 216,348</u>

**EXHIBIT B-1**

**LIST OF MAACO FRANCHISEES**

**Maaco Centers as of December 28, 2024**

**(363)**

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Alabama (5)

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<b>FRANCHISEE</b>	<b>CENTER NO.</b>	<b>CENTER ADDRESS</b>	<b>CENTER PHONE</b>
MJW Investments, LLC	12906*	3101 3rd Avenue South, Birmingham, AL 35223	205/777-4420
Kaico Enterprises, Inc.	11675	1308 Central Parkway, Decatur, AL 35601	256/351-6353
VERF, L.L.C.	12005	450 Ross Clark Circle, Dothan, AL 36303	334/793-2576
William Pedrick	11874	1610 N. Eastern Boulevard, Montgomery, AL 36117	334/244-9300
MJW Investments, LLC	12555	1021 Shelton Beach Road, Saraland, AL 36571	251/679-7760

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Arizona (9)

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<b>FRANCHISEE</b>	<b>CENTER NO.</b>	<b>CENTER ADDRESS</b>	<b>CENTER PHONE</b>
WHP AZ II LLC	12419	9 N. Roosevelt, Chandler, AZ 85226	480/753-3220
Alsa Auto Corp.	12432	12555 NW Grand Avenue, El Mirage, AZ 85335	623/972-2260
Freedom Auto Paint LLC	11376	7105 N. 51st Avenue, Suite 5, Glendale, AZ 85301	623/842-1005
2ndGen, LLC	11521	3113 East Main Street, Mesa, AZ 85213	480/924-9280
Freedom Auto Paint LLC	12291	2222 W. Deer Valley, Phoenix, AZ 85027	623/581-0933
WHP AZ LLC	12821	2124 East Van Buren Street, Phoenix, AZ 85006	602/273-6129
Freedom Brands LLC	12022	541 6th Street, Prescott, AZ 86301	928/445-9191
Freedom Auto Paint LLC	12165	1992 East University Drive, Tempe, AZ 85281	480/829-6875
WHP AZ LLC	11870	3550 South Palo Verde Road, Tucson, AZ 85706	520/629-0909

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Arkansas (2)

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<b>FRANCHISEE</b>	<b>CENTER NO.</b>	<b>CENTER ADDRESS</b>	<b>CENTER PHONE</b>
Prime Auto Group LLC	12803	3405 Wheeler Avenue, Fort Smith, AR 72901	479/785-5100
Michael Bryars	12809	3972 Cawood Avenue, Springdale, AR 72762	479/361-3551

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California (44)

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<b>FRANCHISEE</b>	<b>CENTER NO.</b>	<b>CENTER ADDRESS</b>	<b>CENTER PHONE</b>
Peter Capdevielle	12558	3627 E. Miraloma Avenue, Anaheim, CA 92806	714/577-9100
Dudziak Corporation	12544	1247 Pomona Road, Unit 107, Corona, CA 92882	951/340-0500
Deepak Hingorani	12592	2014 Harbor Boulevard, Costa Mesa, CA 92627	949/645-4200
J&A Companies Inc.	12585	645 N. Grand Avenue, Covina, CA 91723	626/915-7777
J&A Companies Inc.	12580	11205 Paramount Boulevard, Downey, CA 90241	562/923-0884
DLC Ventures, LLC	12302	1055 Horizon Drive, Fairfield, CA 94533	707/422-7200
J&A Companies Inc.	11431	6750 N. Blackstone Avenue, Fresno, CA 93710	559/439-0339
Harutyun Harutyunyan	12582	13612 Harbor Boulevard, Garden Grove, CA 92843	714/534-6411

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FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
J&A Companies Inc.	12576	13900 S. Western Avenue, Gardena, CA 90249	310/324-6646
J&A Companies Inc.	12581	4515 San Fernando Road, Glendale, CA 91204	818/246-6556
Auto Management, Inc.	12142	1942 National Avenue, Hayward, CA 94545	510/785-8100
Renovation Recon, LLC	12587	27592 Camino Capistrano, Laguna Niguel, CA 92677	949/582-1821
Peter Capdevielle	12423	23141 Orange Avenue, Lake Forest, CA 92630	949/855-4141
J&A Companies Inc.	12590	809 W. Avenue K., Lancaster, CA 93534	661/945-7040
J&A Companies Inc.	12584	2035 Carson Street, Long Beach, CA 90807	562/424-7195
JPEP Inc. Enterprises	12147	1120 Kansas Avenue, Modesto, CA 95351	209/576-7722
RMH Enterprises Inc.	12593	1146 National City Boulevard, National City, CA 91950	619/474-3353
G & H Automotive, Inc.	12076	5647 Watt Avenue, North Highlands, CA 95660	916/334-5556
RMMH Inc.	12374	3215 Production Avenue, Oceanside, CA 92054	760/757-8964
J&A Companies Inc.	12589	788 N. Batavia Street, Orange, CA 92868	714/744-9191
J&A Companies Inc.	12588	1100 Commercial Avenue, Oxnard, CA 93030	805/385-8848
J&A Companies Inc.	12579	793 W. Holt Avenue, Pomona, CA 91768	909/623-9797
Jennkara, Inc.	11632	3095 Sunrise Boulevard, Rancho Cordova, CA 95742	916/635-7776
Aria Julazadeh & Kamran Chini	12250	8605 Utica Avenue, Rancho Cucamonga, CA 91730	909/980-9444
Dudziak Corporation	10900	5925 Payton Avenue, Riverside, CA 92504	951/354-6000
The Ivie Group, Inc.	11392	801 Riverside Avenue, Roseville, CA 95678	916/782-6555
Jason Bluemel	11441	1216 Arden Way, Sacramento, CA 95815	916/565-2760
Sameera Enterprises, Inc.	11848	2700 Florin Road, Sacramento, CA 95822	916/427-6555
Affan Topuzoglu	12594	288 S. E Street, San Bernardino, CA 92401	909/888-0286
Remema, Inc.	11767	5670 Kearny Villa Road, San Diego, CA 92123	858/277-4250
Chi Trinh & Cesar Capistrano	12975	500 Phelan Avenue, San Jose, CA 95112	408/381-3212
Reza Hashemi	12752	827 Rancheros Drive, San Marcos, CA 92069	760/738-4599
MHAL Corp.	12326	1039 West Main Street, Santa Maria, CA 93458	805/352-0095
Fernando "Adam" Rey & Diego Saco	12989	725 E. Easy Street, Simi Valley, CA 93065	805/791-3159
J&A Companies Inc.	12103	10981 Boatman Avenue, Stanton, CA 90680	714/821-5151
Stockton Auto Body, Inc.	11614	2477 N. Wigwam Drive, Stockton, CA 95205	209/546-1777
J. L. Joshua, Inc.	12107	1249 Birchwood Drive, Sunnyvale, CA 94089	408/739-3840
2 Easy Inc.	12591	27561 Commerce Center Drive, Temecula, CA 92590	951/694-8500
Cittadino Enterprises, Inc.	12062	924 West 223rd Street, Torrance, CA 90502	310/533-6023
J&A Companies Inc.	12577	21801 S. Western Avenue, Torrance, CA 90501	310/328-8900
Ka Wai Ola Corporation	12179	777 Elmira Road, Vacaville, CA 95687	707/451-6140
J&A Companies Inc.	12578	6859 Van Nuys Boulevard, Van Nuys, CA 91405	818/988-3790
Arun Sharma, Rajiv Sharma & Anuj Sharma	11231	1571 Goodyear Avenue, Ventura, CA 93003	805/658-6691
Praveen Sharma	12489	12625 E. Whittier Boulevard, Whittier, CA 90602	562/945-6400

Colorado (5)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Monika Coulson	12369	15608 E. 17th Street, Aurora, CO 80011	303/367-9199
M2823 LLC	10850	3216 Chelton Circle, Colorado Springs, CO 80909	719/471-9060
Jenco Industries, Inc.	10707	4910 Oneida Street, Commerce City, CO 80022	303/289-5838
Varco, Inc.	11032	2424 E. Colfax Avenue, Denver, CO 80206	303/377-8817
AI Holding, LLC	12180	1901 Leroy Drive, Northglenn, CO 80233	720/872-9480

Connecticut (3)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Abraham Enterprises LLC	12981	208-A Seymour Avenue, Derby, CT 06418	203/516-5139
George Abraham, Santhosh Abraham, & Jose Abraham	12232	550 N. Main Street, Manchester, CT 06045	860/647-9928
George Abraham	12735	31 Nutmeg Valley Road, Wolcott, CT 06716	203/528-4868



Delaware (1)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Ellie Autoworks LLC	10904	729 Dawson Drive, Delaware Industrial Park, Newark, DE 19713	302/737-8460

Florida (34)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Viera Auto Painting & Collision, Inc.	12186	317 Clearlake Road, Cocoa, FL 32922	321/631-9195
Johnny Sy	12991	511 W. International Speedway Boulevard, Daytona Beach, FL 32114	386/366-7350
PGH International, LLC	12134	1825 S. Powerline Road, Deerfield Beach, FL 33442	954/429-0308
Lauderdale 2552 LLC	12552	716 NW 7th Avenue, Fort Lauderdale, FL 33311	954/990-6585
Global Finance & Insurance Solutions LLC	12317	4118 Fowler Street, Ft. Myers, FL 33901	239/939-2155
MJW Investments, LLC	12557	19 Racetrack Road NE, Ft. Walton Beach, FL 32547	850/864-5456
Jaks Paint Shop, LLC	12246	3222 North Main Street, Gainesville, FL 32609	352/371-4251
B&H Collision, Inc.	10643	5338 San Juan Avenue, Jacksonville, FL 32210	904/387-1664
T.J.P. Enterprises, Inc.	10199	9133 Berry Avenue, Jacksonville, FL 32211	904/721-1617
Learsi Holdings, Inc.	12550	4907 N. University Drive, Lauderhill, FL 33351	954/306-2700
Justin DePasquale & Peter Huber	10951	505 N Highway 17-92, Longwood, FL 32750	407/699-5920
Eduardo Colmenares & Luis Miguel Torres	12001	12250 S. W. 117 Court, Miami, FL 33186	305/233-1774
B3 Group, LLC	12292	4401 U.S. Highway 19, New Port Richey, FL 34652	727/847-9986
AEPV Investment, LLC	12299	13730 NW 6 <sup>th</sup> Court, North Miami, FL 33168	305/825-3313
Keith Carlisle & Julie Carlisle	12800	4515 N. Dixie Highway, Oakland Park, FL 33334	954/900-4231
RG Clermont LLC	11193	2100 South West Pine Avenue, Ocala, FL 34471	352/867-7373
GP Services 1, LLC	11738	310 Blanding Boulevard, Orange Park, FL 32073	904/272-4703
Kamili Enterprises LLC	12533	6601 Old Cheney Highway, Orlando, FL 32807	407/630-6593
Jagdish Patel	12911	7452 Narcoossee Road, Orlando FL 32822	407/635-0122
Peachy Production, LLC	12347	11219 S. Orange Blossom Trail, Orlando, FL 32837	407/850-4111
Value Auto Painting and Body Works, Inc.	11845	917 Mercy Drive, Orlando, FL 32808	407/297-8551
MJW Investments, LLC	12920	4221 US-98, Panama City, FL 32401	850/785-8275
MJW Investments, LLC	10186	189 W. Burgess Road, Pensacola, FL 32503	850/477-0317
Gregorio Delfin Salazar <sup>1</sup>	12656	7200 N. Military Trail, Riviera Beach, FL 33410	561/429-8073
Frank Furino	12547	3199 Suntree Boulevard, Rockledge, FL 32955	321/425-5281
Vigo Group, LLC	12511	3984 Tyrone Boulevard N., Saint Petersburg, FL 33709	727/344-8762
Wardco of Sarasota, Inc.	12303	1570 N. Washington Avenue, Sarasota, FL 34236	941/951-2505
Ravco Enterprises, Inc.	11152	712 Harper Street, Stuart, FL 34994	772/283-5533
M.K.T., Inc.	11558	4317 W. Pensacola Street, Tallahassee, FL 32304	850/575-7124
Ivan Montoya, Jr., Ivan Montoya, Sr. & Cameron Readnour	12214	9808 Palm River Road, Tampa, FL 33619	813/628-6868
Motor Car Finishes, Inc.	10842	5409 Anderson Road, Tampa, FL 33614	813/885-1319
Francisco Perez	12490	1721 E. Fowler Avenue, Tampa, FL 33612	813/972-3244
Chewco, Inc.	11110	78 S. Irwin Avenue, West Melbourne, FL 32904	321/951-4081
Mega Body Shop, LLC	12021	1934 Church Street, West Palm Beach, FL 33409	561/684-3980

<sup>1</sup> Center is considered a closed/reopened location. The former franchisee was terminated for abandonment.

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Georgia (20)

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<b>FRANCHISEE</b>	<b>CENTER NO.</b>	<b>CENTER ADDRESS</b>	<b>CENTER PHONE</b>
Oakbend Enterprises, Inc.	12028	100 Commerce Boulevard, Athens, GA 30606	706/546-4664
Michael Finch & William Perry	12609	1826 Metropolitan Parkway, Atlanta, GA 30315	404/758-8588
MFinch & WPerry Solutions, Inc.	12760	499 Plaza Drive, College Park, GA 30349	404/343-3790
Huntford, LLC	12380	1300-B 5th Avenue, Columbus, GA 31901	706/571-9500
Autorenu, Inc.	12042	1960 Highway 138 NE, Conyers, GA 30013	770/761-9916
Michael Finch & William Perry	12764	13150 Veterans Memorial Highway, Douglasville, GA 30134	770/949-9244
Michael Finch & William Perry	12183	1560 Highway 85 North, Fayetteville, GA 30214	770/460-3390
MFinch & WPerry Solutions, Inc.	12871	445 Forest Parkway, Forest Park, GA 30297	404/366-0080
Michael Finch & William Perry	12379	8284 Tara Boulevard, Jonesboro, GA 30236	770/478-7335
Axle Equity Group LLC	12314	3173 N. Cobb Parkway, Kennesaw, GA 30152	770/966-0151
Michael Finch & William Perry	11996	411 Pike Boulevard, Lawrenceville, GA 30046	770/963-8080
Anthony Locke & Angela Locke	12390	879 Roswell Street NE, Marietta, GA 30060	770/421-1631
Legacy Investor Group Martinez, LLC	12206	3759 Martinez Boulevard, Martinez, GA 30907	706/855-1187
MFinch & WPerry Solutions, Inc.	12779	1830 Mount Zion Road, Morrow, GA 30260	678/422-9304
Jonegan Investments, LLC	12913	304 North Avenue NE, Rome, GA 30161	706/204-8024
Skidaway Capital, LLC	11518	2007 East Victory Drive, Savannah, GA 31404	912/354-3814
Michael Finch & William Perry	12826	3440 S. Cobb Drive SE, Smyrna, GA 30080	678/402-5510
Jay Kempf & Patricia Kempf	12406	3040 Main Street W. (3040 Hwy 78), Snellville, GA 30078	770/972-9044
R&D Enterprises of Georgia, LLC	12275	3757 North Henry Boulevard, Stockbridge, GA 30281	770/507-6630
Cornerstone Marketing II, Inc.	11811	2550 Mountain Industrial Boulevard, Tucker, GA 30084	770/925-9130

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Hawaii (1)

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<b>FRANCHISEE</b>	<b>CENTER NO.</b>	<b>CENTER ADDRESS</b>	<b>CENTER PHONE</b>
Paint Cars Inc.	11909	98-746 Kuahao Place, Pearl City, HI 96782	808/488-2222

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Idaho (1)

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<b>FRANCHISEE</b>	<b>CENTER NO.</b>	<b>CENTER ADDRESS</b>	<b>CENTER PHONE</b>
DGardner, Inc.	12088	9309 Fairview Avenue, Boise, ID 83704	208/376-4992

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Illinois (17)

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<b>FRANCHISEE</b>	<b>CENTER NO.</b>	<b>CENTER ADDRESS</b>	<b>CENTER PHONE</b>
Pritam Auto Color, Inc.	11860	12 W. Interstate Road, Addison, IL 60101	630/691-8855
Schefflo, Inc.	12688	413 E. Stewart Street, Bloomington, IL 61701	309/585-4114
Shri S.N. Das, Inc.	12211	252 Commonwealth Drive, Carol Stream, IL 60188	630/752-9240
Amar Patel	12750	212 S. Western Avenue, Carpentersville, IL 60110	847-551-5299
A&P Auto Color Inc.	11657	6740 S. Western Avenue, Chicago, IL 60636	773/776-7374
Platinum Collision LLC	12395	4722 W. Harrison Street, Chicago, IL 60644	773/287-8800
Pramukh Auto Services, Inc.	11356	8383 S. South Chicago Avenue, Chicago, IL 60617	773/933-7373
BTK AutoGroup LLC	12990	3232 W. Grandville, Waukegan, IL 60085	224/214-3909
Chirag Patel & Jagdish Patel	12891	1256 Rand Road, Des Plaines, IL 60016	847/827-0164

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Jagdish Patel	12387	1716 E Oakton Street, Des Plaines, IL 60018	847/390-0500
Jagdish Patel	12622	2170 S. Mannheim Road, Des Plaines, IL 60018	847/699-9490
Mathews Auto Painting & Bodyworks, Inc.	11647	14739 S. Greenwood Avenue, Dolton, IL 60419	708/849-5800
VRAJ Auto Services Inc.	11993	255 W. Northwest Highway, Palatine, IL 60067	847/991-9970
Robert Pohl	10048	4748 N. Brandywine Drive, Peoria, IL 61614	309/685-4748
Engeman Franchising, Inc.	12230	4208 N. Illinois Street, Swansea, IL 62226	618/233-8060
Truck Fleet One LLC	12997	10938 S. Torrence Avenue, Chicago, IL 60617	773/221-8800
Renew Enterprises Inc.	11205	1026 Milwaukee Avenue, Wheeling, IL 60090	847/541-2290

Indiana (5)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
American Trading Corporation	11155	5880 E. 71st Street, Indianapolis, IN 46220	317/842-3490
Amtraco Investment Corporation	12124	10501 East Washington Street, Indianapolis, IN 46229	317/899-3100
Mohammed Sayyah	11615	511-B E. Werges Street, Indianapolis, IN 46227	317/971-8888
S P Trading Company	11117	3115 Lafayette Road, Indianapolis, IN 46222	317/925-9900
Patel Brothers Auto Services, Inc.	11297	747 65th Street, Schererville, IN 46375	219/865-1441

Iowa (1)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Schmidt Enterprises, Inc.	10117	1998 NW 92nd Court, Clive, IA 50325	515/223-6037

Kansas (1)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Jared McCart	11941	8787 Lenexa Drive, Overland Park, KS 66214	913/888-0770

Louisiana (3)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
MJW Investments, LLC	12988	14151 Florida Boulevard, Baton Rouge, LA 70819	225/272-0045
MJW Investments, LLC	12869	201 Lapalco Boulevard, Gretna, LA 70056	506/766-7785
PAK MAACO Investments, Inc.	11642	1243-5 Veterans Boulevard, Kenner, LA 70062	504/468-1404

Maine (1)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Carnu, Inc.	10056	24 Morrill Street, Portland, ME 04103	207/878-9066

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Maryland (10)

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FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
R. & E. BODY & PAINT, Inc.	11252	4030 North Point Boulevard, Baltimore, MD 21222	410/477-2800
Express Auto Painting, Inc.	12983	30487 Potomac Way, Charlotte Hall, MD 20622	240/203-0819
Carriage Crafters, Inc..	11281	9101 51st Place, College Park, MD 20740	301/345-7727
Zadco Enterprises, Inc..	12284	8184-8186 Beechcraft Avenue, Gaithersburg, MD 20879	301/355-7955
Annoco, Inc.	12328	140 S. Azar Avenue, Glenburnie, MD 21060	410/766-5373
Zackkan, Inc., INC.	11887	1101 Conrad Court, Hagerstown, MD 21740	240/420-0090
Pedro Chavarria-Castro, Sr. & Pedro Antonio Chavarria, Jr.Hooman Sabet	12295	7361 Assateague Drive, Jessup, MD 20794	443/755-0690
Frost Enterprises, Inc.	12123	8660 Cherry Lane, Suite 1-3, Laurel, MD 20707	301/490-3300
K & K LLOYD, L.L.C.	11273	2730 Garfield Avenue, Silver Spring, MD 20910	301/495-7314
DMM3 Unit 1 LLC	12652	5301 Southwest Crain Highway, Upper Marlboro, MD 20772	240/510-3691

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Massachusetts (8)

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FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Attleboro Autopainting, Inc.	11083	81 West Street, Attleboro, MA 02703	508/226-6557
Master Auto Body, Inc.	10861	1030 Morrissey Boulevard, Boston, MA 02122	617/282-3400
SJM Sons Autobody Inc.	11064	84 Westgate Drive, Brockton, MA 02301	508/586-2800
Tyson Corporation	10239	47 River Street, Dedham, MA 02026	781/329-7789
Adel Dasmah	11575	874 Edgell Road, Framingham, MA 01701	508/877-4858
P & S, INC.	10773	154 Middlesex Street, N. Chelmsford, MA 01863	978/251-3000
Precision Collision Repair and Auto Painting, Inc.	11682	58 Pulaski Street, Peabody, MA 01960	978/532-1420
H & T ENTERPRISES	11269	78 Sylvan Street, W. Springfield, MA 01089	413/732-0086

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Michigan (6)

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FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Roadway Business Management LLC	12814	18250 Plymouth Boulevard, Detroit, MI 48228	313/213-4452
TPMJ, Inc.	12310	32754 West Eight Mile Road, Farmington, MI 48336	248/442-8510
Sevi, Inc.	10852	10669 Northend, Ferndale, MI 48220	248/541-3147
Great Lakes Venture Group LLC	12603	1250 W. Hamlin Rd. Rochester Hills, MI, 48309	248/402-3957
Fleet Collision, LLC	12805	6794 Brandt Street, Romulus, MI 48174	734/721-3600
R.B. Collision Company, L.L.C.	10883	28460 Groesbeck Highway, Roseville, MI 48066	586/777-9400

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Minnesota (4)

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FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
CL Riverwood Corp.	11970	12220 Riverwood Drive, Burnsville, MN 55337	952/736-7991
Reeves Automotive, Inc.	11262	3245 Country Drive, Little Canada, MN 55117	651/484-8421
S.C.D. Automotive, Inc.	12345	8765 Jefferson Highway, Osseo, MN 55369	763/425-4497
McClure Automotive, Inc.	12129	7004 Oxford Street, St. Louis Park, MN 55426	952/500-8900

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Mississippi (3)

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FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
MJW Investments, LLC	12610	15230 Creosote Road, Gulfport, MS 39503	228/214-3200
MJW Investments, LLC	11764	1915 Lincoln Road, Hattiesburg, MS 39402	601/264-2000
K&G Investments of MS LLC	12890	995 Coley Road, Tupelo, MS 38801	662/432-4925

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Missouri (8)

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FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
SFMM, LLC	12993	1510 Progress W. Lane, O Fallon, MO 63366	636/339-2410
Colabella Enterprises, LLC	12308	6117 North Lindbergh, Hazelwood, MO 63042	314/895-6262
J.M. Automotive LLC	12176	2605 Hub Drive North, Independence, MO 64055	816/478-6511
JD Automotive, LLC	12113	8916 Troost Avenue, Kansas City, MO 64131	816/333-7127
James Werner	11574	840 South Kirkwood Road, Kirkwood, MO 63122	314/821-4433
Transformative Auto Group, LLC	12082	1405 W. Chestnut Expressway, Springfield, MO 65802	417/831-4747
Transformative Auto Group LLC	12885	431 W. Bryant Street, Springfield, MO 65810	417/720-1217
Cristal Autoworks, Inc.	11497	3905 Reavis Barracks Road, St. Louis, MO 63125	314/544-5300

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Montana (1)

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FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Shilhanek, Inc.	12069	2475 Enterprise Avenue, Billings, MT 59102	406/652-4022

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Nebraska (1)

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FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Johnny 300 800 and 2, Inc.	10192	2309 North 73rd Street, Omaha, NE 68134	402/392-1527

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Nevada (3)

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FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
J&A Companies Inc.	12787	1010 N. Stephanie, Street B, Henderson, NV 89014	702/909-7280
J&A Companies Inc.	12597	4475 Spring Mountain Road, Las Vegas, NV 89103	702/247-1237
J&A Companies Inc.	11854	4120 East Craig Road, North Las Vegas, NV 89030	702/643-0725

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New Jersey (22)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
R.A Collision Corp	12293	500 Rt. 73 South, Berlin, NJ 08009	856/809-1144
Nicron, Inc.	11947	201 Carriage Lane, Delran, NJ 08075	856/461-9400
Reotrade Inc.	12150	17-H Edgeboro Road, East Brunswick, NJ 08816	732/390-9266
ERS Auto Collision Inc.	11746	77 Highway 35, Keyport, NJ 07735	732/203-9333
ERS Auto Collision Inc.	12684	395 Clark Street, Keyport, NJ 07735	732/739-2886
Trawinco LLC	11236	1299 State Highway #88, Lakewood, NJ 08701	732/905-2999
Jats Transportation LLC	11088	230 Gloucester Pike, Lawnside, NJ 08045	856/546-8484
Garwood Auto Body, Inc.	12098	1000 E. Elizabeth Avenue, Linden, NJ 07036	908/486-0220
Pak Autoworks LLC	11387	652 Buttonwood Avenue, Maple Shade, NJ 08052	856/667-4500
Z & M Group Inc.	12040	1101 Highway 33, Neptune, NJ 07753	732/774-5771
FB Autobody Inc.	12323	1515 Livingston Avenue, North Brunswick, NJ 08902	732/249-1777
ERS Enterprises LLC	12027	1130 Convery Boulevard, Perth Amboy, NJ 08861	732/324-2222
Asheem Asthana, Arjav Parikh & Umang Soni	12637	1652 S. 2nd Street, Plainfield, NJ 07063	732/520-2400
RE-LI of Atlantic County	10277	101 Devins Lane, Pleasantville, NJ 08232	609/646-8125
JB Polstar LLC	11640	295 Route 46, Rockaway, NJ 07866	973/625-2424
Muhammad Kashif, & Mohammad Ahmed	12674	1641 Route 322, Swedesboro, NJ 08085	856/214-3463
Jatts Auto Body LLC	12336	46 Gilbert Street South, Tinton Falls, NJ 07701	732/842-9202
STR Auto and Collision LLC	10236	242 Dover Road, Toms River, NJ 08757	732/240-4626
Palmer & Songs, Inc.	10097	1460 Prospect Street, Trenton, NJ 08638	609/883-8681
Ronald Raio	12702	269 Jessup Road, West Deptford, NJ 08086	856/202-5914
Mohammad Ehtesham	12409	2333 Route 22, Building C, West Union, NJ 07083	908/687-7474
Rizwan Afzal & Irm Shahzadi	12649	92 N. Main Street, Windsor, NJ 08561	609/371-0005

New Mexico (1)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
WAJ Enterprises, LLC	12141	4701 McLeod, Albuquerque, NM 87109	505/883-7414

New York (8)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Michael Ryan	10977	491 Central Avenue, Albany, NY 12206	518/482-0876
Group Of Baichans, Inc.	11333	53-24 98th Street, Corona, NY 11368	718/786-0966
Gelardi Autobody, Inc.	12807	38 Route 9, Fishkill, NY 12524	845/897-3900
K & P Auto Body Inc.	12046	63 Polk Avenue, Hempstead, NY 11550	516/565-0800
Joseph Defrancesco	12638	500 Hicksville Road, Massapequa, NY 11758	516/799-0090
Arya Auto Inc.	11344	801 South Fulton Avenue, Mt. Vernon, NY 10550	914/664-1444
1741 Chrysler Corporation	11554	1741 Chrysler Avenue, Schenectady, NY 12303	518/372-4440
Kevin Chean	12948	2089 Richmond Terrace, Staten Island, NY 10302	718/447-7506

North Carolina (15)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Great American Car Rental, Inc.	11901	6315 South Boulevard, Charlotte, NC 28217	704/553-7078
Tryon Shiny Cars, LLC	11619	5753 N. Tryon Street, Charlotte, NC 28213	704/596-5300
Phillip Collins	12417	1406 Christian Street, Durham, NC 27705	919/382-0660

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
PJC Management Group, LLC	12006	2165 Skibo Road, Fayetteville, NC 28314	910/323-3141
Phillip Collins	12523	425 E. Long Avenue, Gastonia, NC 28054	704/864-0802
Phillip Collins	11652	135 Auto Park Drive, Graham, NC 27253	336/222-9618
Collico, Inc.	11552	2200 N. Church Street, Greensboro, NC 27405	336/691-0046
Pete Schwartz	12783	610 SW Greenville Boulevard, Greenville, NC 27834	252/227-4154
Phillip Collins	12068	1964 15th Avenue Place SE, Hickory, NC 28602	828/322-6171
PJC Management Group, LLC	12096	108 Westover Drive, High Point, NC 27265	336/889-8333
Phillip Collins	12524	512 E. Plaza Drive, Mooresville, NC 28115	704/230-1724
North Raleigh Collision LLC	12178	5100 Atlantic Avenue, Raleigh, NC 27616	919/872-6380
Maaco Paint & Body of Wilkes, LLC	12944	3386 West US Highway 421, Wilkesboro, NC 28697	336/973-1092
Parker & Company Coastal, Inc.	11969	110 Harley Road, Wilmington, NC 28405	910/798-0810
Phillip Collins	11813	1650 Silas Creek Parkway, Winston-Salem, NC 27127	336/777-1366

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North Dakota (1)

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FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Henry Holtgard	12808	401 40 Street, Fargo, ND 58103	701/540-6943

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Ohio (3)

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FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Dealers Painting Systems, Inc.	11551	1500 Bauer Boulevard, Akron, OH 44305	330/733-6294
PKD, Inc.	10028	3474 Needmore Road, Dayton, OH 45414	937/236-6700
Xyzit Auto Body Shop LLC	12995	4570 Edgewyn Avenue, Hilliard, OH 43026	614/319-3264

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Oklahoma (3)

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FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Collision Repair Unit 8 OK, LLC	11664	400 East I-240, Oklahoma City, OK 73149	405/632-8838
Collision Repair Unit 11 OK, LLC <sup>2</sup>	11666	8100 North Rockwell, Oklahoma City, OK 73132	405/722-7000
Richard Barnett	13002	407 South Peoria Avenue, Tulsa, OK 74120	918/609-3339

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Oregon (3)

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FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Winetrou, Inc.	10167	1465 Railroad Boulevard, Eugene, OR 97402	541/342-2128
TM Companies, LLC	12772	10213 NE Marx Street, Portland, OR 97220	503/303-0077
PAG Portland LLC	12334	2529 North Ross Avenue, Portland, OR 97227	503/281-3312

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<sup>2</sup> Center is considered a closed/reopened location. The former franchisee was terminated for abandonment.

Pennsylvania (13)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Kitija Too Auto LLC	12788	3344 Market Road, Aston, PA 19014	610/494-6421
Johnathan Blake, Inc.	12522	25 W 4th Street, Bridgeport, PA 19405	484/704-7529
BA-GIL, Inc.	11026	601 South 17th Street, Harrisburg, PA 17104	717/232-4281
Akram Rihawi & Lana Iskandarani	12352	246 E. County Line Road, Hatboro, PA 19040	215/839-3844
Conover Collision LLC	12416	1277 Manheim Pike, Lancaster, PA 17601	717/299-5778
Althom, Inc.	10953	6498 Carlisle Pike, Mechanicsburg, PA 17050	717/766-8501
Gary Schneider, Jaren Kirkland, Andrew Martens, Laurence Langston, & Ryan Leist	12203	412 Route 202, Montgomeryville, PA 18936	215/362-2406
Thomas Andrews	12507	1841 W. Lincoln Highway, Penndel, PA 19047	215/752-0100
Orlando Cedres, Angelo Demarco & David Demarco	12194	7673 Frankford Avenue, Philadelphia, PA 19136	215/332-1000
Demarco's Collision Experts, LLC	12190	9909A Bustleton Avenue, Philadelphia, PA 19115	215/676-2727
Johnathan Blake, Inc.	12606	5091 Umbria St - R, Philadelphia, PA 19128	267/297-7034
AJR, Inc.	11555	3645 Pottsville Pike, Reading, PA 19605	610/929-4417
Thomas Scheer	10047	1777 Whiteford Road, York, PA 17402	717/741-0855

Puerto Rico (2)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Mayorga & Perez, Inc.	11588	Kilometer 16.6, State Road 2, Toa Baja, PR 00949	787/251-4545
Mayorga & Perez, Inc.	12512	Saint Just Carr, #848, Kilometer 1.8, Truiilo Alto, PR 00976	787/257-3535

Rhode Island (1)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Automobile Restoration Unlimited, Inc.	10987	1452 Park Avenue, Cranston, RI 02920	401/943-1100

South Carolina (10)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
PJC Management Group, LLC	12185	1433A Pearman Dairy Road, Anderson, SC 29625	864/224-8282
F & L Defilippo, Inc.	11991	1974 Sam Rittenberg Boulevard, Charleston, SC 29407	843/763-0020
Phillip Collins	12355	2465 Decker Boulevard, Columbia, SC 29206	803/736-0581
Mitchell Calhoun & Michael Calhoun	11934	610 W. Lucas Street, Florence, SC 29501	843/667-1440
Lumo, Inc.	11868	350 N. Pleasantburg Drive, Greenville, SC 29607	864/232-2811
Greer Auto Painting, LLC	12470	102 Executive Drive, Greer, SC 29651	864/655-5995
PJC Management Group, LLC	12083	1329 Highway 501, Myrtle Beach, SC 29577	843/839-9199
Erdman Enterprises Corp.	12257	5786 Dorchester Road, North Charleston, SC 29418	843/767-8565
Anson Autobody & Paintworks, LLC	11799	1405 Cherry Road, Rock Hill, SC 29732	803/980-3440
PJC Management Group, LLC	12902	205 John B White Sr. Drive, Spartanburg, SC 29306	864/310-6801



Tennessee (6)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
JETA, L.L.C.	11372	5169 Hickory Hollow Parkway, Antioch, TN 37013	615/731-8877
GLASACAM CO., LLC	10169	4005 Dodds Avenue, Chattanooga, TN 37407	423/867-7134
JAS Total Enterprises, LLC	12845	6397 Summertgate Drive, Memphis, TN 38134	901/453-6203
Memphis Fleet LLC	11662	5653 Mt. Moriah Road, Memphis, TN 38115	901/370-5999
John Anthony	11902	1419 NW Broad Street, Murfreesboro, TN 37129	615/867-1222
Novistas LLC	12026	1211 Foster Avenue, Nashville, TN 37210	615/255-7471

Texas (36)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
WHP TX II LLC	11806	10200 N. Lamar Boulevard, Austin, TX 78753	512/821-2700
KSP Holdings, LLC	12429	3200 Decker Drive, Baytown, TX 77520	281/422-2100
Collision Repair, LLC	12712	216 Exchange Street, Burleson, TX 76028	817-447-7501
Kelley's Unlimited II, Inc.	11744	2814 South Padre Island Drive, Corpus Christi, TX 78415	361/854-4671
Collision Repair, LLC	12849	2520 W. Northeast Highway, Dallas, TX 75220	469/857-5794
Collision Repair Unit 9, LLC	12078	2115 Sadau Court, Denton, TX 76210	940/565-9505
Cidlik Incorporated	12746	3215 W. Euless Boulevard, Euless, TX 76040	817/283-2801
Collision Repair, LLC	12089	7229 S. Hulen Street, Fort Worth, TX 76133	817/263-6398
Collision Repair Unit 7, LLC	12843	5901 Park Vista Circle, Fort Worth, TX 76244	817/431-0550
Collision Repair Unit 10, LLC	11385	913 East Walnut Street, Garland, TX 75040	972/272-7535
SUN-KL, Inc.	12318	3560 Old Spanish Trail, Houston, TX 77021	713/741-7444
WHP TX I LLC	11050	5016 Airline Drive, Houston, TX 77022	713/699-3821
Crescent Automotive LLC	12171	13501 Westheimer Street, Houston, TX 77077	281/493-4510
WHP TX III LLC	11428	5625 Bellaire Boulevard, Houston, TX 77081	713/667-5464
Javed Hashim	12440	3423 1/2 FM 1960 Road West, Humble, TX 77338	281/821-1771
SEB Auto Group LLC	12059	2434 North Story Road, Irving, TX 75062	972/594-8301
WHP TX II LLC	12346	510 South Mason Road, Katy, TX 77450	832/437-4665
Kim's Jim's Repair, Inc.	12256	1002 N. Twin Creek, Killeen, TX 76543	254/526-4079
Boston Ventures LLC	11986	1440 N. Beckley Avenue, Lancaster, TX 75134	972/224-3909
WHP TX I LLC	12539	1109 Gulf Freeway, League City, TX 77573	832/632-2144
Lewvia Inc.	12777	2251 FM 1187, Mansfield, TX 76063	817/225-6922
Peter Chang & Lucia Chang	12694	190 Industrial Boulevard, McKinney, TX 75069	214/491-6110
Collision Repair, LLC	12848	3216 Interstate 30, Mesquite, TX 75150	214/954-7433
Rapid Royal Enterprises, Inc.	12741	1197 Eikel Street, New Braunfels, TX 78130	830/214-0770
Syed Hussain & Rahima Hussain	12435	1011 N. Main Street, Pearland, TX 77581	832/230-8989
DEDE Body, Paint & Beyond, LLC	12952	16040 Central Commerce Drive, Pflugerville, TX 78660	512/919-4833
Collision Repair Unit 6 LLC	12790	1205 Summit Avenue, Plano, TX 75074	214/227-8572
Hollas Enterprises, Inc.	12857	4500 Interstate Highway 30, Rockwall, TX 75087	469/769-1924
EGM Xpress Inc.	12824	126 Clarence Street, San Antonio, TX 78212	210/634-9320
Ritzval LLC	12733	6413 Walzem Road, San Antonio, TX 78239	210/637-0962
Alberto Jose Villarreal Caceres & Ana Dolores Caceres Villasmil	12786	3230 Spring Cypress Road, Spring, TX 77388	281/771-5591
Renzo Ormsbee	12847	507 Dulles Avenue, Stafford, TX 77477	832/539-1647
Shahnawaz Automotive LLC	12007	12050 Highway 6 South, Sugarland, TX 77478	281/933-2323
David Martin	12910	2110 Anthony Drive, Tyler, Texas 75701	903/437-4300
WHP TX V LLC	11017	1010 Franklin Avenue, Waco, TX 76701	254/756-7205
Collision Repair, LLC	12850	12 Regency Drive, Wylie, TX 75098	214/693-1578

Utah (3)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Arthur Pluim	12030	1305 West Hill Field Road, Layton, UT 84041	801/444-3757
Paul Mortenson	12425	43 S. 1000 W., Logan, UT 84321	435/563-1222
Pappy's Enterprises, LLC	11290	8411 S. State Street, Sandy, UT 84070	801/255-7799

Virginia (19)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Alfred Inge & Katie Inge	12785	2207A Smith Avenue, Chesapeake, VA 23320	757/424-2003
Tidewater Auto Painting Incorporated	10669	2207 Smith Avenue, Chesapeake, VA 23320	757/424-2003
J and L Collision, Inc.	11755	11820 Route 1, Chester, VA 23831	804/748-9872
Brian Nichols Enterprises LLC	11788	3308 Route 29 North, Danville, VA 24540	434/836-9101
Nichols Auto Worx LLC	11892	1100 Kemper Street, Lynchburg, VA 24501	434/846-8553
PVA Capital LLC	11661	40 Seyler Drive, Petersburg, VA 23805	804/861-4330
Shore Capital, LLC	12391	3937 Turnpike, Portsmouth, VA 23701	757/399-7400
CD & PB Enterprises, LLC	11958	3737 Hull Street, Richmond, VA 23224	804/231-9353
Timothy Inge	11343	3701 Hendricks Road, Midlothian, VA 23112	804/355-6500
L & K Collision, LLC	10687	9407 Old Staples Mill Road, Richmond, VA 23228	804/264-2733
LBD Collision Repair, LLC	11569	863 Research Road, Richmond, VA 23236	804/794-9714
PJC Management Group, LLC	12498	1711 Williamson Road NE, Roanoke, VA 24012	540/981-1610
James Lee & Jae Lee	11001	7661B Fullerton Road, Springfield, VA 22153	703/455-0003
Allan Edwards	12192	21585 Cedar Lane, Unit B, Sterling, VA 20166	703/430-5824
BiG Paint Works, LLC	12830	4796 Bridge Road, Suffolk, Virginia, 23435	757/484-4117
Peter Uzdavinis	12361	1321 Diamond Springs Road, Virginia Beach, VA 23455	757/464-2980
VB Capital, LLC	11533	3641 Bonney Road, Virginia Beach, VA 23452	757/463-1195
David Walker & Bruce Windish	12431	1457 Harpers Road, Virginia Beach, VA 23454	757/425-5600
Philly Clan, Inc.	11726	240 Prosperity Drive, Winchester, VA 22602	540/868-9511

Washington (13)

FRANCHISEE	CENTER NO.	CENTER ADDRESS	CENTER PHONE
Vinh Pham & Hongdiem Tram	12398	1515 Iowa Street, Bellingham, WA 98229	360/393-3638
Allen Nicholson Corporation	11637	911 Union Avenue, Bremerton, WA 98312	360/373-0577
CNF Enterprises, LLC	11216	13646 First Avenue S., Burien, WA 98168	206/695-2784
V.E.P. Inc.	12195	9505 Evergreen Way, Everett, WA 98204	425/347-8555
Scropo Co., LLC	11753	8605 W. Clearwater Avenue, Kennewick, WA 99336	509/783-3196
JHAB 1 Co.	12421	1020 Central Avenue South, Kent, WA 98032	253/520-7777
Coatiz Collision Repair Inc	12252	12314 Meridian Street East, Puyallup, WA 98373	253/845-2026
Jon Veenendaal, Vicki Veenendaal, Jon Tyler Veenendaal, & Paul Veenendaal	12169	19217 Aurora Avenue North, Shoreline, WA 98133	206/546-9322
MPSP LLC	12404	422 E. Francis Avenue, Spokane, WA 99208	509/483-8528
MPSP LLC	11931	16011 E. Sprague Avenue, Spokane Valley, WA 99037	509/755-0404
Thomas Nugent	11401	3502 South Pine Street, Tacoma, WA 98409	253/472-6511
JHAB 2 CO.	11952	2735 NE Andresen Road, Vancouver, WA 98661	360/254-0555
Clayton Eng	12517	16140 Woodinville-Redmond Road NE, Woodinville, WA 98072	425/398-1212

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West Virginia (1)

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<b>FRANCHISEE</b>	<b>CENTER NO.</b>	<b>CENTER ADDRESS</b>	<b>CENTER PHONE</b>
Gary Schneider, Laurence Langston, Jaren Kirkland & Andrew Martens	12971	1357 Edwin Miller Boulevard, Martinsburg, WV 25404	304/944-0783

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Wisconsin (6)

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<b>FRANCHISEE</b>	<b>CENTER NO.</b>	<b>CENTER ADDRESS</b>	<b>CENTER PHONE</b>
Key Enterprises, Inc.	12984	N982 Craftsmen Drive, Greenville, WI 54942	920/903-1063
Inspire Automotive Management, Inc.	11856	4416 Pflaum Road, Madison, WI 53716	608/222-0808
Steven Townsend	12978	N56W13306 Silver Spring Road, Menomonee Falls, WI 53051	262/439-8119
John Bluemel & Laurie Bluemel	12137	4128 South 13th Street, Milwaukee, WI 53221	414/282-4567
Hayquin Enterprises, Inc.	12050	2775 S. 166th Street, New Berlin, WI 53151	262/784-9540
Jess Besgrove & Sally Besgrove	12865	1921 S. West Avenue, Waukesha, WI 53189	262/899-0065

## **EXHIBIT B-2**

### **LIST OF MAACO FRANCHISEES WHO HAVE LEFT THE SYSTEM**

**Franchisees who ceased doing business during 2024**

**If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.**

#### **TERMINATIONS (19)**

<b>FRANCHISEE</b>	<b>CENTER NO.</b>	<b>CITY</b>	<b>STATE</b>	<b>PHONE</b>
Central Arkansas Auto Painting, LLC	12104	Little Rock	AR	918/613-3509
CLKCO, LLC	12802	Sherwood	AR	918/613-3509
Premier Collision Group Inc.	12671	Bakersfield	CA	Unknown
Joseph T. Ambuul	11207	Colorado Springs	CO	719/201-3839
Defco Auto Group, LLC	12768	Lakeland	FL	201/532-4585
J & L Auto Services LLC	12669	Land O Lakes	FL	Unknown
Defco Auto Group, LLC	12181	West Palm Beach	FL	201/532-4585
EJA Enterprises, Inc.	12101	Gainesville	GA	770/490-8204
Auto Doctor of Lafayette, LLC	11888	Lafayette	IN	Unknown
Wichita State MAA LLC	12924	Wichita	KS	918/613-3509
Doyon Enterprises, Inc.	12359	Lawrence	MA	603/731-9473
RPCV Autobody, LLC	12054	New Bedford	MA	774/406-0556
Better Than New, Inc.	12861	Grand Rapids	MI	616/915-8096
PJF Management Group, LLC	12111	Charlotte	NC	336/215-6946
EFJ Auto Painting of Middlesex, LLC	12212	Middlesex	NJ	908/670-9210
T Town Maaco, LLC	12043	Tulsa	OK	918/613-3509
BTL Midway, LLC & Fort Auto City Painting, LLC	12087	Clarksville	TN	918/613-3509
Merrimack, LLC & Maaco Vols, LLC	12247	Knoxville	TN	918/613-3509
V.E.P. East, Inc.	12287	Bellevue	WA	425/385-3490

#### **CLOSURES**

**None.**

**TRANSFERS (16)**

<b>FRANCHISEE</b>	<b>CENTER NO.</b>	<b>CITY</b>	<b>STATE</b>	<b>PHONE</b>
Justin DePasquale & Peter Huber	10951	Longwood	FL	407/388-0215
RG Clermont LLC	11193	Ocala	FL	352/867-7373
RG Altamonte	12533	Orlando	FL	321/247-5563
Axle Equity Group LLC	12314	Kennesaw	GA	770/966-0151
Johnny 300 800 and 2, Inc.	10192	Omaha	NE	402/392-1527
Keyport Enterprise LLC	11746	Keyport	NJ	732/203-9333
ERS Auto Collision Inc.	12684	Keyport	NJ	732/739-2886
FB Autobody Inc.	12323	North Brunswick	NJ	732/249-1777
STR Auto and Collision LLC	10236	Toms River	NJ	732/240-4626
Erdman Enterprises Corp.	12257	North Charleston	SC	843/767-8565
Memphis Fleet LLC	11662	Memphis	TN	901/746-9808
Novistas LLC	12026	Nashville	TN	615/255-7471
Collision Repair Unit 10, LLC	11385	Garland	TX	972/272-7535
Crescent Automotive LLC	12171	Houston	TX	281/493-4510
EGM Xpress Inc.	12824	San Antonio	TX	210/634-9320
Coatiz Collision Repair Inc.	12252	Puyallup	WA	253/845-2026

**NON-RENEWALS (0)**

**None.**

**EXHIBIT B-3**

**NON-OPERATIONAL MAACO FRANCHISEES**

**As of December 28, 2024**

**FRANCHISE AGREEMENTS SIGNED  
BUT MAACO CENTERS NOT YET OPEN (126)**

<b>CENTER NO.</b>	<b>FRANCHISEE</b>	<b>CITY</b>	<b>STATE</b>	<b>PHONE</b>
12921	MJW Investments, LLC	Mobile	AL	706/566-2965
12897	WHP Holdings LLC	Phoenix	AZ	203/247-4993
12898	WHP Holdings LLC	Phoenix	AZ	203/247-4993
12899	WHP Holdings LLC	Phoenix	AZ	203/247-4993
12900	WHP Holdings LLC	Phoenix	AZ	203/247-4993
12901	WHP Holdings LLC	Phoenix	AZ	203/247-4993
12928	Vicente Buenrostro & Maria Buenrostro	Fresno	CA	Unknown
12559	Peter Capdevielle	Los Angeles-Long Beach	CA	949/422-3994
12878	Harutyun Harutyunyan	Los Angeles-Long Beach	CA	818/267-0333
12859	Mohammad R. Taherian	Los Angeles-Ventura	CA	424/270-4442
12967	Gregory Scott	Riverside	CA	Unknown
12968	Gregory Scott	Riverside	CA	Unknown
12969	Gregory Scott	Riverside	CA	Unknown
12976	Jason Bluemel	Sacramento	CA	Unknown
12977	Jason Bluemel	Sacramento	CA	Unknown
12975	Cesar Capistrano & Chi Trinh	San Jose	CA	Unknown
12738	George V. Abraham	Hartford	CT	203/331-1832
12411	James Shallo	Hartford	CT	914/497-4110
12699	Mark Fahlberg	Washington	DC	703/307-7580
12700	Mark Fahlberg	Washington	DC	703/307-7580
12701	Mark Fahlberg	Washington	DC	703/307-7580
12561	Zachary Kandrick	Washington	DC	301/660-1334
12613	Santiago Lopez	Miami	FL	407/920-1540
12932	Victor Navarro	Miami	FL	Unknown
12568	Russell Warder	Miami	FL	561/371-2094
12911	Jagdish Patel	Orlando	FL	219/924-5150
12922	MJW Investments, LLC	Panama City	FL	706/566-2965
12923	MJW Investments, LLC	Panama City	FL	706/566-2965
12657	Carlos Andara, Luis Maldonado, Luis Vivas, Daiyalis, Vivas, & David Vivas	West Palm Beach-Boca Raton-Delray Beach	FL	786/ 213-8333
12692	Carlos Andara, Luis Maldonado, Luis Vivas, Daiyalis, Vivas, & David Vivas	West Palm Beach-Boca Raton-Delray Beach	FL	786/213-8333
12987	Jason Walker	Miami	FL	Unknown
12973	Michael Finch & William Perry	Atlanta	GA	Unknown
12974	Michael Finch & William Perry	Atlanta	GA	Unknown
12615	Ryan Thornton	Honolulu	HI	808/358-7338
12616	Ryan Thornton	Honolulu	HI	808/358-7338
12617	Ryan Thornton	Honolulu	HI	808/358-7338
12410	Kimberly Klepec, Jeffrey Klepec, & Matthew Klepec	Bloomington-Normal	IL	309/319-1260
12720	Sam Albitouni	Chicago	IL	773/419-1474
12751	Amar Patel	Chicago	IL	847/381-5173
12998	Jagdish Patel	Chicago	IL	718/372-0445
12756	Atticus Franchise Group, LLC	Baton Rouge	LA	Unknown
12919	MJW Investments, LLC	New Orleans	LA	706/566-2965
12936	MJW Investments, LLC	New Orleans	LA	706/327-8606
12937	MJW Investments, LLC	New Orleans	LA	706/327-8606
12938	MJW Investments, LLC	New Orleans	LA	706/327-8606

<b>CENTER NO.</b>	<b>FRANCHISEE</b>	<b>CITY</b>	<b>STATE</b>	<b>PHONE</b>
12949	Collision Consolidation Company LLC	Baltimore	MD	517/240-2895
12950	Collision Consolidation Company LLC	Baltimore	MD	517/240-2895
12601	Greg Obiemeke & Josephine Obiemeke	Baltimore	MD	443/531-0462
12602	Greg Obiemeke & Josephine Obiemeke	Baltimore	MD	443/531-0462
12983	Express Auto Painting, Inc.	Charlotte Hall	MD	Unknown
12970	Marland Holdings, LLP	Hagerstown	MD	Unknown
12662	Christopher Zammito & Paul Zammito	Boston	MA	774/406-0556
12663	Christopher Zammito & Paul Zammito	Boston	MA	774/406-0556
12664	Christopher Zammito & Paul Zammito	Boston	MA	774/406-0556
12665	Christopher Zammito & Paul Zammito	Boston	MA	774/406-0556
12666	Christopher Zammito & Paul Zammito	Boston	MA	774/406-0556
12667	Christopher Zammito & Paul Zammito	Boston	MA	774/406-0556
12939	Collision Consolidation Company LLC	Detroit	MI	517/240-2895
12940	Collision Consolidation Company LLC	Detroit	MI	517/240-2895
12643	Zweite Stufe, Inc.	Grosse Pointe	MI	313/343-9251
13004	Joseph Brooks & Brent Schadenberg	Lansing	MI	989/980-3579
12373	James Engeman & Carolina Engeman	St. Louis	MO	618/407-0725
12618	Tammy Lazzarino, Patrick Lazzarino, & John Lazzarino	Jackson	MS	601/606-2147
12619	Tammy Lazzarino, Patrick Lazzarino, & John Lazzarino	Jackson	MS	601/606-2147
12620	Tammy Lazzarino, Patrick Lazzarino, & John Lazzarino	Jackson	MS	601/606-2147
12870	MJW Investments, LLC	Jackson	MS	706/566-2965
13000	L Joy Company	Arden	NC	336/612-8742
12999	Jagdish Patel	Charlotte	NC	718/372-0445
12945	Harmonic Brass Real Estate Investments, LP	Charlotte-Gastonia-Rock Hill	NC	Unknown
12903	PJC Management Group, LLC	Greensboro	NC	336/288-2118
12904	PJC Management Group, LLC	Greensboro	NC	336/288-2118
12905	PJC Management Group, LLC	Greensboro	NC	336/288-2118
12985	Rizwan Afzal	Newark,	NJ	732/318-7778
12959	Manizha Parand	Newark	NJ	Unknown
12927	Zubair Tahir & Azmat Shahzad	Newark	NJ	Unknown
12789	Fredy Sidhom	Las Vegas	NV	Unknown
12918	BAADS, LLC	Reno	NV	702/209-7414
11358	BAADS, LLC	Reno	NV	702/209-7414
12639	Edward Evangelista	Nassau-Suffolk	NY	917/836-6121
12956	Manizha Parand	Nassau-Suffolk	NY	Unknown
12957	Manizha Parand	Nassau-Suffolk	NY	Unknown
12958	Manizha Parand	Nassau-Suffolk	NY	Unknown
12961	Jennifer Clarke & Thorne Che Clark	New York	NY	Unknown
12960	Manizha Parand	New York	NY	Unknown
12695	Jack Rechenburg & Frank Holtham	New York	NY	609/494-4063
12941	Collision Consolidation Company LLC	Akron	OH	517/240-2895
12562	Gregory Doherty	Cincinnati	OH	513/608-0999
12563	Gregory Doherty	Cincinnati	OH	513/608-0999

<b>CENTER NO.</b>	<b>FRANCHISEE</b>	<b>CITY</b>	<b>STATE</b>	<b>PHONE</b>
12683	Gregory Doherty	Cincinnati	OH	513/608-0999
12992	Xyzit Auto Body Shop LLC	Columbus	OH	Unknown
13001	Edphil Contracting LLC	Springfield	OH	513/882-5753
13003	Level Enterprises, LLC	Toledo	OH	859/512-1541
12980	Ronnie Christopher	Oklahoma City	OK	Unknown
12962	Jeremy Fixler	Portland	OR	Unknown
12972	Jeremy Fixler	Portland	OR	Unknown
12607	Stefan Casperson	Philadelphia	PA	267/800-6635
12608	Stefan Casperson	Philadelphia	PA	267/800-6635
12675	Daniel Frost	Philadelphia	PA	302/753-8721
12953	Thomas Scheer	Philadelphia	PA	Unknown
12888	Mohammad Khan	Scranton-Wilkes-Barre	PA	507/982-9729
12600	James McClatchey & Monique McClatchey	Greenville-Spartanburg	SC	864/325-4019
12383	Carl Sanford & Roxanne Sanford	Memphis	TN	Unknown
12775	Pavel Tolstov & David Smith	Nashville	TN	615/945-9720
12951	DEDE Body, Paint & Beyond, LLC	Austin	TX	Unknown
12896	Collision Repair, LLC	Dallas	TX	Unknown
12858	Hollas Enterprises, Inc.	Dallas Fort Worth	TX	214/763-9572
12389	Adam Reubin	Fort Worth-Arlington	TX	972/814-3232
12538	Robin Eager	Houston	TX	281/770-2826
12982	Syed Hussain	Houston	TX	Unknown
12540	Mohammed Jamil	Houston	TX	713/444-7053
12541	Mohammed Jamil	Houston	TX	713/444-7053
12542	Mohammed Jamil	Houston	TX	713/444-7053
12543	Mohammed Jamil	Houston	TX	713/444-7053
12493	Hiam Shapi & Mohamed Al-Husseiny	Houston	TX	713/992-7131
12545	Rafael Zorrilla	Houston	TX	713/701-5779
12546	Rafael Zorrilla	Houston	TX	713/701-5779
12742	Stanley Piernick III	San Antonio	TX	913/220-0348
12743	Stanley Piernick III	San Antonio	TX	913/220-0348
12910	David Martin	Tyler	TX	903/571-4435
12994	Lawrence Roberts	Humble	TX	Unknown
12917	Travis Ward	Newport News	VA	757/472-2202
12986	Kyle Dyer	Newport News	VA	Unknown
12996	Travis Ward	Norfolk	VA	757/472-2202
12964	Jeremy Fixler	Olympia	WA	Unknown
12984	Key Enterprises, Inc.	Greenville	WI	Unknown



**EXHIBIT B-4**

**NON-OPERATIONAL MAACO FRANCHISEES WHO HAVE LEFT THE SYSTEM**

**Franchisees who were terminated before the Maaco Center opened for business during 2024**

**If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.**

**NON-OPERATIONAL FRANCHISEES TERMINATED (1)**

<b>NAME</b>	<b>MARKET AREA</b>	<b>TELEPHONE NUMBER</b>
Leo Ndelle	Baltimore, MD	443/846-2323

**PARTNERSHIP DISSOLVED/FRANCHISE STILL OPERATIONAL (3)**

List of franchisees leaving a particular franchise entity as of December 28, 2024

<b>CENTER NO.</b>	<b>FRANCHISEE</b>	<b>CITY</b>	<b>STATE</b>	<b>PHONE</b>
12001	Luis Miguel Torres	Miami	FL	305/910-3881
12674	Rizwan Afzal	Swedesboro	NJ	732/318-7778
12050	Julie Loyo	New Berlin	WI	Unknown

**EXHIBIT C**  
**FRANCHISE AGREEMENT**

**MAACO FRANCHISOR SPV LLC  
FRANCHISE AGREEMENT**

**THIS FRANCHISE AGREEMENT** (the “Agreement”) is made and entered into on \_\_\_\_\_ (the “Effective Date”), between MAACO FRANCHISOR SPV LLC, a Delaware limited liability company, with its principal office at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 (“Maaco”), and \_\_\_\_\_ (“Franchisee”).

**WITNESSETH:**

**WHEREAS**, Maaco, its predecessors and affiliates have accumulated extensive knowledge of, and experience in the vehicle painting and body repair business and have developed and own a unique system (the “System”) relating to the establishment, development, marketing, administration and operation of centers specializing in vehicle painting and body repair (“Maaco Centers”) which may be changed, improved and further developed by Maaco from time to time;

**WHEREAS**, Maaco is the owner of the trade names, trademarks and service marks “Maaco,” “Maaco Collision Repair & Auto Painting,” “America’s Bodyshop,” “Cosmollision,” and such other trade names, service marks, and trademarks as are now designated (and may hereinafter be designated by Maaco) as part of the System (the “Proprietary Marks”), and Maaco continues to develop, use and control such Proprietary Marks for the benefit and exclusive use of itself and its franchises in order to identify for the public the source of services and products marketed thereunder and to represent the System’s high standards of quality and service;

**WHEREAS**, Franchisee has applied to Maaco for a franchise to operate a Maaco Center under the System and to receive the training and other assistance provided by Maaco, and such application has been approved in reliance upon all of the representations made therein; and

**WHEREAS**, Franchisee understands and acknowledges the importance of Maaco’s high and uniform standards of quality and service and the necessity of operating the business franchised hereunder in conformity with Maaco’s standards and specifications.

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

**1. APPOINTMENT**

A. Maaco hereby grants to Franchisee, upon the terms and conditions herein contained, the right and franchise to operate a Maaco Center (the “Center”), and to use solely in connection therewith the System, as it may be changed, improved and further developed from time to time and the Proprietary Marks, within the following designated area (the “Designated Area”):

\_\_\_\_\_  
\_\_\_\_\_

Franchisee accepts this grant and agrees to use its best efforts to develop the business potential of the Center utilizing the System.

B. If, during the term of this Agreement, Maaco desires to license a third party to establish a Maaco Center in the Core Based Statistical Area (as then defined by the Office of Management and Budget) in which the Center is located (the “CBSA”), provided that Franchisee is in compliance with this Agreement, Maaco will not grant such license if doing so results in there being more than one (1) Maaco Center for each fifty thousand (50,000) persons in the CBSA. Franchisee shall not relocate the Center without prior written approval of Maaco.

C. Franchisee expressly acknowledges and agrees that this franchise is nonexclusive and that Maaco, its subsidiaries and affiliates retain all rights with respect to Maaco Centers, the Proprietary Marks, the sale of similar or dissimilar products and services, and any other activities Maaco and they deem appropriate, whenever and wherever Maaco and they desire, subject to the restriction in Paragraph 1B. Without limiting the generality of the foregoing, Maaco, its subsidiaries and affiliates retain the right to establish and operate, and to allow franchisees and licensees to establish and operate, anywhere, businesses offering similar products and services under any trademarks and service marks, including, but not limited to, the Proprietary Marks, that may compete with Franchisee for customers, subject to the restriction in Paragraph 1B. Franchisee further acknowledges and agrees that customers of Maaco Centers are generated under the brand and belong to the System, thereby enhancing the value of the brand.

D. If Franchisee is, at any time, a corporation, a limited liability company, a general, limited, or limited liability partnership, or another form of business entity (each, an “Entity”):

(1) Upon Maaco’s request, Franchisee agrees to provide Maaco with copies of Franchisee’s governing documents and any other Entity documents, books, or records, including certificates of good standing from the state of Franchisee’s formation. During the term of this Agreement, Franchisee’s governing documents must provide that no Ownership Interest (as defined below) in Franchisee may be transferred or issued, except in accordance with Paragraph 14. In addition, all certificates and other documents representing Ownership Interests in Franchisee will bear a conspicuous printed legend to that effect. In this Agreement, “Ownership Interests” means (a) in relation to a corporation, shares of capital stock (whether common stock, preferred stock or any other designation) or other equity interests; (b) in relation to a limited liability company, membership interests or other equity interests; (c) in relation to a partnership, a general or limited partnership interest; (d) in relation to a trust, a beneficial interest in the trust; (e) in relation to any Entity (including those described in (a) through (d) above), any other interest in that Entity or its business that allows the holder of that interest (whether directly or indirectly) to direct or control the direction of the management of the Entity or its business (including a managing partner interest in a partnership, a manager or managing member interest in a limited liability company, and a trustee of a trust), or to share in the revenue, profits or losses of, or any capital appreciation relating to, the Center, the Entity or its business.

(2) Franchisee agrees and represents that Exhibit D to this Agreement completely and accurately describes all Owners (defined below) and their Ownership Interests in Franchisee and Franchisee's officers and principal executives. In this Agreement, "Owner" means any individual or Entity holding a direct or indirect Ownership Interest (whether of record, beneficially, or otherwise) in Franchisee. Simultaneously with Franchisee's execution of this Agreement (or, if Franchisee is not then an Entity, at any such time that Franchisee becomes an Entity (including, but not limited to, in the event that this Agreement is transferred to an Entity in accordance with Paragraph 14)), each Owner shall execute an agreement in the form prescribed by Maaco guaranteeing Franchisee's obligations under this Agreement and agreeing to be bound jointly and severally by all provisions hereof (the "Guaranty"), the current version of which is Exhibit A to this Agreement. In addition, any individual or Entity that becomes an Owner at any time after the Effective Date, whether pursuant to Paragraph 14 or otherwise, shall, as a condition of becoming an Owner, execute the Guaranty. Subject to Maaco's rights and Franchisee's obligations under Paragraph 14, Franchisee and its Owners agree to sign and deliver to Maaco promptly a revised Exhibit D to reflect any changes in the information that Exhibit D now includes.

## 2. SELECTION OF SITE

A. Franchisee shall use its best efforts to seek and select a proposed location with the Designated Area acceptable to Maaco as suitable for the operation of a Maaco Center. Franchisee shall submit to Maaco, in the form specified by Maaco, a description of the location and such other information or materials as Maaco may require. Maaco's approval of a site shall not constitute, nor be deemed, a judgment as to the likelihood of success of the Center at such location or a judgment as to the relative desirability of such location in comparison to other locations within the Designated Area.

B. Franchisee shall secure a site for the Center by lease or purchase within nine (9) months from the date of execution of this Agreement. In the event Franchisee fails to secure a site within this time period, or, if at any time after the execution of this Agreement and prior to the time Franchisee secures a site for the Center, Maaco determines in its judgment that Franchisee has not made good faith efforts to seek and select a suitable location or to secure financing for the development of the Center or that Franchisee has been uncooperative with Maaco during any one or more phases of the pre-operational process, then Maaco shall have the right to terminate this Agreement upon written notice to Franchisee.

C. Maaco will provide site specifications and standards for general location and zoning, neighborhood, parking requirements, layout and other physical characteristics and lease terms and conditions for Maaco Centers, including lease duration and rental, or terms of purchase, including debt service, in the event Franchisee is purchasing the location for the Center. Franchisee shall submit the lease, if any, prior to its execution to Maaco for its approval, which approval shall not be unreasonably withheld, and which lease shall, among other things, provide that:

- (1) The premises shall only be used for the operation of the Maaco Center;

- (2) Franchisee may not sublease or assign the lease or any part thereof;
- (3) Maaco shall have the right to enter the premises to make any modifications necessary to protect the Proprietary Marks; and
- (4) Maaco shall have the right, at Maaco's election, to receive an assignment of the leasehold interest upon termination or expiration of this Agreement for any reason.

In addition, at the request of Maaco, Franchisee shall execute a collateral assignment of Franchisee's lease in the form prescribed by Maaco to secure Franchisee's obligations under this Agreement.

D. Franchisee shall, prior to occupancy of the Center, submit to Maaco a statement signed by Franchisee certifying that Franchisee has obtained all permits and certifications required for operation of the Center, including, without limitation, those relating to zoning, access, sign and fire requirements.

E. Franchisee may request that Maaco agree to a termination of this Agreement at any time after the expiration of nine (9) months from the date of execution of this Agreement, but before the expiration of eighteen (18) months from the date of execution of this Agreement, provided Franchisee, in Maaco's judgment, has made good faith efforts to obtain a site for the Center but has been unable to do so by that date.

F. Franchisee agrees to open the Center within eighteen (18) months after the date of execution of this Agreement. However, if Franchisee's failure to open its Center within such eighteen (18)-month period is due to reasons beyond Franchisee's control (such as acts of God, unavoidable delays in obtaining zoning permits or unavoidable construction delays), at Maaco's discretion Maaco may grant a reasonable extension of time for Franchisee to open its Center. If however, Franchisee has not opened its Center within this eighteen (18)-month period and no extension has been granted to Franchisee, then, at Maaco's option, Franchisee's Maaco franchise will be terminated, and Franchisee will forfeit all of the fees paid under this Agreement.

G. In the event of a termination of this Agreement as described in Paragraph 2B or 2E above, Franchisee shall execute a mutual release in a form satisfactory to Maaco, of any and all claims against Maaco, its parents, affiliates and subsidiaries, together with all of their respective former, present and future officers, directors, shareholders, employees, agents, attorneys, servants, representatives, heirs, successors, assigns and predecessors, in their corporate and individual capacities.

### **3. TERMS AND RENEWAL**

A. The term of the franchise shall begin on the Effective Date and expire fifteen (15) years from the date the Center opens for business as determined by Maaco.

B. Franchisee may, at its option, renew this franchise for one (1) additional term of fifteen (15) years, provided that:

(1) Franchisee has given Maaco written notice of election to renew not less than six (6) months nor more than twelve (12) months prior to the end of the initial term;

(2) Franchisee must pay all past due amounts under this Agreement and any other agreements between Franchisee and Maaco or its subsidiaries or affiliates;

(3) Franchisee is not in default of any provision of this Agreement, any amendment hereof or any other Agreement between Franchisee and Maaco or its subsidiaries or affiliates and has substantially complied with all the terms and conditions of such agreements during the terms thereof;

(4) Franchisee agrees to execute upon renewal Maaco's then-current form of franchise agreement, which agreement shall supersede in all respects this Agreement, and the terms of which may differ from the terms of this Agreement, including, without limitation: (i) a higher percentage royalty fee; and (ii) a continuing weekly marketing fee in an amount equal to Franchisee's weekly marketing budget at the time of renewal, or the amount set forth in Maaco's then-current franchise agreement, whichever is greater; and

(5) At Maaco's request, Franchisee shall execute a general release in a form satisfactory to Maaco of any and all claims against Maaco, its parents, affiliates and subsidiaries, together with all of their respective former, present and future officers, directors, shareholders, employees, agents, attorney, servants, representatives, heirs, successors, assigns and predecessors, in their corporate and individual capacities.

C. A renewal fee of Two Thousand Five Hundred Dollars (\$2,500.00) shall be paid upon execution of the renewal agreement which, when paid to Maaco, shall be deemed fully earned and non-refundable.

D. Franchisee shall complete the following Center refurbishing tasks, at Franchisee's expense, upon renewal of the franchise:

(1) Install Maaco's then-current merchandising system;

(2) Install Maaco's then-current exterior signage and trade dress;

(3) Complete general cleaning, fixing, repairing and painting of the Center;

(4) Complete maintenance service of the equipment (including, but not limited to, the oven, booth, mixing equipment and compressors); and

(5) Replace equipment not repairable, as necessary.

E. Franchisee must provide Maaco with a copy of the lease agreement in effect for the Center location. The lease term must be at least equal to the term or any renewal term.

F. Franchisee must provide Maaco with an assignment of its leasehold interest upon termination or expiration of any renewal term.

G. If Franchisee has failed to renew Franchisee's Maaco franchise at the end of the initial term and Franchisee continues to operate Franchisee's Center after the expiration date, at Maaco's option, Maaco can treat Franchisee's continued operation of Franchisee's Center as an extension or renewal of this Agreement. If Maaco treats it as an extension, Maaco may terminate Franchisee's franchise thereafter for any reason upon thirty (30) days written notice to Franchisee.

#### **4. DUTIES OF MAACO**

A. Maaco shall provide an initial training program to Franchisee (or the majority investor in the franchise (as defined in Paragraph 7B hereof)) and the Center's principal operator (if not Franchisee or the majority investor), and make available such other training programs as it deems appropriate. If Franchisee is an existing franchisee, Maaco can require Franchisee, or Franchisee can elect, to attend the initial training program before the Center opens. All training shall be at such times and places as may be designated by Maaco. Maaco reserves the right to conduct any and all training, classes, courses, meetings, and conferences online, telephonically, or otherwise.

B. Maaco shall use Franchisee's initial advertising contribution to provide for the initial advertising of the Center.

C. Maaco shall provide such initial and continuing advisory assistance in the operation of the Center as it deems appropriate.

D. Maaco shall provide Franchisee with a set of specifications as to the types and quantities of inventory, supplies and equipment necessary for operation of the Center and specifications for exterior and interior signs.

E. Maaco shall loan Franchisee one copy of, or provide Franchisee electronic access to, the Playbook, as more fully described in Paragraph 10 hereof.

F. Maaco shall conduct, as it deems advisable, inspections of the Center and evaluations of the vehicle painting and body repair services rendered at the Center.

G. Maaco shall administer the marketing fees paid hereunder in the manner prescribed by Paragraph 6.1B hereof.

#### **5. FEES AND OTHER PAYMENTS**

A. Franchisee agrees to pay Maaco the following fees:

(1) An initial franchise fee of \_\_\_\_\_ Dollars (\$\_\_\_\_\_.00) which, when paid to Maaco, shall be deemed fully earned and non-refundable, and shall be payable upon execution of this Agreement.



(2) A monthly license fee for access to the Management System (as defined in Paragraph 7K) and support Maaco or its designee provides to Franchisee for the Management System. Maaco may require Franchisee to pay the monthly license fee to Maaco's third-party supplier.

(3) A non-refundable "Initial Training and Opening Fee" of Ten Thousand Dollars (\$10,000.00) payable no later than thirty (30) days before Franchisee's (or its majority investor's) and the principal operator's (if applicable) arrival at the initial training program (or thirty (30) days prior to the scheduled opening of the Center if Franchisee is an existing franchisee who will not attend the initial training program). Additional people may attend the initial training program if Franchisee pays Maaco's then-current training fees for any additional attendees. Maaco shall apply the Initial Training and Opening Fee to Maaco's expenses in providing opening assistance and Maaco's initial training in the operation and management of the Center.

(4) A continuing weekly royalty fee during the term of this Agreement in an amount equal to eight percent (8%) of the gross receipts of the Center; provided, however, if Franchisee develops the Center as a new Maaco Center, the continuing weekly royalty fee payable by Franchisee to Maaco for the first full six (6) months that the Center is open to the public as a Maaco Center shall be an amount equal to four percent (4%) of the gross receipts of the Center. The continuing weekly royalty fee shall be due and payable by the day of each week that Maaco periodically specifies (the "Payment Day") on gross receipts of the Center for the previous week. For the avoidance of doubt, (a) Maaco may modify the Payment Day and the corresponding reporting period at any time in its sole discretion, and (b) the foregoing reduction on the weekly royalty fee shall not apply if Franchisee is signing this Agreement in connection with its purchase of the Maaco Center from Maaco, its affiliate or another franchisee.

(5) Maaco reserves the right to charge Franchisee a weekly "Technology Access Fee" in connection with Maaco website, extranet system, applications, and other technology platforms and developments. Maaco reserves the right to increase the Technology Access Fee with thirty (30) days prior written notice to Franchisee.

B. All continuous marketing fees and royalty fees on gross receipts shall be due on the Payment Day of each week on gross receipts for the preceding week, together with a signed statement in the form prescribed by Maaco reflecting all gross receipts for the week's business, including specific Customer Data (as defined in Paragraph 7G), costs incurred, cash transactions, and such other data and information as Maaco may require (the "Weekly Business Report"). All payments are required to be withdrawn via electronic withdrawal, and Franchisee hereby consents to Maaco making such electronic withdrawals, and must comply with the terms of subsection F below.

C. Maaco and its affiliates have developed, and Maaco manages and controls, a national accounts program with various fleet and commercial accounts (the "National Accounts Program"). Under the National Accounts Program, qualified Maaco Centers that meet Maaco's then-current standards and criteria will be selected by Maaco to provide paint and body service repair services

to Maaco's fleet and commercial accounts. At Maaco's option, all services provided by Franchisee under the National Accounts Program will be centrally billed through Maaco. In the event Franchisee is not current with payment of all weekly royalty fees, marketing fees and any other monies due Maaco, Maaco will apply all or a portion of the payment for services rendered under the National Accounts Program to Franchisee's past due accounts.

D. If any payment to Maaco under this Agreement or any other agreement or account with Maaco or its affiliates or subsidiaries is overdue, Franchisee shall pay to Maaco or its affiliates or subsidiaries interest compounded monthly on such amount from the due date until paid at the maximum rate permitted by law (or, in the absence of such rate, a rate equal to one and one-half percent (1.5%) per month). Entitlement to such interest shall be in addition to any other remedies Maaco or its affiliates or subsidiaries may have.

E. "Gross receipts" used herein shall mean the amount of all cash collected, or other consideration received, for all sales of merchandise and services of any nature at, from or in connection with the Center, and the dollar amount of sales attributable to work completed by Franchisee but not paid for by the customer for ninety (90) days after such work was completed, including, but not limited to, sublet labor and new and used replacement parts, less sales or equivalent taxes.

F. At Maaco's request, Franchisee shall promptly execute or re-execute within five (5) days after Maaco's request and deliver to Maaco, in the form required by Maaco, pre-authorized checks or such other instruments or drafts, payable against Franchisee's bank account to enable Maaco to collect by electronic withdrawal the royalty fees and continuing marketing fees due under the terms of this Agreement. Maaco may require that Franchisee establish a commercial bank account at a bank that meets Maaco's requirements. Maaco may further require that Franchisee's account have minimum overdraft protection in an amount determined by Maaco. Franchisee shall deposit all collected gross receipts into its commercial bank account as soon as practicable but in no event later than the end of the business day following receipt. In the event Franchisee changes the banking institution or the account for its commercial business bank account that Maaco has on record, Franchisee shall provide Maaco with ten (10) days' written notice prior to changing the banking institution or the account, and Franchisee shall re-execute the appropriate form(s) required by Maaco to reflect the change in account information within the time necessary for timely electronic withdrawals from the new account.

Franchisee shall submit, for Maaco's receipt by the Payment Day of each week for the preceding week, the Weekly Business Report (as defined in Paragraph 5B). If Franchisee fails to submit the Weekly Business Report on a timely basis as stated herein, Maaco shall estimate the amount of Franchisee's gross receipts by using the last reported amount of gross receipts by Franchisee to Maaco, and Maaco shall calculate the royalty fees due at eight percent (8%) (even if Franchisee's royalty fee pursuant to Paragraph 5A(4) is then four percent (4%) of gross receipts). Upon Maaco's receipt of the required Weekly Business Report from Franchisee reflecting the actual gross receipts, Maaco will recalculate the royalty fees due at eight percent (8%) of the gross receipts reported (even if Franchisee's royalty fee pursuant to Paragraph 5A(4) is then four percent (4%) of gross receipts), and Maaco shall debit or credit Franchisee's royalty fee obligation for that week accordingly.

On the Payment Day of each week, Maaco will deposit or transfer into its own account, using Franchisee's pre-authorized checks or other instruments, the amount of royalty fees (or in the absence of a Weekly Business Report, the estimated amount of royalty fees) and the marketing fees due for the preceding week. If any draft, electronic or otherwise, is unpaid because of insufficient funds or otherwise, royalty fees shall be due at eight percent (8%) of the gross receipts (even if Franchisee's royalty fee pursuant to Paragraph 5A(4) is then four percent (4%) of gross receipts), and Franchisee shall pay all of Maaco's expenses arising from such non-payment, including bank fees.

G. To secure payment of the fees and any and all other amounts owed to Maaco and/or any of its affiliates under this Agreement and all other agreements between Maaco (or any of its affiliates) and Franchisee (or any of its Owners or affiliates), Franchisee must execute the security agreement attached as Exhibit C to this Agreement (the "Security Agreement"), pursuant to which Franchisee shall grant to Maaco a continuing security interest in all assets of the Center, whether now owned or hereafter acquired, and all books and records relating to and all proceeds of all of such assets of the Center. This security interest shall secure all payment obligations hereunder or related hereto, whenever and however arising, to Maaco and/or any of its affiliates. Any default under this Agreement shall be a default under the Security Agreement. Except as otherwise provided in this Agreement or the Security Agreement, Franchisee agrees that no lien will be created upon or security interest granted in the assets of the Center without Maaco's prior written consent.

H. Despite any designation that Franchisee makes, Maaco may apply any of Franchisee's payments to any of Franchisee's past due indebtedness to Maaco or its affiliates. Maaco may set-off any amounts that Franchisee or Owners owe Maaco or its affiliates against any amounts that Maaco or its affiliates might owe Franchisee or Owners, whether in connection with this Agreement or otherwise. Franchisee may not withhold payment of any amounts owed to Maaco or its affiliates on the grounds of Maaco's or their alleged nonperformance of any of its or their obligations under this Agreement or any other agreement.

## **6. MARKETING AND TELEPHONE**

### **6.1 MARKETING**

Recognizing the value of marketing, and the importance of the standardization of marketing programs to enhancing the goodwill associated with the Proprietary Marks, to promoting the sale of authorized products and services and to developing and maintaining a favorable image of Maaco Centers, the parties agree as follows:

A. Franchisee shall pay to Maaco a non-refundable initial advertising contribution in the amount of Fifteen Thousand Dollars (\$15,000.00) no later than thirty (30) days before the Center is scheduled to open. Maaco will use, within one (1) year after the actual opening of the Center, the initial advertising contribution for Franchisee's grand opening marketing of the Center, which may include traditional marketing, digital marketing, promotional and event materials, and digital, promotional, and traditional assets. The initial advertising contribution is paid to Maaco to

purchase these marketing materials. Maaco will determine, in its sole discretion, the types of marketing and marketing materials to be used for such grand opening marketing of the Center. The actual costs of these programs may exceed Franchisee's initial advertising contribution, in which case Maaco will charge Franchisee the difference.

B. In addition to the initial advertising contribution payable pursuant to Paragraph 6.1A, Franchisee shall pay Maaco a continuing weekly marketing fee in the amount of One Thousand Two Hundred Dollars (\$1,200.00), or an amount equal to the weekly marketing budget of Maaco franchisees operating in Franchisee's designated market area, whichever is greater, for the creation, development, and implementation of marketing, advertising and related programs and materials to enhance the goodwill associated with the Proprietary Marks, to promote the sale of any or all products and services authorized by Maaco, and to develop and maintain a favorable public image of Maaco Centers, including, without limitation, website development, Center image enhancement, Maaco Center locator numbers, employing advertising agencies and media buying agencies, supporting market research activities, and preparing, producing and distributing marketing, advertising and related programs and materials. All weekly marketing fees shall be payable at the same time as the weekly royalty payments due under Paragraph 5A hereof. Franchisee hereby acknowledges Maaco's right to pay from the marketing fees collected all costs and expenses related to the research, formulation, development, customer experience, production, media and all other costs of such marketing (including, without limitation, the proportionate compensation of employees of Maaco who devote time and render services in the conduct, research, formulation, development and production of such advertising and marketing programs or the administration of the funds used therefor). Franchisee hereby acknowledges that marketing fees payable hereunder will not be used to pay for Listings (see Paragraph 6.1C below). Franchisee agrees that Maaco may increase the amount of such marketing fee on or after the date hereof, and Franchisee shall pay such increased amounts in accordance with this Paragraph 6.1B; provided, however, that the amount of such increase after the first twelve (12) months of Franchisee's operations shall not exceed ten percent (10%) per year. The amount of the increase in marketing fees chargeable to Franchisee hereunder shall be cumulative, and, if Maaco does not increase the marketing fees of Franchisee by the maximum amount permitted hereunder in any given year, Maaco may add the amount not charged to Franchisee in any given year to the amount chargeable to Franchisee in subsequent years. Maaco will spend all marketing fees hereunder as herein described, provided that it shall not be obligated to spend such fees in the year in which paid by Franchisee. Franchisee acknowledges and understands that advertising and promotion conducted by Maaco is intended to maximize general public recognition and patronage of the System in the manner determined to be most effective by Maaco and that Maaco undertakes no obligation in developing, implementing or administering such programs to ensure that expenditures which are proportionate or equivalent to Franchisee's fees are made for the Center or that any Maaco Center will benefit directly or pro rata from the placement of advertising. Maaco will provide an annual unaudited statement of receipts and disbursement relating to the most recent fully complete fiscal year with respect to systemwide aggregate marketing fees upon written request by Franchisee.

C. Maaco shall be the owner of and shall secure the Remote Call Forward ("RCF") telephone number and listing for the Center. Franchisee shall not change telephone service providers for the Center without Maaco's approval. Maaco shall have the right to control all print and online listings, internet search engine optimization advertising, telephone listings and other

directory listings (collectively, “Listings”). Maaco shall determine, at its sole discretion, the size of display advertisements and the type of advertisement to be placed in all Listings. Franchisee will also be obligated to reimburse Maaco for all telephone bills paid by Maaco with respect to the telephone and telephone number used by the Center upon receipt of invoice from Maaco, or, at the request of Maaco, Franchisee agrees to pay the RCF charges directly immediately upon receipt thereof from Maaco or the telephone company. Maaco will place all Listings for Franchisee and other franchisees of the System. All Maaco Centers must have a display ad in the Listings of the provider of its phone service.

D. Franchisee acknowledges the need to aggressively advertise and promote its business on a local basis. Accordingly, Franchisee agrees to use its best efforts to promote the business of the Center through local advertising and promotion and agrees to expend such funds which may be necessary to accomplish this result.

E. All advertising by Franchisee in any medium shall conform to the standards and requirements prescribed by Maaco (including, but not limited to, strategy). Franchisee shall submit to Maaco for its prior approval, samples of all advertising and promotional plans and materials (including strategy with full transparency) that Franchisee desires to use and that have not been prepared or previously approved by Maaco within the prior twelve (12)-month period.

F. Franchisee will not develop, own or operate any website or social media sites (for example, a Facebook page) for the Center. If Franchisee or any of Franchisee’s employees, representatives, or agents owns, develops or operates, during or after the term of this Agreement, any website, domain name, or page (or other electronic presence) on any digital media platform for or relating to the Center, or otherwise using the Proprietary Marks, in violation of this Paragraph 6.1F or any other term of this Agreement (each, “Prohibited Medium”), Franchisee acknowledges and agrees that: (1) without limiting any of Maaco’s rights and remedies under this Agreement or applicable law, Maaco will have the unilateral right to instruct the applicable domain registrar or digital platform provider either to transfer (whether to Maaco or Maaco’s designee) ownership of, or to deactivate, each Prohibited Medium; and (2) the applicable domain registrar or digital platform provider will take Franchisee’s execution of this Agreement as conclusive evidence of Maaco’s right to take either or both of the foregoing actions with respect to each Prohibited Medium without Franchisee’s consent. Notwithstanding any transfer of any Prohibited Medium in accordance with this Paragraph, Franchisee shall be solely responsible for any and all amounts owed to the applicable service provider accruing through the effective date of transfer.

G. The telephone number owned and secured by Maaco shall be the only telephone number used in all advertising in any medium. Franchisee shall not own or use any toll-free lines without the prior written approval of Maaco.

## **6.2 USE AND OWNERSHIP OF TELEPHONE NUMBERS**

Certain advertising, including Listings, placed for a Maaco Center is placed using an RCF telephone number, or other such tracking mechanism that Maaco may use from time to time. This/these number(s) are established by Maaco and will be directed to the primary local telephone number secured for Franchisee’s Center. Franchisee may not publish, print, or otherwise use the

RCF number(s), or other tracking mechanism used or sponsored by Maaco, and, without limiting the generality of the foregoing, must not allow them to be published, printed or used by Franchisee or its Center in connection with any other business or any Maaco business-related forms such as business cards, invoices, letterhead, etc. At no time does Franchisee have rights to or control of a Maaco RCF number. Only at such time when the Maaco franchise associated with the location using the particular RCF number, or other tracking mechanism that may be used from time to time, is terminated, will Franchisee lose the use of the RCF number or such tracking mechanism.

Franchisee must obtain local telephone service and establish it according to the guidelines set forth by Maaco. For Franchisee's RCF number(s) to be established and for Franchisee's Center to be included in Maaco coordinated marketing programs, Franchisee will be required to provide Maaco 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 Franchisee obtains will be the number used on business cards, letterhead, invoices and other business forms. This will also be the number to which Franchisee's RCF number(s) will be directed. It is understood and agreed by Franchisee that the RCF program at some time may be replaced with other telephone tracking mechanisms that Maaco believes is more advanced than the current tracking mechanism, and, in that event, Franchisee agrees 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.

In addition, Franchisee agrees to sign such release and transfer documents as Maaco may require authorizing Maaco to obtain the telephone numbers of Franchisee's Center upon any termination or expiration (without renewal) of this Agreement. If, during the term of this Agreement, the telephone numbers for Franchisee's Center should be transferred to someone other than Maaco, Franchisee will cooperate with Maaco to ensure that they are returned to Maaco.

Franchisee agrees not to place any restrictive codes on the telephone numbers for Franchisee's Center without Maaco's consent. Franchisee agrees not to terminate any such telephone numbers during the term of this Agreement or do anything else that may directly or indirectly impede Maaco's ability to transfer or use those numbers upon any termination or expiration (without renewal) of this Agreement.

All telephone numbers and directory listings for Franchisee's Center are Maaco's property, and Maaco has the right to transfer, terminate or amend such telephone numbers and directory listings only on termination or expiration (without renewal) of this Agreement. If Maaco takes any action pursuant to this Paragraph 6.2, the telephone company and all listing agencies may accept this Agreement as conclusive evidence of Maaco's exclusive rights to such telephone numbers and Listings and as conclusive evidence of Maaco's authority to direct their amendment, termination or transfer, without any liability to Franchisee.

## **7. DUTIES OF FRANCHISEE**

A. Franchisee shall develop the Center in the manner prescribed by Maaco for a Maaco Center, including, without limitation, the implementation of the System as directed by Maaco, and

shall use in the operation of the Center only those brands and types of equipment, inventory and supplies which meet Maaco's standards and specifications.

B. At least thirty (30) days before the Center opens, Franchisee (or its majority investor in the franchise) and the Center's principal operator (if not Franchisee or the majority investor) shall attend and successfully complete (as determined by Maaco in its sole discretion) the initial training program(s) prescribed by Maaco. The majority investor is defined as any signatory to this Agreement who has collateralized a loan for the business, guaranteed the lease, or guaranteed the mortgage of the Center. Maaco shall provide and pay only for training instructors, facilities, and training materials. All other expenses incurred in such initial training, including, without limitation, Franchisee's (or its majority investor's) and the principal operator's (if applicable) round trip transportation to and from the training site, lodging, and the cost of food, shall be borne by Franchisee. Additional people may attend the initial training program if Franchisee pays Maaco's then-current training fees for any additional attendees. Franchisee agrees to bear the cost of all travel, lodging, meal, and other expenses such attendees incur while attending initial training. In the event that Franchisee (or the majority investor) or the principal operator (if applicable) is unable to complete the initial training program to Maaco's satisfaction, Maaco shall have the right, upon written notice to Franchisee, to terminate this Agreement.

C. Franchisee (or its majority investor in the franchise) and the Center's principal operator (if not Franchisee or the majority investor) shall attend, at the request of Maaco, supplemental or refresher training programs, workshops, and educational seminars, sales meetings, operations meetings, advertising meetings, and conventions, which may be offered by Maaco from time to time during the term of the franchise. All expenses incurred in connection with additional training programs, workshops, and educational seminars, sales meetings, operations meetings, advertising meetings and conventions as Maaco may reasonably require, including, without limitation, travel expenses, room and board, and wages for Franchisee's attendees and, in connection with onsite training, travel expenses and room and board for Maaco's training instructors, shall be borne by Franchisee, and Maaco shall provide and pay only for training instructors' wages and materials. Franchisee also must pay Maaco's then-current fee for supplemental or refresher training.

D. Franchisee, at its sole expense, shall conduct ongoing training programs at the Center for employees.

E. Franchisee shall maintain the Center in the highest degree of sanitation, repair and condition, and shall perform such periodic repainting, repairs to impaired equipment and replacement of obsolete signs as Maaco may reasonably direct. At Maaco's request, which shall not be more often than once every five (5) years, Franchisee shall refurbish the Center to conform to Maaco's then-current public image, and shall remodel, redecorate and make such modifications to existing improvements as may be necessary, provided that Franchisee acknowledges and agrees that the preceding limitation shall not apply to modifications to the Management System or any other computer hardware and software required by Maaco. Franchisee shall purchase any additional equipment and replace any obsolete equipment as Maaco may from time to time direct at Franchisee's expense.

F. Franchisee shall render prompt, workmanlike, courteous and willing service to all customers of the Center and agrees to handle all customer complaints promptly and courteously.

G. At Maaco's request, Franchisee shall provide Maaco with customer data and information that Maaco may require, including, but not limited to: (i) customer invoices; (ii) customers' names, addresses, telephone numbers, and e-mail addresses; (iii) cash collected from customers; (iv) customer vehicle information and service history; and (v) other personal information of or relating to the Center's customers and prospective customers (collectively, "Customer Data"). During and after the term of the franchise, Maaco and its affiliates may make any and all disclosures and use Customer Data in its and their business activities and in any manner that Maaco or they deem necessary or appropriate. Franchisee must secure from its vendors, customers, prospective customers and others all consents and authorizations, and provide them all disclosures, that applicable law requires to transmit the Customer Data to Maaco and its affiliates and for Maaco and its affiliates to use Customer Data in the manner that this Agreement contemplates.

H. Franchisee will at all times actively promote the sale of Maaco's services and will use its best efforts to cultivate, develop and expand the business of the Center within the market. Franchisee will do nothing which may, in Maaco's sole opinion, tend to discredit, dishonor, reflect adversely upon or in any manner injure the reputation of Maaco, Franchisee, any other franchisees or Maaco customers.

I. Franchisee will offer all products and services that Maaco from time to time authorizes in writing for a Maaco Center. Franchisee shall not offer or sell any other products or services without Maaco's written consent. Franchisee acknowledges and agrees that, in order to be eligible to participate in certain programs that Maaco has established and/or offer certain products or services, Maaco may require Franchisee and/or the Center to meet certain requirements, which may include obtaining certain certifications offered through Maaco or third parties (such as manufacturers).

J. Franchisee shall make all payments required under this Agreement in the manner and at the time prescribed in this Agreement.

K. Franchisee must purchase and use in the Center Maaco's designated shop management system (the "Management System"). Franchisee also must purchase all required hardware to operate the Management System. Franchisee must enter into any software license agreement Maaco requires for use of the Management System. Maaco has the right to designate a single source from which Franchisee must purchase the Management System, any software or hardware components thereof or associated service, and Maaco or its affiliates may be that single source. Notwithstanding the foregoing, if Maaco requires Franchisee to utilize a different shop management system, software, hardware or related technology systems, Franchisee must use such shop management system, software, hardware and systems, will pay the then-current costs of such shop management system, hardware, software or systems charged to Maaco, or Maaco's designated vendor, including initial license fees, equipment purchases, technology fees or maintenance fees. Franchisee acknowledges and agrees that Maaco shall have no responsibility under any circumstances for any malfunction or "crash" of the Management System, including,



but not limited to, for any Center data lost as a result of such malfunction or “crash.” Maaco shall have unlimited, independent access to all information and data (including Customer Data) produced by or otherwise located on the Management System (excluding any matters relating to labor relations and employment practices). Franchisee understands and agrees that Maaco and its affiliates may use such information and data, together with any records and reports required by Paragraph 12 or any other provision of this Agreement, for any purpose and in any form as determined by Maaco and its affiliates from time to time, including, without limitation, to conduct marketing and cross-promotional campaigns and to compile on an aggregated basis statistical and performance information relating to Maaco’s (or its affiliates’) services and products, Maaco Centers, and/or other automotive businesses franchised and owned by Maaco and its affiliates.

L. Franchisee shall dedicate a telecommunications line for the sole purpose of supporting Maaco’s computer system and shall subscribe to an Internet service provider approved by Maaco. At Maaco’s election, Franchisee shall obtain telecommunications and computer infrastructure products required to support Maaco’s then-current information technology systems.

M. Franchisee agrees to purchase from suppliers approved by Maaco, which suppliers may include Maaco and/or its affiliates, paint and other products as Maaco may specify from time to time to ensure the integrity of the products used in the operation of Franchisee’s Maaco Center and to support certain marketing programs that facilitate and support purchasing programs and arrangements negotiated by Maaco for the System through any manner or method designated by Maaco. Maaco and/or its affiliates may derive revenue based on Franchisee’s purchases and leases, including, without limitation, from charging Franchisee (at prices exceeding its and their costs) for services and products that Maaco or its affiliates sell Franchisee and from promotional allowances, rebates, volume discounts, and other amounts paid to Maaco and its affiliates by suppliers that Maaco designates, approves, or recommends for some or all Maaco franchisees. Maaco and its affiliates may use all amounts received from suppliers, whether or not based on Franchisee’s and other franchisees’ prospective or actual dealings with them, without restriction for any purposes that Maaco and its affiliates deem appropriate.

N. If Franchisee, or an affiliate of Franchisee, acquires the location at any time during the term of the Agreement or any renewal, Franchisee, or its affiliate, shall provide Maaco with the option to purchase the property or enter into a lease with Franchisee, or its affiliate, upon termination or expiration of this Agreement, in a form satisfactory to Maaco.

O. Franchisee shall, at all times during the term of this Agreement, comply with, and operate the Center for, the required minimum number of hours of operation that Maaco prescribes periodically in the Manual or otherwise in writing. Franchisee acknowledges and agrees that, currently, the required minimum number of hours of operation for a Maaco Center is nine (9) hours per day, Monday through Friday, and five (5) hours on Saturday. In order to maintain operational consistency and consumers’ trust, if Franchisee desires to modify the Center’s operating hours, Franchisee shall secure the prior written consent of Maaco’s Vice President of Operations with respect to such proposed modification; Maaco will not consider more than one (1) such proposed modification during any ninety (90)-day period.

P. Franchisee shall comply with all other requirements set forth in this Agreement.

## **8. WARRANTIES AND GUARANTEES**

Recognizing the value of providing warranties and guarantees of the services performed hereunder to the customers of the System, and the importance of the standardization of the warranties and guarantees offered to the furtherance of the goodwill and public image of the System, the parties agree as follows:

A. Maaco has established uniform warranties and guarantees for the System and Franchisee agrees to provide to every customer of the Center on forms provided by Maaco, all warranties and guarantees as Maaco prescribes.

B. Franchisee agrees to honor valid customer claims presented under warranties and guarantees made by Franchisee and other Maaco franchisees without demanding reimbursement therefor from the customer. In the event that Franchisee honors a warranty or guarantee issued by another Maaco Center, Franchisee shall be reimbursed by the franchisee that originally performed the work. Such reimbursement shall be in an amount not to exceed Maaco's current nationally recommended warranty rates. In the event of a dispute between any customer of the Center and Franchisee over any warranty issued by the Center or any other Center, Maaco will evaluate the dispute and make a determination of the manner in which such dispute will be resolved, and Franchisee shall be bound by this determination.

C. Franchisee agrees to reimburse any franchisee who satisfies any warranty or guarantee issued by Franchisee hereunder, in an amount as described in Paragraph 8B hereof, within five (5) days after receipt of an invoice for such reimbursement. Franchisee authorizes Maaco to charge for warranty services performed by another Maaco Center on customer warranties issued by Franchisee, and to credit Franchisee for warranty services performed on customer warranties issued by another Maaco Center, as Maaco determines to be appropriate from time to time for the national customer warranty program. Franchisee agrees to pay Maaco any net debit balances, and Maaco agrees to pay Franchisee any net credit balances, with respect to the national customer warranty program at such times and on such conditions as Maaco determines from time to time.

D. Franchisee shall not issue or offer any other warranty or guarantee without Maaco's prior written approval.

## **9. PROPRIETARY MARKS**

A. Franchisee's right to use the Proprietary Marks is derived solely from this Agreement and is limited to the conduct of business by Franchisee pursuant to and in compliance with this Agreement, including, but not limited to, standards and procedures prescribed by Maaco with respect to Franchisee's use of any Proprietary Mark in connection with an electronic address, domain name, website or search engine. Any unauthorized use of the Proprietary Marks by Franchisee, including, but not limited to, the unauthorized use by Franchisee of any Proprietary Mark as part of an electronic address, domain name, website or search engine, shall constitute an infringement of the rights of Maaco in and to the Proprietary Marks. Franchisee agrees that all usage of the Proprietary Marks and any goodwill established thereby shall inure to the exclusive

benefit of Maaco. Franchisee acknowledges that this Agreement does not confer any goodwill or other interest in the Proprietary Marks upon Franchisee.

B. Franchisee agrees that after termination or expiration of this Agreement he will not directly or indirectly at any time or in any manner identify himself or any business as a current or former Maaco Center or as otherwise associated with Maaco, or use in any manner or for any purpose the Proprietary Marks or any colorable imitation thereof.

C. Franchisee agrees to operate, advertise and promote the Center under the trade and service mark “Maaco Collision Repair & Auto Painting,” or other name prescribed by Maaco, provided that Franchisee shall identify himself as the owner and operator thereof in the manner prescribed by Maaco. Franchisee shall not use the Proprietary Marks as part of any Entity name or with any prefix, suffix or other modifying words, designs or symbols, or in any modified form, nor may Franchisee use the Proprietary Marks in connection with the sale of any unauthorized service or product or in any manner not expressly authorized by Maaco. Franchisee agrees to prominently display the Proprietary Marks on all sales invoices, stationery and other forms and materials designated by Maaco, and in the manner prescribed by Maaco, and to obtain such fictitious or assumed name registrations as may be required under applicable law.

D. Franchisee shall promptly notify Maaco of any use by any person or Entity other than Maaco or another of its franchisees of any Proprietary Marks, any colorable variation thereof, or any other mark in which Maaco has or claims a proprietary interest. Franchisee further agrees to notify Maaco promptly of any litigation instituted by any person or Entity against Maaco or Franchisee involving the Proprietary Marks. In the event Maaco, in its sole discretion, undertakes the defense or prosecution of any litigation relating to the Proprietary Marks, Franchisee agrees to execute any and all documents, and to render such assistance as may, in the opinion of Maaco’s counsel, be reasonably necessary to carry out such defense or prosecution.

E. Maaco may modify or discontinue Franchisee’s use of any Proprietary Marks and/or substitute Proprietary Marks. Franchisee agrees, at its expense, to comply with any such modification or discontinuance in accordance with time periods reasonably prescribed by Maaco.

## **10. CONFIDENTIAL OPERATIONS MANUAL (PLAYBOOK)**

A. In order to protect the reputation and goodwill of Maaco and to maintain uniform standards of operation under the Proprietary Marks, Franchisee shall operate the Center in accordance with Maaco’s confidential operations manual (the “Playbook”). Maaco shall loan Franchisee one copy of, or provide Franchisee electronic access to, the Playbook upon Franchisee’s (or its attendees’) arrival at training. The Playbook contains mandatory and suggested standards, procedures, techniques and other items relating to the operation of a Maaco Center. Franchisee must comply with all mandatory provisions of the Playbook.

B. Franchisee shall at all times treat the Playbook, any other manuals created for or approved for use in the operation of the Center, and the information contained therein as confidential, and shall use all reasonable efforts to maintain such information as secret and confidential. Franchisee shall not at any time, without Maaco’s prior written consent, copy

(electronically or otherwise), duplicate, record or otherwise reproduce the foregoing materials, in whole or in part, nor otherwise make the same available to any unauthorized person.

C. The Playbook shall at all times remain the sole property of Maaco.

D. Maaco may from time to time revise the contents of the Playbook, and Franchisee expressly agrees to comply with each new or changed standard; provided, however, that any such revision or modification will not materially change or alter the fundamentals of the System unless it is determined by Maaco that such changes are necessary or desirable to respond to changing market conditions or to enable its franchisees to compete more effectively in the market place. The provisions of the Playbook, as modified from time to time, shall constitute provisions of this Agreement as if fully set forth herein. All references herein to this Agreement shall include the provisions of the Playbook.

## 11. CONFIDENTIAL INFORMATION

Franchisee shall not, during the term of this Agreement or thereafter, communicate, divulge, or use for the benefit of any other person, persons, association or Entity, any trade secrets or Confidential Information (defined further below), knowledge, or know-how concerning the methods of operation of a Maaco Center which may be communicated or disclosed to Franchisee, or of which Franchisee may be apprised, by virtue of Franchisee's operation under the terms of this Agreement. Franchisee shall divulge such trade secrets and Confidential Information only to its employees who must have access to it in order to operate the Center. "Confidential Information" shall include the Playbook, Maaco's operating systems, Maaco's publications, including *Paintline*, and such other documents, marketing/advertising strategies, media buying policies, training materials, methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge and experience used in developing and operating Maaco Centers and all data and other information generated by, or used or developed in, operating the Center, including Customer Data, and any other information contained from time to time in the Management System.

## 12. RECORDS AND REPORTS

A. During the term of this Agreement, Franchisee shall maintain and preserve, for at least seven (7) years from the dates of their preparation, full complete and accurate books, records and accounts in accordance with generally accepted accounting principles and in the form and manner prescribed by Maaco from time to time. Franchisee acknowledges that reporting this information to Maaco is critical to Maaco's operations, and Maaco shall have the right to designate an accounting service or firm to compile all books, business records and reports prescribed from time to time by Maaco.

B. Franchisee shall report to Maaco, no later than noon on the Payment Day of each week, the Center's weekly business figures for the preceding week, including, without limitation, gross receipts and all related figures, as required by Maaco and in the manner specified by Maaco. Maaco shall have the right, in its sole discretion, to publish and disclose the Center's business figures in business publications distributed to its franchisees.

C. Franchisee shall, at its expense, submit to Maaco by the fifteenth (15<sup>th</sup>) day of each month, during the first twelve (12) months of the operation of the Center, an income statement and statement of cash flow for the Center for the preceding month and for the year-to-date and a balance sheet as of the end of such month. Within one hundred twenty (120) days after the end of each calendar year, a year-end balance sheet and income statement and statement of cash flow of the Center for such year, reflecting all year-end adjustments and accruals, provided Maaco will not unreasonably withhold its consent to a request for an extension of time to provide such statements, and such other information as Maaco may require from time to time, including sales and income tax statements.

D. Franchisee shall submit to Maaco, for review or auditing, such other forms, reports, records, information and data as Maaco may reasonably request, including the Center's and Franchisee's (or if Franchisee is an Entity, Owners') personal income tax returns, bank statements, and other financial statements. Franchisee must cooperate fully with the conduct of the audit. Franchisee's failure to cooperate with the audit is a material breach of this Agreement.

E. Maaco or its designated agents shall have the right at all reasonable times to examine, at its expense, the books, records and tax returns of Franchisee. Maaco shall also have the right, at any time, to have an independent audit made of the books of Franchisee. If any inspection or audit should reveal that any payments due Maaco have been understated in any report to Maaco, then Franchisee shall immediately pay to Maaco or its affiliates or subsidiaries the amount understated upon demand, plus interest from the date such amount was due until paid, at the rate specified in Paragraph 5D hereof. Additionally, if any inspection or audit should reveal that any payments due Maaco have been understated in any report to Maaco or an inspection or audit is made necessary by Franchisee's failure to maintain and/or provide reports, supporting records, or other information, including point of sale records, as required under this Agreement, Franchisee shall reimburse Maaco for any and all costs and expenses connected with the inspection, any re-inspection or with the audit (including, without limitation, the charges of any independent accountant and/or third-party vendor and attorneys' fees, and per diem fees and costs of Maaco's employees, including, but not limited to, travel and lodging and other out-of-pocket costs, plus monthly interest). The foregoing remedies shall be in addition to any other remedies Maaco may have.

F. Franchisee may not commingle any of its funds derived from the operation of the Center with any other funds. If Franchisee commingles any of the funds derived from the operation of the Center with other funds, such as Franchisee's personal funds or funds from Franchisee's operation of any other business, then, in addition to Maaco's other rights hereunder and under applicable law, Maaco will have the right to review and photocopy all of the records and accounts relating to such other funds, including Franchisee's personal records and accounts, and Franchisee will be required to pay Maaco Two Thousand Five Hundred Dollars (\$2,500.00), plus Two Hundred Fifty Dollars (\$250.00) for each month thereafter until the funds are separately accounted for, as determined by Maaco in its sole discretion.

### 13. INSURANCE

A. Franchisee shall purchase and, at all times during the term of this Agreement, shall maintain in full force and effect, at its sole expense, with the minimum policy limits prescribed from time to time by Maaco, public liability insurance, including, but not limited to, employer's liability, garage liability, pollution liability, garagekeeper's legal liability, employment practices liability and commercial umbrella coverage against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the operation of the Center and worker's insurance and other insurance required by law. Maaco may, upon written notice to Franchisee, increase the policy limits or minimum liability protection or require different or additional kinds of insurance to reflect inflation, changes in standards of liability, higher damage awards or other relevant changes in circumstances.

B. All policies of insurance shall be issued by an insurance company having a policy holder's rating of A+ or better by A.M. Best Company, Inc. and duly authorized to transact business in the state where the premises is located.

C. All policies of insurance shall name Maaco as additional insured and any other party designated by Maaco. All such policies shall contain an endorsement which provides that only actual notice to insured, if an individual, or to any executive officer of insured, if an Entity, shall constitute knowledge of the insured. Franchisee shall furnish Maaco, any other named insureds and all other persons designated by Maaco, proof of insurance in the form Maaco requires, indicating that all required insurance is in full force and effect and will not be terminated or changed without at least thirty (30) days prior written notice to Maaco of each such policy. Within five (5) days of any request by Maaco, Franchisee shall deliver a copy of all such insurance policies to Maaco for examination.

D. Should Franchisee, for any reason, fail to procure or maintain the insurance required by this Agreement, as revised from time to time for all franchisees, Maaco shall have the right and authority (without, however, any obligation to do so), to procure such insurance and to charge same to Franchisee, which charges, together with a reasonable fee for Maaco's expenses in so acting, shall be payable by Franchisee immediately upon notice.

E. Franchisee's obligation to obtain and maintain the foregoing policy or policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by Maaco, nor shall Franchisee's performance of that obligation relieve it of liability under the indemnity provisions set forth in Paragraph 20 of this Agreement.

F. In addition to the preceding minimum requirements, pursuant to any applicable service level agreement entered into in connection with Franchisee's participation in one (1) or more corporately managed insurance programs, Franchisee shall, at its sole expense, obtain and maintain such insurance policies and in such amounts set forth in the programs in which Franchisee participates for claims that may arise from or in connection with Franchisee's performance of services at the Center under the terms of the service level agreement.

## 14. TRANSFERABILITY OF INTEREST

A. Maaco shall have the right to transfer or assign all or any part of its rights or obligations herein to any other person or Entity.

B. Franchisee understands and acknowledges that the rights and duties set forth in the Agreement are personal to Franchisee. Accordingly, Franchisee shall not sell, assign, transfer, convey, give away, pledge, mortgage or otherwise encumber any interest in this franchise, its assets, or the business conducted at the Center, or any direct or indirect Ownership Interest in Franchisee, without the prior written consent of Maaco. Any purported assignment or transfer, by operation of law or otherwise, not having the written consent of Maaco shall be null and void and shall constitute a material breach of this Agreement. Franchisee agrees to provide any prospective party to a transfer a copy of this Agreement before entering into any negotiations relating to a transfer.

C. Maaco shall not unreasonably withhold its consent to a transfer of any interest in the franchise, its assets, or the business conducted at the Center, or any direct or indirect Ownership Interest in Franchisee; provided, however, that prior to the time of transfer, Maaco may, in its sole discretion, except in the case of a transfer to an Entity formed solely for the convenience of ownership, require that:

(1) All of Franchisee's accrued monetary obligations to Maaco and its affiliates and subsidiaries and all other outstanding obligations related to the Center shall have been satisfied;

(2) Franchisee shall have executed a general release in a form satisfactory to Maaco, of any and all claims against Maaco and its officers, directors, shareholders and employees, in their corporate and individual capacities;

(3) The transferee shall execute Maaco's then-current form of franchise agreement, any and all of the provisions of which may differ materially from any and all of those contained in this Agreement, including the continuing weekly royalty fee and continuing weekly marketing fees, and any addenda required by Maaco, and, if the transferee is an Entity, each direct and indirect owner of the transferee shall execute the Guaranty;

(4) The transferee shall pay Maaco a resale initial franchise fee of Five Thousand Dollars (\$5,000.00) which, when paid to Maaco, shall be deemed fully earned and non-refundable;

(5) The transferee shall assume all warranty and guarantee work of Franchisee and execute all documentation required by Maaco to effect such assumption;

(6) The transferee shall pay Maaco its then-current Initial Training and Opening Fee and shall complete the initial training program then in effect for franchisees;

(7) The transferee shall demonstrate to Maaco's satisfaction that he or she meets Maaco's educational, managerial and business standards; possesses a good moral character, business reputation and credit rating; has the aptitude and ability to conduct the business of the Center; and has adequate financial resources and capital to operate the Center;

(8) Neither the transferee nor any of its direct or indirect owners or affiliates operates, has a direct or indirect Ownership Interest in, or performs services for a Competitive Business (as defined in Paragraph 18B(1));

(9) The transferee shall pay Maaco an initial advertising deposit of Five Thousand Dollars (\$5,000.00), provided that Maaco shall have the right to increase such amount by ten percent (10%) per year from the date of this Agreement to the closing of the sale. Maaco shall use, within one (1) year after the closing of the sale, the initial advertising deposit for the post-sale marketing of the Center. Maaco shall determine, in its sole discretion, the types of marketing and marketing materials to be used for such post-sale marketing of the Center. The actual costs of these marketing programs may exceed the initial advertising deposit, in which case Maaco shall charge the transferee the difference. For the avoidance of doubt, the initial advertising deposit shall be in addition to the weekly marketing fees payable hereunder;

(10) In the event that as a result of Maaco's marketing/referral efforts an individual/transferee is identified or if the transferee has already executed a franchise agreement with Maaco, Franchisee shall pay Maaco a sales commission in the amount of ten percent (10%) of the gross sales price of the Center or Thirty Thousand Dollars (\$30,000.00), whichever is greater, regardless of whether Franchisee has a listing with a third-party broker;

(11) Franchisee shall pay to Maaco a transfer fee of Three Thousand Dollars (\$3,000.00).

(12) Franchisee and transferee shall execute and deliver to Maaco such other documents as may be reasonably required by Maaco and shall provide Maaco with updated copies of all lease-related documents pertaining to the Center, including, but not limited to, an updated copy of the Center's lease;

(13) Franchisee or transferee shall complete the following Center refurbishing tasks, at Franchisee's expense, prior to Maaco's consent to any such transfer:

- a. Install Maaco's then-current merchandising system;
- b. Install Maaco's then-current exterior signage and trade dress;
- c. Complete general cleaning, fixing, repairing and painting of the Center;



- d. Complete maintenance service of the equipment (including, but not limited to, the oven, booth, mixing equipment and compressors);
- e. Replace equipment not repairable, as necessary; and
- f. Purchase hardware and software to operate Maaco's current shop management system; and

(14) Franchisee shall have at the Center premises the mix and quantity of inventory then required by Maaco for the operation of the Center, which inventory shall, at minimum, be equal to Three Thousand Dollars (\$3,000.00).

**FRANCHISEE EXPRESSLY ACKNOWLEDGES AND AGREES THAT FRANCHISEE MAY NOT INITIATE OR ATTEMPT TO INITIATE A TRANSFER TO A TRANSFEREE IF SUCH TRANSFEREE (OR ANY OF ITS DIRECT OR INDIRECT OWNERS OR AFFILIATES) OPERATES, HAS A DIRECT OR INDIRECT OWNERSHIP INTEREST IN, OR PERFORMS SERVICES FOR, A COMPETITIVE BUSINESS. FOR THE AVOIDANCE OF DOUBT, MAACO SHALL NOT CONSENT TO SUCH TRANSFER, AND MAACO'S REFUSAL TO CONSENT TO SUCH TRANSFER SHALL NOT BE DEEMED UNREASONABLE.** If Franchisee terminates or attempts to terminate this Agreement for the purpose of engaging in a transfer in violation of this Paragraph 14, Maaco shall be entitled to injunctive relief prohibiting such transfer, and any such transfer shall be void.

D. In the event the proposed transfer is to an Entity formed solely for the convenience of ownership, Maaco's consent to such transfer may, in its sole discretion, be conditioned on the following requirements:

(1) The Entity transferee shall be newly organized and its charter or other organizational documents shall provide that its activities are confined exclusively to the operation of the Center;

(2) Franchisee shall hold a majority Ownership Interest in the Entity transferee, shall not diminish its proportionate Ownership Interest in the Entity transferee, except as may be required by law, and shall act as its principal executive officer; and

(3) Franchisee and the Entity transferee shall execute Maaco's then-current form of assignment agreement, pursuant to which, among other things, the Entity transferee assumes and agrees to discharge Franchisee's obligations under this Agreement. Without limiting the generality of the preceding sentence, the Entity transferee and its direct and indirect owners shall comply with Paragraph 1D.

E. In the event of a proposed transfer, Franchisee agrees that Maaco shall have the right to make available to the transferee its complete file of Franchisee.

F. Upon the death or permanent incapacity of any person with an interest in the franchise or a direct or indirect Ownership Interest in Franchisee, the executor, administrator, personal

representative or trustee of such person or Entity shall transfer its interest to a third-party approved by Maaco within a reasonable time, not to exceed twelve (12) months from the date of death or permanent incapacity. Such transfers, including, without limitation, transfers by devise or inheritance, shall be subject to the same conditions as any lifetime transfer. If the heirs or beneficiaries of any such person are unable to meet the conditions in Paragraph 14 hereof, the executor, administrator, personal representative or trustee of the deceased or incapacitated person shall have a reasonable time, not to exceed twelve (12) months from the date of death or permanent incapacity, to dispose of the deceased's or incapacitated person's interest in the franchise, which disposition shall be subject to all the terms and conditions for transfers contained in the Agreement.

G. Franchisee will not sell, assign, transfer, convey, give away, pledge, mortgage or otherwise encumber any interest in this franchise, its assets, or the business conducted at the Center, or any direct or indirect Ownership Interest in Franchisee, to any third party, without first offering the same to Maaco in writing. With respect to any such proposed transaction, Franchisee will (1) provide to Maaco all of the items listed in Exhibit B to this Agreement, and (2) offer Maaco the right to purchase at the same price and on the same terms as stated in the proposed third-party offer. Maaco will have the right to accept such offer at any time within ninety (90) days from the date that Maaco receives all of the items listed on Exhibit B of this Agreement (the "Evaluation Period"). If Maaco elects to exercise its rights pursuant to this Paragraph 14G, then Maaco shall provide a written notice of such intent to Franchisee (the "Intent Notice") before the expiration of the Evaluation Period. If Maaco provides the Intent Notice to Franchisee, Maaco and Franchisee will negotiate in good faith a purchase agreement on substantially the same material terms and conditions of the third-party offer, except as outlined herein, and such other terms and conditions reasonably satisfactory to Maaco and Franchisee. The purchase agreement shall contain 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 ninety (90) days after the date of the Intent Notice unless the closing is delayed for reasons beyond Maaco's reasonable control. In the event the consideration offered by a third party is such that Maaco may not reasonably be able to provide the same form of consideration, then Maaco may purchase the interest proposed to be sold for the reasonable value equivalent in cash. If Maaco and Franchisee are unable to agree on the reasonable value equivalent in cash of the consideration, Maaco may designate, at its sole expense, an independent appraiser to determine the reasonable value equivalent in cash of the consideration. The independent appraiser's determination shall be binding. In addition, if the third-party purchaser and Franchisee have including terms in the proposed offer that, in Maaco's reasonable judgment, are intended to make it difficult or impossible for Maaco to exercise its rights under this Paragraph 14G, Maaco shall not be required to match such terms in exercising such rights. If Maaco does not provide the Intent Notice to Franchisee, then Franchisee will be free to sell or transfer to a third-party purchaser, provided that the terms and conditions of sale, including price, are no more favorable to the third-party purchaser than what was offered to Maaco. Any such sale or transfer to a third party is expressly subject to the provisions described in this Paragraph 14. If (i) Franchisee determines that it is willing to accept terms and conditions from any third-party purchaser that are more favorable to the third-party purchaser than what has been offered to Maaco, or (ii) more than ninety (90) days has passed since the expiration of the Evaluation Period and the proposed sale has not occurred, Franchisee must again (1) notify Maaco and (2) offer in writing the same terms and conditions to Maaco, and Maaco will have ninety (90) days after the date of

receipt of such notification to accept Franchisee's offer. Franchisee expressly agrees to provide Maaco the executed purchase agreement signed at the closing of the sale to the third-party purchaser so that Maaco may confirm that the terms of the transaction are consistent with the offer made to Maaco. Maaco has the right to assign Maaco's rights under this Paragraph 14G (in whole or in part) or designate a third party to exercise such rights. For the avoidance of doubt, either Maaco or its third-party assignee can exercise the rights set forth in this Paragraph 14G. Franchisee expressly agrees that the items provided by Franchisee to Maaco pursuant to Exhibit B of this Agreement may be disclosed by Maaco to one (1) or more potential third-party designees. Further, Franchisee will cooperate with Maaco and take all actions reasonably required to protect Maaco's rights under this Paragraph 14G.

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

## 15. TERMINATION BY MAACO

A. In addition to Maaco's right to terminate this Agreement as provided in Paragraph 2B hereof, Maaco may terminate this Agreement and the franchise by notice of termination to Franchisee upon the occurrence of any of the following events:

(1) Franchisee becomes insolvent, makes a general assignment for the benefit of creditors, is adjudicated as bankrupt, suffers temporary or permanent court appointed receivership of substantially all of its property or suffers the filing of a voluntary or involuntary bankrupt petition which is not dismissed within thirty (30) days after filing or is dissolved for any reason;

(2) Franchisee abandons or ceases to do business at the Center for six (6) or more consecutive days, or loses the right to possession of the Center or otherwise forfeits the right to do or transact business in the jurisdiction where the Center is located; however, if any loss of possession results from the governmental exercise of the power of eminent domain, or if, through no fault of Franchisee, the Center is damaged or destroyed by a disaster such that it cannot, in Maaco's judgment, reasonably be restored, then in either such event this Agreement shall not be terminated for that reason for ninety (90) days thereafter, provided Franchisee applies within that time for approval to relocate the Center for the remainder of the term hereof, which approval shall not be unreasonably withheld;

(3) Arrest and/or conviction of Franchisee or any Owner of certain felonies;

(4) Franchisee makes a purported transfer without Maaco's prior written consent, contrary to the terms of Paragraph 14 of this Agreement;

(5) Franchisee fails to comply with the in-term covenants in Paragraph 18 hereof;

(6) Franchisee discloses or divulges the contents of the Playbook or other trade secrets or Confidential Information provided to Franchisee by Maaco contrary to Paragraphs 10 and 11 hereof;

(7) If an approved transfer is not effected within a reasonable time following Franchisee's death or permanent incapacity as required by Paragraph 14F hereof;

(8) A threat or danger to public health or safety results from the maintenance or operation of the Center;

(9) Maaco discovers that Franchisee made any material misrepresentation on or in connection with its application for the franchise;

(10) Maaco receives repeated customer complaints about the Center;

(11) Franchisee misrepresents or intentionally underreports the Center's business figures or gross receipt in reports submitted to Maaco;

(12) Franchisee (or the majority investor) or the Center's principal operator (if applicable) fails or is unable to complete the initial training program to the satisfaction of Maaco; or

(13) Franchisee fails on two (2) or more occasions within any twelve (12)-month period to comply with this Agreement, whether or not such failures to comply are corrected after notice thereof is delivered to Franchisee.

B. Maaco shall have the further right to terminate this Agreement and the franchise by notice of termination to Franchisee, if Franchisee fails to comply with any other provision of this Agreement or any specification, standard or operating procedure prescribed by Maaco and does not correct such failure within seven (7) days if such failure relates to the use of the Proprietary Marks, fifteen (15) days if such failure relates to the payment of money by Franchisee pursuant to this Agreement or any other agreement between Franchisee and Maaco or its subsidiaries or affiliates, otherwise within thirty (30) days, after written notice of such failure to comply (which shall describe the action that Franchisee must take to correct same) is given to Franchisee.

C. Termination is effective the date the notice of termination is sent to Franchisee.

## **16. OBLIGATIONS UPON TERMINATION OR EXPIRATION**

Upon termination or expiration of this Agreement:

A. Franchisee shall immediately cease to operate the business franchised under this Agreement, and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Maaco.

B. Franchisee shall immediately and permanently cease to use, by advertising or in any manner whatsoever, any equipment, confidential methods, procedures and techniques associated with the System; the trade and service marks “Maaco,” “Maaco Collision Repair & Auto Painting,” and “America’s Bodyshop” and any other Proprietary Marks and distinctive forms, slogans, signs, symbols, or devices associated with the System. In particular, Franchisee shall cease to use, without limitation, all signs, equipment, marketing materials, stationery, forms and any other articles which display the Proprietary Marks. Franchisee must remove all exterior signage from the premises immediately and, in any event, no later than two (2) days following the date of this Agreement’s termination.

C. Franchisee shall immediately stop accepting new customers using Maaco paperwork, shall complete all work-in-progress and deliver all motor vehicles to their owners, and shall provide Maaco with all Customer Data and customer lists in its possession.

D. Franchisee shall take such action as may be necessary to cancel any assumed name or equivalent registration which contains the name “Maaco” or any other service mark or trademark of Maaco, and to notify the telephone company and all Listing agencies of the termination or expiration of Franchisee’s right to use all telephone numbers and all other Listings of the Center and, where applicable, to authorize same to transfer to Maaco or its affiliate all such numbers and Listings. Franchisee acknowledges that as between Maaco and Franchisee, Maaco has the sole rights to and interest in all telephone number and Listings associated with any name or mark and, where applicable, authorizes Maaco to direct the telephone company and all Listing agencies to transfer same to Maaco or its affiliate should Franchisee fail to do so, and the telephone company and all Listing agencies shall accept such direction or this Agreement as conclusive of the exclusive rights of Maaco in such telephone numbers and Listings and its authority to direct their transfer. Franchisee shall be obligated to immediately pay all outstanding charges related to such telephone numbers upon termination or expiration.

E. Franchisee shall make such modifications or alterations to the premises operated hereunder (including, without limitation, ceasing all use of the telephone number) immediately upon termination or expiration of this Agreement as may be necessary to prevent the operation of any business thereon by himself or others in derogation of this Paragraph 16 and shall make such specific additional changes thereof as Maaco may reasonably request for that purpose. In the event Franchisee fails to make such modifications, Maaco shall have the right to re-enter the premises and make such modifications or alterations to the premises.

F. Franchisee shall promptly pay all sums owing to Maaco and its subsidiaries and affiliates, which sums will include a warranty “hold back” in the amount of Twenty-Five Thousand Dollars (\$25,000.00) to Maaco to provide for correction of any defects in workmanship committed by Franchisee with respect to warranted work performed by Franchisee. Within twelve (12) months after the effective date of termination or expiration, Maaco will return to Franchisee any remaining balance of such “hold back” amount, after deducting the cost of correcting any such defects.

G. Franchisee shall immediately return to Maaco, at Franchisee’s expense, all manuals, including the Playbook, records, files, instructions, correspondence, all materials related to

operating the franchised business, including, without limitation, brochures, agreements, and any and all other materials relating to the operation of the Center in Franchisee's possession.

H. Franchisee shall comply with the covenants contained in Paragraph 18 of this Agreement.

I. Franchisee shall execute a general release in a form satisfactory to Maaco, of any and all claims against Maaco, its parents, affiliates and subsidiaries, together with all of their respective former, present and future officers, directors, shareholders, employees agents, attorneys, servants, representatives, heirs, successors, assigns and predecessors, in their individual and corporate capacities.

## **17. OPTION TO PURCHASE**

A. Upon termination or expiration of this Agreement, Maaco shall have the right for a period of ninety (90) days commencing on the date of termination or expiration to inform Franchisee that it intends to purchase from Franchisee the assets of the Center, provided that Maaco may exclude from the purchased assets any fixtures, equipment, signs, products or supplies that it has not approved as meeting quality or performance standards for Maaco Centers. Franchisee agrees to promptly provide Maaco all of the items listed in Exhibit B to this Agreement to determine whether to exercise its option under this Paragraph 17. If Franchisee or one of its Owners or affiliates owns the Center's site, Maaco may elect to include a fee simple interest in the site as part of the purchased assets or, at Maaco's option, lease the site from Franchisee or that Owner or affiliate for an initial five (5)-year term with one (1) renewal term of five (5) years (at Maaco's option) on commercially reasonable terms. Franchisee agrees to cause its Owner or affiliate to comply with these requirements. If Franchisee leases the Center's site from an unaffiliated lessor, Franchisee agrees (at Maaco's option) to assign the lease to Maaco or to enter into a sublease for the remainder of the lease term on the same terms (including renewal options) as the lease.

B. Maaco will have the right, upon written notice to Franchisee, to manage the Center during the period following Maaco's election to exercise its option under this Paragraph 17 and continuing through the closing of its purchase.

C. The purchase price for the assets of the Center, other than a fee simple interest in the site, shall be their fair market value exclusive of any goodwill attributable to the Proprietary Marks, any Confidential Information or Maaco's other intellectual property rights. If Maaco elects to acquire a fee simple interest in the Center's site, the purchase price for the site will be its fair market value. If Maaco and Franchisee are unable to agree on the fair market value, the fair market value shall be determined by an independent appraiser selected by Maaco. Maaco and Franchisee will negotiate in good faith a purchase agreement for the assets of the Center (and site, as applicable), which agreement shall contain 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.

D. The purchase price shall be paid at the closing of the purchase, which shall take place no later than ninety (90) days after receipt by Franchisee of Maaco's notice of its intent to exercise

this option to purchase, unless the closing is delayed for reasons beyond Maaco's reasonable control, at which time Franchisee shall deliver instruments transferring to Maaco: (1) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances with all sales and other transfer taxes payable by Franchisee; and (2) all licenses or permits which may be assigned or transferred. If Franchisee cannot deliver clear title to all of the purchased assets, or if there are other unresolved issues, the sale will be closed through an escrow. Maaco shall have the right to set off against and reduce the purchase price by any and all amounts owed by Franchisee to Maaco.

E. Maaco shall have the right to assign its rights (in whole or in part) under this Paragraph 17 or designate another person or Entity to exercise such rights. For the avoidance of doubt, either Maaco or its third-party assignee can exercise the rights set out in this Paragraph 17. Franchisee expressly agrees that the items provided by Franchisee to Maaco pursuant to Exhibit B of this Agreement may be disclosed by Maaco to one (1) or more potential third-party designees.

## 18. COVENANTS

A. Except as otherwise approved in writing by Maaco, Franchisee (or if Franchisee is more than one person, the person approved by Maaco as the Center's principal operator) shall devote full time, energy and efforts to the management and operation of the Center. The Center shall at all times be managed and operated by Franchisee (or if Franchisee is more than one person, the person approved by Maaco as the Center's principal operator). Franchisee (or the majority investor in the franchise) and the individual conducting the day-to-day management and operation of the Center as the principal operator (if not Franchisee or the majority investor) shall attend and complete to Maaco's satisfaction the initial training program described in Paragraph 7B of this Agreement.

B. Franchisee covenants that during the term of this franchise, except as otherwise approved in writing by Maaco, Franchisee shall not directly or indirectly, for himself or herself, or through, on behalf of, or in conjunction with any person, persons, or Entity:

(1) Divert or attempt to divert any business or customer of the business franchised hereunder to any Competitive Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System. A "Competitive Business" is any other business providing, in whole or in part, motor vehicle painting or body repair services or products, provided that, for purposes of this Agreement, any other automotive business franchised by Driven Brands Holdings Inc. or its subsidiaries will not be deemed a Competitive Business.

(2) Own, maintain, engage in, be employed by, finance or make loans to, advise, assist, or have any interest in or relationship or association with any Competitive Business.

C. Franchisee covenants that for a period of one (1) year from whichever of the following events occurs later: (i) the expiration or termination of this Agreement, regardless of the cause of termination; (ii) the date upon which Franchisee ceases to operate the Center; (iii) a transfer of this

Agreement permitted under Paragraph 14; (iv) the date upon which Franchisee complies with this Paragraph 18C; or (v) a final arbitration or court order (after all appeals have been taken) concerning any of the foregoing or concerning the enforcement of this Paragraph 18C, Franchisee shall not either directly or indirectly, for himself or through, on behalf of, or in conjunction with any other person, persons, or Entity:

(1) Do or engage in any act prescribed by Paragraph 18B(1) of this Agreement.

(2) Own, maintain, engage in, be employed by, finance or make loans to, advise, assist, or have any interest in or relationship or association with any Competitive Business at the premises of the Center or within a radius of ten (10) miles of the Center or of any other Maaco Center or Maaco location that is then operating or under development or construction (including Maaco retail stores).

D. Franchisee understands and acknowledges that Maaco shall have the right to reduce the scope of any covenant set forth in Paragraph 18B and C in this Agreement, or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Paragraph 23 hereof.

E. If any court or other tribunal having jurisdiction to determine the validity or enforceability of this Paragraph 18 determines that it would be invalid or unenforceable as written, then the provisions of Paragraph 18 shall be deemed to be modified to such extent or in such manner as necessary for such provisions to be valid and enforceable to the greatest extent possible.

F. Franchisee acknowledges that any violation of Paragraph 18 would result in irreparable injury to Maaco for which no adequate remedy at law is available.

## **19. TAXES, PERMITS AND INDEBTEDNESS**

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

B. Franchisee shall comply with all federal, state and local laws, rules and regulations, including, without limitation, 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). Franchisee must comply with any privacy policies Maaco may periodically establish. Franchisee also must comply with Maaco's reasonable instructions, prevailing industry standards (including payment card industry data security standards), and all applicable laws and regulations, as any of them may be modified from time to time, regarding the organizational, physical, administrative and technical measures and security procedures to safeguard the confidentiality and security of Customer Data on Franchisee's Management System or otherwise in Franchisee's possession or control and, in any event, employ



reasonable means to safeguard the confidentiality and security of Customer Data. If there is a suspected or actual breach of security or unauthorized access involving Franchisee's Customer Data (a "Data Security Incident"), Franchisee must notify Maaco immediately after becoming aware of such actual or suspected occurrence and specify the extent to which Customer Data was compromised or disclosed. Franchisee must comply with Maaco's instructions in responding to any Data Security Incident. Maaco (and its designated affiliates) have the right, but no obligation, to control the direction and handling of any Data Security Incident and any related investigation, litigation, administrative proceeding or other proceeding at Franchisee's expense.

C. Franchisee shall timely obtain any and all permits, certificates or licenses necessary for the full and proper conduct of the business franchised hereunder, including, without limitation, those related to hazardous waste storage and removal, licenses to do business, fictitious name registrations and sales tax permit clearance.

D. Franchisee shall notify Maaco in writing within five (5) days of the commencement of any action, suit or proceeding, and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which may adversely affect the operation or financial condition of the franchised business.

## **20. INDEPENDENT CONTRACTOR AND INDEMNIFICATION**

A. Franchisee is an independent contractor. Nothing in this Agreement 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. This Agreement does not create a fiduciary relationship between the parties. Further, Maaco and Franchisee are not and do not intend to be partners, associates, or joint employers in any way, and Maaco shall not be construed to be jointly liable for any of Franchisee's acts or omissions under any circumstances. Although Maaco retains the right to establish and modify the System that Franchisee must follow, Franchisee retains the responsibility for the day-to-day management and operation of the Center and implementing and maintaining standards at the Center. To the extent that the Playbook or Maaco's guidelines or standards contain employee-related policies or procedures that might apply to Franchisee's employees, those policies and procedures are provided for informational purposes only and do not represent mandatory policies and procedures to be implemented by Franchisee. Franchisee must determine to what extent, if any, these policies and procedures may be applicable to Franchisee's operations at the Center. Maaco and Franchisee recognize that Maaco neither dictates nor controls labor or employment matters for franchisees and that Franchisee, and not Maaco, is solely responsible for dictating the terms and conditions of employment for Franchisee's employees, including, but not limited to, training, wages, reimbursements, benefits, promotions, hirings and firings, vacations, safety, work schedules, and specific tasks. Maaco has no relationship with Franchisee's employees, and Franchisee has no relationship with Maaco's employees.

B. During the term of this Agreement and any extensions hereof, Franchisee expressly agrees to hold itself out to the public as an independent contractor operating the business pursuant to a franchise from Maaco. Franchisee agrees to take such affirmative action as may be necessary to do so and as Maaco may require, including, without limitation, exhibiting a notice of that fact

in a conspicuous place in the franchised premises, the content of which Maaco reserves the right to specify.

C. It is understood and agreed that nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty or representation on Maaco's behalf, or to incur any debt or other obligation in Maaco's name, and that Maaco shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action, or by reason of any act or omission of Franchisee in its conduct of the franchised business or any claim or judgment arising therefrom against Maaco, including those related to Franchisee employees.

D. From and after the Effective Date, Franchisee and Owners, jointly and severally, shall indemnify Maaco and its 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 "Maaco Indemnitees") and hold the Maaco 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 the Center, including the failure of Franchisee to perform any covenant or agreement under this Agreement or any activities of Franchisee on or after the Effective Date, or any claims by any employee of Franchisee arising out of or relating to his or her employment with Franchisee (collectively, "Event"), and regardless of whether it resulted from any strict or vicarious liability imposed by law on the Maaco Indemnitees; provided, however, that this indemnity will not apply to any liability arising from a breach of this Agreement by any of the Maaco Indemnitees or the gross negligence or willful acts of any of the Maaco 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 Franchisee). "Losses and Expenses" means losses, liabilities, claims, penalties, 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 Maaco's reputation and goodwill, and all other costs associated with any of the foregoing losses and expenses.

E. Promptly after the receipt by any Maaco Indemnitee of notice of the commencement of any action against such Maaco Indemnitee by a third party (such action, a "Third-Party Claim"), the Maaco Indemnitee will, if a claim with respect thereto is to be made for indemnification pursuant to this Paragraph 20 give a claim notice to Franchisee with respect to such Third-Party Claim. No delay or failure on the part of the Maaco Indemnitee in so notifying Franchisee will limit any liability or obligation for indemnification pursuant to this Paragraph 20, except to the extent of any material prejudice to Franchisee with respect to such claim caused by or arising out of such delay or failure. Maaco will have the right to assume control of the defense of such Third-Party Claim, and Franchisee and Owners will be responsible for the costs incurred in connection with the defense of such Third-Party Claim. Franchisee and Owners will furnish Maaco with such information as it may have with respect to such Third-Party Claim (including copies of any

summons, complaint or other pleading which 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 Maaco in the defense of such Third-Party Claim. The fees and expenses of counsel incurred by Maaco will be considered Losses and Expenses for purposes of this Agreement. Maaco may as it deems necessary and appropriate take such actions to take remedial or corrective action with respect thereof as may be, in Maaco's reasonable discretion, necessary for the protection of the Maaco Indemnitees or Maaco Centers generally. Maaco 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 Franchisee 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 Maaco Indemnitees. The indemnity in this Paragraph 20 will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

F. Franchisee acknowledges and agrees that, except as provided under an express statutory liability for such conduct, none of Maaco'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 (i) any of Maaco's obligations or liabilities relating to or arising from this Agreement, (ii) any claim against Maaco based on, in respect of, or by reason of, the relationship between Franchisee and Maaco, or (iii) any claim against Maaco based on any of Maaco'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.

## **21. APPROVALS AND WAIVERS**

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

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

C. No failure of Maaco to exercise any power reserved to it by this Agreement, or to insist upon strict compliance by Franchisee with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of Maaco's right to demand exact compliance with any of the terms herein. Subsequent acceptance by Maaco of any payments due to it hereunder shall not be deemed to be a waiver by Maaco of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

**22. NOTICES**

A. Franchisee acknowledges and agrees that exchanging information with Maaco by e-mail and electronic transmission is an important way to enable quick, effective and efficient communication. To facilitate the use of e-mail and electronic transmission to exchange information, Franchisee authorizes during the term of this Agreement the transmission of e-mails and electronic transmissions by Maaco, its employees, vendors and affiliates to Franchisee on matters pertaining to the business contemplated hereunder. In order to implement the terms of this Paragraph, Franchisee agrees that: (1) Maaco and its employees, vendors and affiliates are authorized to send e-mails and electronic transmissions to those managers or other supervisory employees of Franchisee as Franchisee may specifically designate for the purpose of communicating with Maaco; (2) Franchisee will cause its officers, directors, and any designated managers or employees (as a condition of their employment or position with Franchisee) to give their consent (in an e-mail, electronically, or in a pen and paper writing, as Maaco may reasonably require) to Maaco’s transmission of e-mails to those persons, and that such persons shall not opt-out, or otherwise ask to no longer receive e-mails from Maaco, its employees, vendors or affiliates during the time that such person works for or is affiliated with Franchisee; and (3) Franchisee will not opt-out, or otherwise ask to no longer receive e-mails from Maaco, its employees, vendors or affiliates during the term of this Agreement.

B. Any and all notice required or permitted under this Agreement shall be in writing and shall be personally delivered or delivered by a nationally-recognized, next-day courier service to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notice to Maaco:

Maaco Franchisor SPV LLC  
440 South Church Street  
Suite 700  
Charlotte, North Carolina 28202

Notices to Franchisee:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Except for a notice of termination, as stated in Paragraph 15C, any notice by certified or registered mail shall be deemed to have been delivered two (2) business days from the date of mailing. The consent and authorization given in Paragraph 22A above shall not apply to the provision of notices under Paragraph 22B above unless the parties otherwise agree in a pen and paper writing signed by both parties.

**23. ENTIRE AGREEMENT**

This Agreement, the documents referred to herein, and the attachments hereto, if any, constitute the entire, full and complete agreement between Maaco and Franchisee concerning the subject matter hereof, and supersede all prior agreements, no other representations having induced Franchisee to execute this Agreement. Notwithstanding the foregoing, nothing in this Agreement

shall disclaim or require Franchisee to waive reliance on any representation that Maaco made in the most recent disclosure document (including its exhibits and amendments) that Maaco delivered to Franchisee or its representative, subject to any agreed-upon changes to the contract terms and conditions described in that disclosure document and reflected in this Agreement (including any riders or addenda signed at the same time as this Agreement). No amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

#### **24. SEVERABILITY AND CONSTRUCTION**

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

B. If any applicable law or rule of any jurisdiction requires a greater prior notice of the termination of, or election not to renew this Agreement, or the taking of some other action with respect to such termination or election not to renew than is required hereunder, the prior notice of other action required by such law or rule shall be substituted for the notice or other requirements thereof.

C. Anything to the contrary herein notwithstanding, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or Entity other than Maaco or Franchisee and such of their respective successors and assigns as may be contemplated by Paragraph 14 hereof, any rights or remedies under or by reason of this Agreement.

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

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

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

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

## 25. ENFORCEMENT

A. This Agreement takes effect upon its acceptance and execution by Maaco. This Agreement shall be interpreted and construed under the laws of the State of North Carolina, and any dispute between the parties shall be governed by and determined in accordance with the substantive law of the State of North Carolina, which laws shall prevail in the event of a conflict of law.

B. Any action arising out of or relating to this Agreement shall be commenced, litigated, and concluded only in a state or federal court of general jurisdiction in the county or district where Maaco's principal offices are located, which as of the date of this Agreement is Charlotte, North Carolina. Franchisee irrevocably submits to the jurisdiction of the state and federal courts located in Mecklenburg County, North Carolina, and irrevocably waives any objection he may have to either the jurisdiction or venue of such courts. Franchisee further irrevocably agrees not to argue that any such court is an inconvenient forum or to request transfer of any such action to any other court. Maaco, however, shall have the option of bringing any action to enforce the terms of this Agreement or prevent any actual or threatened breach of this Agreement in any court of competent jurisdiction and Franchisee consents to the entry of injunctive relief, including, without limitation, temporary restraining orders and/or preliminary and permanent injunctions without the requirement of bond, according to the equity rules in the jurisdiction in which such relief is sought.

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

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

E. Franchisee agrees to pay Maaco its reasonable attorneys' fees and costs incurred in connection with any default by Franchisee under this Agreement. If Maaco shall institute any action at law or in equity against Franchisee to secure or protect its rights hereunder or to enforce the terms of this Agreement, Maaco shall be entitled to recover, in addition to any judgment rendered in its favor, its reasonable attorneys' fees, costs, and court costs.

## 26. ACKNOWLEDGMENTS

A. The following acknowledgments are made by and binding upon all franchisees signing this Agreement, except those 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:

**FRANCHISEE ACKNOWLEDGES THAT THE PERFORMANCE OF THE CENTER IS DEPENDENT UPON: (I) THE ABILITY AND ACUMEN OF FRANCHISEE AS AN INDEPENDENT BUSINESSPERSON; (II) FRANCHISEE'S FULL-TIME PARTICIPATION IN THE DAY-TO-DAY OPERATION OF THE CENTER; AND (III) FRANCHISEE'S IMPLEMENTATION OF THE SYSTEM. NO REPRESENTATIONS, INDUCEMENTS, PROMISES OR AGREEMENTS, ORAL OR OTHERWISE, NOT EMBODIED HEREIN OR ATTACHED HERETO (UNLESS OF SUBSEQUENT DATE) ARE MADE BY EITHER PARTY, AND NONE SHALL BE OF ANY FORCE OR EFFECT WITH REFERENCE TO THIS AGREEMENT OR OTHERWISE. FRANCHISEE REPRESENTS AND WARRANTS THAT NEITHER MAACO NOR ANY PERSON OR ENTITY ACTING ON ITS BEHALF HAS PROVIDED ANY ASSURANCES OR MADE ANY REPRESENTATIONS OR WARRANTIES CONCERNING THE ACTUAL OR POTENTIAL SALES, COSTS, INCOME, PROFITS OR PROBABLE SUCCESS OF THE CENTER. FRANCHISEE ACKNOWLEDGES THAT IT HAS CONDUCTED AN INDEPENDENT INVESTIGATION OF THE MAACO FRANCHISE OPPORTUNITY. FRANCHISEE HAS READ THE ABOVE FRANCHISE AGREEMENT AND UNDERSTANDS ITS TERMS. FRANCHISEE WOULD NOT SIGN THIS FRANCHISE AGREEMENT IF FRANCHISEE DID NOT UNDERSTAND AND AGREE TO BE BOUND BY ITS TERMS.**

B. Franchisee represents, warrants and covenants that, if Franchisee has obtained or intends to obtain from a lender a loan in connection with the Center in which funding is provided with the assistance of the United States Small Business Administration ("SBA"), Franchisee must promptly notify Maaco. Upon receipt of such notice, Maaco will deliver to Franchisee a copy of Maaco's SBA addendum to franchise agreement (the "SBA Addendum"), which SBA Addendum modifies certain provisions of this Agreement to comply with requirements related to SBA-assisted financing. Franchisee agrees to sign the SBA Addendum and return such signed SBA Addendum to Maaco within five (5) days after receipt thereof from Maaco.

## **27. 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 Franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by Maaco, any franchise seller, or any other person acting on behalf of

Maaco. This provision supersedes any other term of any document executed in connection with the franchise.

*[Signatures appear on following page.]*



**IN WITNESS WHEREOF**, the parties hereto have duly executed and delivered this Agreement on \_\_\_\_\_.

**FRANCHISEE**  
**If an Entity:**

\_\_\_\_\_  
a \_\_\_\_\_

(Name of Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**If individuals:**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

**MAACO FRANCHISOR SPV LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Attest: \_\_\_\_\_

**EXHIBIT A**  
**PERSONAL GUARANTY**

**THIS PERSONAL GUARANTY** (“Guaranty”) is made and entered into as of \_\_\_\_\_ by and among Maaco Franchisor SPV LLC, a Delaware limited liability company with its principal office located at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 (“Maaco”) and \_\_\_\_\_, a resident and citizen of the State of \_\_\_\_\_ (“Guarantor”).

**BACKGROUND**

A. On \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, a(n) \_\_\_\_\_, (“Franchisee”) and Maaco entered into a Maaco Franchise Agreement (the “Franchise Agreement”) for the operation of a Maaco Collision Repair & Auto Painting Center located at \_\_\_\_\_ (the “Center”).

B. On \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, Franchisee assigned its rights and obligations under the Franchise Agreement to \_\_\_\_\_ (“Assignee”) pursuant to an Assignment and Assumption Agreement entered into between Franchisee, Assignee and Maaco.

C. Franchisee and Guarantor each own \_\_\_\_\_ percent (\_\_\_\_\_ %) of the outstanding shares of stock of Assignee, and Guarantor owns \_\_\_\_\_ percent (\_\_\_\_\_ %) of the outstanding shares of Assignee.

D. Pursuant to the terms of the Franchise Agreement, Guarantor shall jointly and severally guaranty all of Assignee’s obligations under the Franchise Agreement pursuant to the terms of this Guaranty.

E. As a condition of and as an inducement to enter into the Franchise Agreement, Guarantor hereby agrees to unconditionally guaranty the performance of Franchisee in accordance with the terms and conditions of this Guaranty.

**AGREEMENT**

With the foregoing background incorporated by reference and in consideration of the mutual covenants contained in this Guaranty, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, and intending to be legally bound, the parties agree as follows:

1. Guarantor confirms and acknowledges that it has reviewed the Franchise Agreement and understands and is familiar with all of the terms and conditions contained in the Franchise Agreement.

2. Guarantor agrees to be jointly and severally bound by all of the terms and conditions of the Franchise Agreement. Guarantor further agrees to guaranty and act as surety for the performance of all of Assignee's obligations, commitments, duties and liabilities under the Franchise Agreement. Without limiting the foregoing, Guarantor, severally, irrevocably and unconditionally guarantees to Maaco that: (i) Assignee will pay all amounts to be paid and otherwise comply with all provisions of the Franchise Agreement or any other agreement with Maaco or its affiliates concerning the operation of the Center; and (ii) if Assignee defaults in making any such payments or complying with any such provisions, Guarantor shall, upon demand, pay all amounts due and owing Maaco and all damages that may arise as a result of any such noncompliance.

3. In the enforcement of any of its rights against Guarantor, Maaco may proceed as if Guarantor were the primary obligor under the Franchise Agreement. Guarantor waives any right to require Maaco to first proceed against Assignee or to proceed against or exhaust any security (if any) held by Maaco or to pursue any other remedy available to it before proceeding against Guarantor. No dealings between Maaco and Assignee shall exonerate, release, discharge or in any way reduce the obligations of Guarantor hereunder, in whole or in part and in particular and, without limiting the generality of the foregoing, Maaco may modify or amend the Franchise Agreement, grant any indulgence, release, postponement or extension of time, waive any term or condition of the Franchise Agreement, or any obligation of Assignee, take or release any securities or other guarantees for the performance by Assignee of any of its obligations, and otherwise deal with Assignee as Maaco may see fit without affecting, lessening or limiting in any way the liability of Guarantor. Notwithstanding any assignment for the general benefit of creditors or any bankruptcy or other act of insolvency by Assignee, and notwithstanding any rejection, disaffirmation or disclaimer of this Guaranty or the Franchise Agreement, Guarantor shall continue to be fully liable.

4. This Guaranty 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.

5. This Guaranty contains the entire integrated agreement by Guarantor regarding the subject matter contained in this Guaranty, and may not be modified, changed or amended without the written consent of Guarantor and Maaco.

6. This Guaranty shall be binding upon and inure to the benefit of Maaco's and Guarantor's heirs, successors and assigns.

7. Guarantor agrees that as a shareholder of and an active participant in Assignee, it will have a substantial relationship with Maaco at its corporate offices where Maaco's decision-making authority is vested and franchise operations are conducted and supervised. Therefore, any action arising out of or relating to this Guaranty shall be commenced, litigated and conducted only in any state or federal court of general jurisdiction in the county or district where Maaco's corporate offices are located. Guarantor irrevocably submits to the jurisdiction of such court and irrevocably waives any objection it may have to either the jurisdiction or venue of such court. Guarantor further irrevocably agrees not to argue that any such court an inconvenient forum or to request transfer of any such action to any other court.

8. In the event that Maaco retains the services of legal counsel to enforce the terms of this Guaranty, Maaco shall be entitled to recover all costs and expenses, including reasonable attorneys', expert and investigative fees, incurred in enforcing the terms of this Guaranty.

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**Maaco Franchisor SPV LLC**

By: \_\_\_\_\_

**EXHIBIT B**  
**DILIGENCE ITEMS**

Franchisee expressly acknowledges that the Evaluation Period shall not begin until Franchisee provides Maaco all of the following materials:

1. An exact duplicate of the actual signed letter of intent between Franchisee and the third-party purchaser that includes:
  - a. The assets being purchased;
  - b. The purchase price; and
  - c. All other material terms (including, but not limited to, a detailed listing of any hold back amounts).
2. Profit and loss statements for the current fiscal year, and the two (2) fiscal years preceding the current fiscal year.
3. Franchisee's tax returns for the two (2) years preceding the current year.
4. A roster of all employees identifying the names, pay rates and job titles.
5. A list of key management employees with names and titles.
6. A list of all real estate details, including:
  - a. Square footage;
  - b. Whether the property is rented or owned;
  - c. Copies of any leases; and
  - d. Landlord contact information.
7. Annual payroll details for the current fiscal year, and the two (2) fiscal years preceding the current fiscal year.
8. Copies of shop certifications.
9. Detailed equipment list.
10. Copies of any key vendor contracts (i.e., paint contracts).

**EXHIBIT C**  
**SECURITY AGREEMENT**

**THIS SECURITY AGREEMENT** is made and entered into as of \_\_\_\_\_  
\_\_\_\_\_ (this “Agreement”), by and among Maaco Franchisor SPV  
LLC, a Delaware limited liability company (the “Secured Party”), and \_\_\_\_\_  
\_\_\_\_\_, a(n) \_\_\_\_\_, whose principal business address is \_\_\_\_\_  
\_\_\_\_\_ (“Debtor”).

A. Debtor will develop and operate a “Maaco®” center specializing in vehicle painting and body repair (the “Center”) pursuant to that certain Franchise Agreement dated as of the date hereof (the “Franchise Agreement”), by and between Secured Party and Debtor.

B. To secure payment of the fees and any and all other amounts owed to Secured Party and/or its affiliates under the Franchise Agreement and any and all other agreements between Secured Party (or any of its affiliates) and Debtor (or any of its owners or affiliates), Debtor wishes to grant to Secured Party a continuing security interest in the Collateral (as defined below).

**ACCORDINGLY**, for good and valuable consideration, the adequacy, sufficiency, and actual receipt of which are hereby mutually acknowledged by the parties, the parties hereby agree as follows:

1. Security Interest. In order to secure (i) complete and timely payment of Debtor’s financial obligations arising under or in respect of the Franchise Agreement this Agreement, and any and all other agreements between Secured Party (or any of its affiliates) and Debtor (or any of its owners or affiliates), including, but not limited to, any extensions, modifications, substitutions, increases or renewals thereof, (ii) complete and timely payment of all amounts advanced or incurred by Secured Party to preserve, protect, defend, and enforce its rights under this Agreement, the Franchise Agreement, and/or with respect to the Collateral, and (iii) complete and timely payment of all fees, costs and expenses incurred by Secured Party in connection therewith (collectively, the “Obligations”), Debtor hereby pledges, grants, and assigns to Secured Party a continuing, general, valid, and unavoidable security interest in and lien on, all of Debtor’s right, title, and interest in and to all of the following property, wherever located, however held, whether now owned or hereafter acquired or arising (collectively, the “Collateral”):

- (a) all accounts;
- (b) all certificated securities;
- (c) all chattel paper;
- (d) all computer hardware and software and all rights with respect thereto, including, any and all licenses, options, warranties, service contracts, program services, test rights, maintenance rights, support rights, improvement rights, renewal rights and indemnifications, and any substitutions, replacements, additions or model conversions of any of the foregoing;
- (e) all contract rights;

- (f) all deposit accounts;
- (g) all documents;
- (h) all electronic chattel paper;
- (i) all equipment;
- (j) all financial assets;
- (k) all fixtures;
- (l) all general intangibles, including payment intangibles and software;
- (m) all goods (including, without limitation, all equipment, furniture, fixtures and inventory), and all accessions, additions, attachments, improvements, substitutions and replacements thereto and therefor;
- (n) all instruments;
- (o) all intellectual property;
- (p) all inventory;
- (q) all investment property;
- (r) all money (of every jurisdiction whatsoever);
- (s) all letter-of-credit rights;
- (t) all payment intangibles;
- (u) all security entitlements;
- (v) all supporting obligations;
- (w) all uncertificated securities;
- (x) (I) all commercial tort claims; (II) the right to payment of, for, or on account of all commercial tort claims; and
- (y) to the extent not included in the foregoing, all other personal property of any kind or description wherever located or however held;

together with all books, records, writings, data bases, information and other property relating to, used or useful in connection with, or evidencing, embodying, incorporating or referring to any of the foregoing, and all proceeds, products, offspring, rents, issues, profits and returns of and from any of the foregoing, provided that to the extent that the provisions of any lease or license of computer hardware and software or intellectual property expressly prohibit (and such prohibition is enforceable under applicable law) any assignment thereof, and the grant of a security interest therein, Secured Party will not enforce its security interest in any of Debtor's rights under such lease or license (other than in respect of the proceeds thereof) for so long as such prohibition continues, it being understood that upon request of Secured Party, Debtor will in good faith use reasonable efforts to obtain consent for the creation of a security interest in favor of Secured Party (and to Secured Party's enforcement of such security interest) in such rights under such lease or license. For purposes of this Agreement, the terms used in this Section 1 shall have the meanings ascribed to them in Article 9 of the Uniform Commercial Code.

2. Representations; Warranties. Debtor represents and warrants to Secured Party as follows: Debtor has good and valid title to the Collateral, free from any right or claim of any security interest, lien, claim or encumbrance (collectively, a "Lien"), except for purchase money security interests incurred in the ordinary course of business and the permitted Liens listed in Schedule A. Debtor has full corporate power and authority to enter into, execute, and deliver this Agreement and to perform its obligations under this Agreement, and to incur and perform the Obligations, all of which have been duly authorized by all necessary corporate action. This Agreement constitutes the valid and legally binding obligation of Debtor, enforceable against it in accordance with its terms. Bankruptcy proceedings have not been commenced by or against Debtor under any federal bankruptcy law or other federal or state law.

3. Insurance. Debtor shall at all times bear the entire risk of any loss, theft, damage to, or destruction of, any of the Collateral from any cause whatsoever. Debtor shall keep the Collateral insured against loss or damage by fire and extended coverage perils, theft, burglary, and against all such other risks, casualties, and contingencies as Secured Party may reasonably require. Such insurance shall be payable to Secured Party as loss payee under a standard loss payee clause.

4. Notices. Debtor shall provide Secured Party at least thirty (30) days' written notice prior to: (i) any change in Debtor's name; (ii) any change in the jurisdiction of incorporation or organization of Debtor; or (iii) any of the Collateral being lost, stolen, missing, destroyed, materially damaged, or worn out.

5. Authorization and Agreement to Perfect Liens. Debtor hereby irrevocably authorizes Secured Party at any time and from time to time to file in any filing office in any Uniform Commercial Code jurisdiction any initial financing statements, including a UCC financing statement, and amendments thereto or continuations thereof that: (i) describe the Collateral; and/or (ii) provide any other information required by Article 9 of the Uniform Commercial Code of the state where the Center is located or such other jurisdiction for the sufficiency or filing office acceptance of any financing statement or amendment. Debtor agrees to furnish such information to Secured Party promptly upon Secured Party's request. Debtor further irrevocably authorizes Secured Party to take any and other measures deemed necessary or proper by Secured Party, in Secured Party's sole and absolute discretion, in order to perfect Secured Party's liens, claims,



interests, and encumbrances in, to, or on the Collateral or any part of the Collateral, further hereby appointing Secured Party as Debtor's attorney-in-fact for such purposes with full power to execute, record, and/or file any and all documents on behalf of Debtor for such purposes.

6. Events of Default. Each of the following shall constitute an event of default ("Event of Default") under this Agreement:

6.1 Failure by Debtor to completely and timely pay or perform any Obligation when due and to correct such failure in accordance with the terms and conditions of the Franchise Agreement;

6.2 Failure by Debtor to duly perform or observe any other term, covenant or agreement contained in this Agreement, which failure shall have continued unremedied for a period of thirty (30) days after written notice thereof from Secured Party to Debtor;

6.3 Any representation or warranty made by Debtor in this Agreement, any financial statement, or any statement or representation made in any other report or other document delivered in connection with this Agreement or the Franchise Agreement proves to have been incorrect or misleading in any material respect when made;

6.4 Debtor makes or sends notice of an intended bulk sale of any of the Collateral;

6.5 Debtor becomes insolvent, makes a general assignment for the benefit of creditors, is adjudicated as bankrupt, suffers temporary or permanent court appointed receivership of substantially all of its property or suffers the filing of a voluntary or involuntary bankrupt petition which is not dismissed within thirty (30) days after filing or is dissolved for any reason;

6.6 Debtor, or any other affiliate of Debtor, shall challenge or contest, in any action, suit or proceeding, the validity or enforceability of this Agreement, or any related documents, the legality or the enforceability of any of the Obligations or the perfection or priority of any Lien granted to Secured Party; or

6.7 There shall be any material adverse change in the financial condition of Debtor or any other event shall occur that, as determined by Secured Party, materially impairs the ability of Debtor to pay the Obligations.

7. Remedies Upon Event of Default. Upon the occurrence of any Event of Default, the Obligations shall become immediately due and payable upon declaration to that effect delivered by Secured Party to Debtor; provided, however, that upon the happening of any event specified in Section 6.5 herein, the Obligations shall be immediately due and payable without declaration or other notice to Debtor. Upon the occurrence of and during the continuance of an Event of Default under this Agreement, Secured Party, in addition to all other rights, options, and remedies granted to Secured Party under this Agreement, (i) shall have all rights, options and remedies available to it under the Uniform Commercial Code, as adopted from time to time under the internal laws of the state where the Center is located, as well as any other rights, options and remedies at law or in equity; and (ii) shall have the right to seek the appointment of a receiver over Debtor, Debtor's business, and/or the Collateral, with respect to which such appointment Debtor hereby irrevocably

and unconditionally consents. Debtor agrees that a notice received by it at least five (5) days before the time of any intended public sale, or the time after which any private sale or other disposition of the Collateral or any portion thereof is to be made, shall be deemed to be reasonable notice of such sale or other disposition.

8. Nature of Remedies. All rights and remedies granted Secured Party under this Agreement and under any other related documents, or otherwise available at law or in equity, shall be deemed concurrent and cumulative.

9. General.

9.1 Amendment. This Agreement can be waived, amended, terminated or discharged, and the security interest and Liens of Secured Party can be released, only explicitly in a writing signed by Secured Party, and, in the case of amendment, in a writing signed by Debtor and Secured Party. A waiver signed by Secured Party shall be effective only in the specific instance and for the specific purpose given.

9.2 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Debtor and Secured Party and their respective successors and assigns (except that Debtor may not assign its obligations under or rights in this Agreement without the prior written consent of Secured Party, which consent may be withheld in Secured Party's sole discretion) and shall take effect when signed by Debtor and delivered to Secured Party, and Debtor waives notice of Secured Party's acceptance of this Agreement.

9.3 Jurisdiction and Venue. Debtor agrees all actions arising under this Agreement must be commenced in a state or federal court of general jurisdiction in the county or district where Secured Party's principal offices are located, which as of the date of this Agreement is Charlotte, North Carolina, and Debtor irrevocably submits to the jurisdiction of the state and federal courts located in Mecklenburg County, North Carolina, and irrevocably waives any objection he may have to either the jurisdiction or venue of such courts. Debtor further irrevocably agrees not to argue that any such court is an inconvenient forum or to request transfer of any such action to any other court. Notwithstanding the foregoing, Debtor agrees that Secured Party may enforce this Agreement and any orders and awards in the federal or state courts of the state in which Debtor is domiciled.

9.4 Governing Law. Except to the extent governed by the Uniform Commercial Code, as adopted from time to time under the internal laws of the state where the Center is located, this Agreement shall be interpreted and construed under the laws of the State of North Carolina, and any dispute between the parties shall be governed by and determined in accordance with the substantive law of the State of North Carolina, which laws shall prevail in the event of a conflict of law.

9.5 Counterparts. This Agreement may be executed in counterparts, and each copy so executed shall be deemed an original.

9.6 Notice. Any and all notice required or permitted under this Agreement shall be in writing and shall be personally delivered or delivered by a nationally-recognized, next-day courier

service to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notice to Secured Party:

Maaco Franchisor SPV LLC  
440 South Church Street  
Suite 700  
Charlotte, North Carolina 28202

Notices to Debtor:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Except for a notice of termination, as stated in Paragraph 6, any notice by certified or registered mail shall be deemed to have been delivered two (2) business days from the date of mailing.

9.7 Waiver of Jury Trial. DEBTOR HEREBY UNCONDITIONALLY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF, DIRECTLY OR INDIRECTLY, THIS AGREEMENT, OR ANY RELATED DOCUMENTS.

*[Signatures appear on following page.]*

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

**DEBTOR**  
**If a corporation, limited liability company**  
**or partnership:**

\_\_\_\_\_  
a \_\_\_\_\_

(Name of corporation, limited  
liability company or partnership)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**If individuals:**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

**MAACO FRANCHISOR SPV LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Attest: \_\_\_\_\_

**Schedule A**  
**Permitted Liens**

**EXHIBIT D**  
**FRANCHISEE OWNERSHIP INFORMATION**  
 (if applicable)

1. Franchisee's Entity Type (e.g., corporation, limited liability company, general or limited partnership): \_\_\_\_\_
2. Franchisee's State/Commonwealth of Formation/Organization/Incorporation: \_\_\_\_\_
3. Franchisee's Date of Formation/Organization/Incorporation: \_\_\_\_\_
4. Franchisee's ownership structure is as follows:

Owner	Ownership Interest in Franchisee
Name: _____ Address: _____	% of Total Shares/Units: _____
Name: _____ Address: _____	% of Total Shares/Units: _____
Name: _____ Address: _____	% of Total Shares/Units: _____
Name: _____ Address: _____	% of Total Shares/Units: _____

5. Franchisee's officers and principal executives are as follows:

Name: _____	Title: _____
Name: _____	Title: _____
Name: _____	Title: _____

**EXHIBIT D**

**AMENDMENT TO FRANCHISE AGREEMENT (TRANSFER)**



CENTER NUMBER: \_\_\_\_\_

**MAACO FRANCHISOR SPV LLC  
AMENDMENT TO FRANCHISE AGREEMENT  
(TRANSFER)**

**THIS AMENDMENT TO FRANCHISE AGREEMENT** (“Amendment”) is made and entered into on \_\_\_\_\_, by and between Maaco Franchisor SPV LLC, a Delaware limited liability company with its principal office in Charlotte, North Carolina (“Maaco”), and \_\_\_\_\_ (collectively, “Franchisee”).

**BACKGROUND**

A. Franchisee and Maaco executed a Franchise Agreement dated \_\_\_\_\_ (the “Franchise Agreement”) related to the establishment, development, and operation of a Maaco Center located at \_\_\_\_\_, within \_\_\_\_\_ Core Based Statistical Area as defined as of the date of this Agreement by the Office of Management and Budget (the “Center”).

B. Under the Franchise Agreement, the term and the franchise begin when Franchisee’s Center opens for business as determined by Maaco.

C. Franchisee has entered into a \_\_\_\_\_ dated \_\_\_\_\_ with \_\_\_\_\_ (“Transferor”) under which Franchisee agreed to purchase the assets of Transferor’s existing Maaco Center.

D. Franchisee has requested, and Maaco has agreed, that pursuant to the terms of this Amendment, the Franchise Agreement be amended as it relates to Franchisee’s purchase of the Center.

**AGREEMENT**

With the foregoing background incorporated by reference and in consideration of the mutual covenants contained in this Amendment, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, and intending to be legally bound, the parties agree as follows:

1. The Franchise Agreement is amended to clarify certain terms and conditions of the Franchise Agreement which are applicable to Franchisee’s purchase of the Center:

(A) The fifteen (15)-year term of the Franchise Agreement will commence on the date Maaco recognizes the transfer of the Center from Transferor to Franchisee.

(B) The address of the Center is \_\_\_\_\_.

(C) Paragraph 4B regarding initial advertising of the Center is deleted in its entirety.

(D) Paragraph 5A(1) regarding initial franchise fee is amended to substitute the following language in lieu of the original language:

An initial franchise fee in the amount of \$\_\_\_\_\_ which, when paid to Maaco, shall be deemed fully earned and non-refundable, except as noted herein.

(E) Paragraph 5A(2) regarding monthly license fee is amended to substitute the following language in lieu of the original language:

Franchisee will sign any software license agreements Maaco requires, and pay all fees associated therewith, as Maaco may require from time to time.

(F) Paragraph 6.1(A) regarding the initial advertising contribution is amended to substitute the following language in lieu of the original language:

Franchisee will pay to Maaco a non-refundable initial advertising deposit in the amount of \$\_\_\_\_\_, payable on or before the date of transfer, which will be used within one (1) year after the closing of the sale, provided that Maaco shall have the right to increase the amount of such advertising deposit ten percent (10%) per year from the date of this Agreement to the date of any such transfer. Maaco will determine, in its sole discretion, the types of marketing and marketing materials to be used for such post-sale marketing of the Center. The actual costs of these programs may exceed Franchisee's initial advertising deposit, in which case Maaco will charge Franchisee the difference.

(G) The notice address for Franchisee in Paragraph 22B is amended as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. This Amendment is intended to modify certain terms and conditions contained in the Franchise Agreement. This Amendment is an integral part of the Franchise Agreement and the terms of this Amendment shall be controlling with respect to the subject matter contained in this Amendment. This Amendment may not be amended, changed, revised or altered, except by a written instrument signed by the parties.

3. The Franchise Agreement, all attachments thereto, if any, and this Amendment, constitute the entire, full and complete Agreement between Maaco and Franchisee concerning the subject matter hereof, and supersede all prior agreements. Except as otherwise described herein, all other terms and conditions in the Franchise Agreement are hereby ratified and confirmed. In the event of any conflict between the terms of this Amendment and the Franchise Agreement, the terms of this Amendment shall control.

Intending to be legally bound, the parties execute this Amendment as of the date first written above.

Maaco Franchisor SPV LLC

By: \_\_\_\_\_  
Authorized Representative

Franchisee

\_\_\_\_\_  
\_\_\_\_\_

**EXHIBIT E**

**RENEWAL ADDENDUM TO FRANCHISE AGREEMENT**

# \_\_\_\_\_

**MAACO FRANCHISOR SPV LLC  
RENEWAL ADDENDUM TO FRANCHISE AGREEMENT**

**THIS RENEWAL ADDENDUM TO FRANCHISE AGREEMENT** (the “Addendum”) is made effective as of \_\_\_\_\_ between Maaco Franchisor SPV LLC, a Delaware limited liability company with its principal office at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 (“Maaco”) and \_\_\_\_\_ (collectively, “Franchisee”).

**WITNESSETH:**

A. Franchisee and Maaco entered into a franchise agreement dated \_\_\_\_\_ and identified by Maaco as contract number \_\_\_\_\_ (the “Prior Franchise Agreement”) under which Franchisee was granted the right and undertook the obligation to operate a Maaco Center at \_\_\_\_\_ for a term of fifteen (15) years.

B. Pursuant to its terms, the Prior Franchise Agreement will expire on \_\_\_\_\_ unless Franchisee elects to renew the franchise as therein provided.

C. Franchisee has requested, and Maaco has agreed, that the franchise shall be renewed pursuant to the terms of this Addendum, the Prior Franchise Agreement and Maaco’s current Franchise Agreement.

**AGREEMENT**

With the foregoing background incorporated by reference and in consideration of the mutual covenants contained in this Addendum, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, and intending to be legally bound, the parties agree as follows:

1. The following paragraphs contained in the Franchise Agreement shall be amended to clarify certain terms and conditions of the Franchise Agreement in connection with the renewal of Franchisee’s franchise:

- A. Paragraphs 2A, 2B, 2D, 2E, 2F, and 2G regarding “Selection Of Site” shall be deleted.
- B. Paragraph 3B is amended to provide that Franchisee has no option to renew the franchise for an additional term. If Maaco elects to offer Franchisee the option to renew the franchise for an additional term, Franchisee must meet Maaco’s then-current renewal conditions which may include the conditions described in Section 3B through 3F of the Franchise Agreement.

C. Paragraph 4A regarding “training” is amended as follows:

Maaco shall make available training programs as it deems appropriate. All training shall be at such times and places as may be designated by Maaco.

D. Paragraph 4B regarding “initial advertising” is deleted in its entirety.

E. Paragraph 4C is amended as follows:

Maaco shall provide continuing advisory assistance in the operation of the Center as it deems appropriate.

F. Paragraph 5A(1) regarding “initial franchise fee” is deleted in its entirety and replaced with the following:

Franchisee shall pay Maaco a renewal fee equal to \$\_\_\_\_\_.

G. Paragraph 5A(3) regarding “initial training and opening fee” is deleted in its entirety.

H. Paragraph 6.1(A) regarding “initial advertising contribution” is deleted in its entirety.

I. Paragraph 7B regarding “initial training program” is deleted in its entirety.

J. Paragraph 12D is amended as follows:

Franchisee shall submit to Maaco, for review and auditing, such other forms, reports, records, information and data as Maaco may reasonably request, including the Center’s income tax returns. In the event Franchisee is in default under this Agreement or Maaco has an audit made of Franchisee books and records, Franchisee shall, upon Maaco’s request, submit to Maaco, the personal tax returns of Franchisee (or if Franchisee is an Entity, Owners). Franchisee must cooperate fully with the conduct of the audit. Franchisee’s failure to cooperate with the audit is a material breach of this Agreement.

2. This Addendum is intended to modify certain terms and conditions contained in the Franchise Agreement. This Addendum is an integral part of the Franchise Agreement and the terms of this Addendum shall be controlling with respect to the subject matter contained in this Addendum. This Addendum may not be amended, changed, revised or altered, except by instrument in writing signed by the parties.

3. The Franchise Agreement, all attachments thereto, if any, and this Addendum, constitute the entire, full and complete agreement between Franchisor and Franchisee concerning

the subject matter hereof, and supersede all prior agreements. Except as amended hereby, all other terms and conditions of the Franchise Agreement are unmodified and confirmed.

Intending to be legally bound, the parties execute this Addendum as of the date first written above.

**MAACO FRANCHISOR SPV LLC**

**FRANCHISEE:**

By: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**EXHIBIT F**

**COLLATERAL ASSIGNMENT OF LEASE AND CONSENT AND AGREEMENT OF  
LESSOR**



## **CONSENT AND AGREEMENT OF LESSOR**

The undersigned Lessor, under the Lease dated \_\_\_\_\_ (the “Lease”), between Lessor and \_\_\_\_\_ (collectively, “Assignor”), hereby approves the attached Collateral Assignment of Lease (the “Collateral Assignment”) between Maaco Franchisor SPV LLC, a Delaware limited liability company with its principal office at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 (“Maaco”) and Assignor. For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, Lessor and Maaco agree as follows:

(a) Lessor shall notify Maaco in writing of any default by Assignor under the Lease as and when such defaults occur;

(b) Pursuant to the Collateral Assignment, if Assignor defaults in its obligations under the Lease or under its Franchise Agreement for a Maaco Center (the “Franchise Agreement”), Maaco shall have the right, but not the obligation, and is empowered to take possession of the Premises demised by the Lease, and in this event, Assignor shall have no further right, title or interest in the Lease;

(c) Maaco may exercise its rights under the Collateral Assignment upon the occurrence of any of the following events: (i) Lessor’s receipt of notice from Maaco that Assignor is in default of the Franchise Agreement and has failed to cure within the allotted time, or (ii) Maaco’s receipt of any notice of default by Assignor under the Lease. If Maaco elects to exercise its rights under the Collateral Assignment, it shall, within thirty (30) days of Maaco’s or Lessor’s receipt of the applicable notice, as set forth above, notify Lessor of its intention to take possession of the Premises with no liability for any default of Assignor up to the point Maaco assumes the Lease;

(d) In the event Maaco exercises its rights under the Collateral Assignment, Lessor shall take all action necessary to retake the Premises and deliver them to Maaco. Such action shall include, without limitation, termination, eviction and related legal action and Maaco shall have no obligation under the Collateral Assignment until the Premises are lawfully tendered to it;

(e) If Maaco takes possession of the Premises and confirms to Lessor the assumption of the Lease by Maaco as Lessee, Lessor shall recognize Maaco as Lessee under the Lease;

(f) In addition to Maaco’s rights under the Collateral Assignment, if Maaco purchases Assignor’s business and/or assets of the business, Lessor agrees to recognize Maaco as Lessee under the Lease upon Maaco’s written request;

(g) Lessor agrees that Maaco may, with Lessor’s consent, which will not be unreasonably withheld, further assign the Lease to any person or entity which agrees to assume Lessee’s obligations under the Lease, and after the assignment, Maaco shall have no further liability or obligation under the Lease; and

(h) On termination or expiration of the Franchise Agreement or the Lease, Maaco shall have the right to re-enter the Premises and make all necessary modifications or alterations to the

Premises, including the removal of all articles which display Maaco's Proprietary Marks. Maaco's re-entry shall not be deemed as trespassing.

This Consent is incorporated into and made a part of the Lease. All terms capitalized, but not defined in this Consent, shall have the same meaning as in the Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Consent and Agreement of Lessor on \_\_\_\_\_.

Maaco Franchisor SPV LLC

By: \_\_\_\_\_

LESSOR:

\_\_\_\_\_

## **COLLATERAL ASSIGNMENT OF LEASE**

FOR VALUE RECEIVED, the undersigned (“Assignor”) assigns to Maaco Franchisor SPV LLC, a Delaware limited liability company (“Assignee”), all of Assignor’s right, title and interest as Lessee under that certain lease, a copy of which is attached (the “Lease”), respecting the premises located at \_\_\_\_\_ (the “Premises”).

This Collateral Assignment of Lease (the “Collateral Assignment”) is for collateral purposes only and except as specified, Assignee shall have no liability or obligation of any kind arising from or in connection with this Collateral Assignment or the Lease unless Assignee takes possession of the Premises and assumes the obligations of Assignor under the Lease. Assignor agrees to indemnify Assignee from all claims and demands made by any third party which arise out of or are in any manner related to Assignor’s use and/or occupancy of the Premises.

Assignor represents and warrants to Assignee that it has full power and authority to assign its interest in the Lease.

If Assignor defaults under the Lease or under the Franchise Agreement for a Maaco Center between Assignee and Assignor (the “Franchise Agreement”), which default is not cured within the allotted time, or in the event of a default by Assignor under any document or instrument securing the Franchise Agreement which is not cured within the allotted time, Assignee shall have the right and is empowered to take possession of the Premises, have Assignor expelled and, in such event, Assignor shall have no further right, title or interest in the Lease. Assignor shall reimburse Assignee for the costs and expenses incurred in connection with any such retaking, including, but not limited to, the payment of any back rent and other payments due under the Lease whether the payments are made by guaranty or separate agreement with Lessor or otherwise, attorneys’ fees and expenses of litigation incurred in enforcing this Collateral Assignment, brokerage fees and commissions, costs incurred in reletting the Premises and putting the Premises in good working order and repair.

Assignor agrees that it will not permit any surrender, termination, amendment or modification of the Lease without the prior written consent of Assignee. Throughout the term of the Franchise Agreement and any renewals, Assignor agrees that it shall elect and exercise all options to extend the term of or renew the Lease not less than thirty (30) days prior to the last day that the option must be exercised, unless Assignee otherwise agrees in writing. On failure of Assignor to so elect to extend or renew the Lease, Assignor appoints Assignee as its lawful attorney-in-fact to exercise such extension or renewal options in the stead of Assignor for the purpose of effecting the extension or renewal.

On termination or expiration of the Franchise Agreement or the Lease, Maaco shall have the right to re-enter the Premises and make all necessary modifications or alterations to the Premises and to all articles which display Maaco’s Proprietary Marks. Maaco’s re-entry shall not be deemed as trespassing.

This Collateral Assignment is incorporated into and made a part of the Lease.

All terms capitalized, but not defined in this Collateral Assignment, shall have the same meaning as in the Lease.

IN WITNESS WHEREOF, and intending to be bound hereby, the parties have executed this Collateral Assignment of Lease on \_\_\_\_\_.

ASSIGNOR:

\_\_\_\_\_

ASSIGNEE:

Maaco Franchisor SPV LLC

By: \_\_\_\_\_

**EXHIBIT G**

#M\_\_\_\_\_

**FLEET ADDENDUM TO FRANCHISE AGREEMENT**

**THIS FLEET ADDENDUM TO FRANCHISE AGREEMENT** (this “Addendum”) is made and entered into on \_\_\_\_\_ (the “Effective Date”), between MAACO FRANCHISOR SPV LLC, a Delaware limited liability company, with its principal office at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 (“Maaco”), and [INSERT FRANCHISEE NAME], a/n [INSERT STATE OF FORMATION] [INSERT TYPE OF BUSINESS ENTITY], with its principal office at [INSERT ADDRESS] (“Franchisee”).

**RECITALS**

**WHEREAS**, Franchisee and Maaco have entered into that certain Maaco Franchise Agreement, dated as of \_\_\_\_\_ (the “Franchise Agreement”), for the operation of a Maaco Center located at \_\_\_\_\_, and identified as Maaco Center M\_\_\_\_\_ (the “Center”);

**WHEREAS**, Franchisee has requested that Maaco permit Franchisee to operate the Center as a “Maaco Fleet Solutions Center” to service primarily fleet and other commercial accounts;

**WHEREAS**, Franchisee has met Maaco’s preliminary requirements to do so; and

**WHEREAS**, Maaco has agreed to grant such request, subject to Franchisee’s execution, and compliance with the terms, of this Addendum.

**NOW, THEREFORE**, in consideration of the undertakings and commitments of each party to the other party set forth herein, the parties agree to amend the Franchise Agreement as follows:

1. Continuing Weekly Marketing Fee.

- (a) Notwithstanding anything to the contrary in the Franchise Agreement, Franchisee will pay Maaco a continuing weekly marketing fee in the amount of Three Hundred Fifty Dollars (\$350.00) pursuant to Paragraph 6.1B of the Franchise Agreement for the Center (the “Fleet Incentive”), provided that, on each anniversary of the Effective Date, the amount of such weekly marketing fee shall increase by ten percent (10%).
- (b) The Fleet Incentive is expressly contingent on the continuing satisfaction of each of the following terms and conditions:
  - (1) At least eighty percent (80%) of monthly gross receipts must derive from fleet and other commercial customers.

- (2) Franchisee must operate the Center in accordance with, and meet the required standards for, “Maaco Platinum Level Certification,” as set forth in the Playbook, which standards may be modified by Maaco periodically.
- (3) Franchisee must operate the Center in accordance with the standards and requirements that National Accounts Program participants and any other fleet and other commercial customers have implemented in their service level agreements with Maaco, including, but not limited to, any and all key performance indicators, service time requirements, and other operational or quality control measures.
- (4) Franchisee must comply with any and all other standards, certifications, requirements, and/or qualifications that Maaco specifies periodically.
- (5) Franchisee must be in material compliance with the Franchise Agreement.

2. Termination.

- (a) Maaco may terminate this Addendum and the Fleet Incentive if:
  - (1) Maaco places Franchisee in default of the Franchise Agreement, and Franchisee fails to cure the default within the applicable cure period, if any, regardless of whether Maaco elects to terminate the Franchise Agreement; or
  - (2) Franchisee or the Center fails, at any time, to satisfy any of the conditions set forth in Paragraph 1(b).
- (b) Upon the termination of this Addendum, Franchisee must immediately begin paying the continuing weekly marketing fee calculated in accordance with the terms of the Franchise Agreement without regard to Paragraph 1(a) of this Addendum.

3. No Further Amendment. Except as explicitly set forth in this Addendum, the terms of the Franchise Agreement, and all rights and obligations of the parties under the Franchise Agreement, shall remain unchanged and in full force and effect.

4. Counterparts. This Addendum may be executed in multiple counterparts by the various parties, and the failure to have the signature of all parties on a single Addendum shall not affect the validity or enforceability of any part of this Addendum against any party who executes any counterpart of this Addendum. Executed electronic copies of this Addendum shall be deemed to be as effective as original signatures.

**IN WITNESS WHEREOF**, the parties hereto have duly executed and delivered this Agreement on \_\_\_\_\_.

**FRANCHISEE**  
**If a corporation, limited liability company**  
**or partnership:**

\_\_\_\_\_  
a \_\_\_\_\_

(Name of corporation, limited liability company or partnership)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**If individuals:**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

**MAACO FRANCHISOR SPV LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Attest: \_\_\_\_\_

**EXHIBIT H**  
**AREA DEVELOPMENT AGREEMENT**



**MAACO FRANCHISOR SPV LLC**  
**AREA DEVELOPMENT AGREEMENT**

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**Developer**

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**Effective Date**

**MAACO FRANCHISOR SPV LLC  
AREA DEVELOPMENT AGREEMENT**

**THIS AREA DEVELOPMENT AGREEMENT** (the “Agreement”) is made and entered into on \_\_\_\_\_ (the “Effective Date”), between MAACO FRANCHISOR SPV LLC, a Delaware limited liability company, with its principal office at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 (“Maaco”), and \_\_\_\_\_ with its principal office at \_\_\_\_\_ (“Developer”).

**WITNESSETH:**

**WHEREAS**, Maaco, its predecessors and affiliates have accumulated extensive knowledge of, and experience in the vehicle painting and body repair business and have developed and own a unique system (the “System”) relating to the establishment, development, marketing, administration and operation of centers specializing in vehicle painting and body repair (“Maaco Centers” or “Centers”) which may be changed, improved and further developed by Maaco from time to time;

**WHEREAS**, Maaco grants to qualified persons franchises to own and operate within a designated geographic area multiple Maaco Centers offering the products and services authorized and approved by Maaco and utilizing the System;

**WHEREAS**, Developer has applied for development rights to own and operate Maaco Centers within the geographic area designated in this Agreement, and such application has been approved by Maaco in reliance upon all of the representations made therein; and

**WHEREAS**, Developer hereby acknowledges that Developer understands and accepts the terms, conditions and covenants contained in this Agreement as being necessary to maintain Maaco’s high standards of quality and service and the uniformity of those standards at Maaco Centers.

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

**1. DEFINITIONS**

In addition to the terms that are defined in other parts of this Agreement, the following terms have the indicated meanings:

“Applicable Laws” means all relevant or applicable national, state, and local laws, including statutes, rules, regulations, ordinances, directives, and codes.

“Approved Affiliate” shall have the meaning assigned to it in Paragraph 4E.

“Competitive Business” means any business providing, in whole or in part, motor vehicle painting or body repair services or products, provided that, for purposes of this Agreement, any other automotive business franchised by Driven Brands Holdings Inc. or its subsidiaries will not

be deemed a Competitive Business.

“Confidential Information” means and shall include the Playbook, Maaco’s operating systems, Maaco’s publications, including *Paintline*, and such other documents, marketing/advertising strategies, media buying policies, methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge and experience used in developing and operating Maaco Centers and all data and other information generated by, or used or developed in, operating the Centers, including Customer Data, and any other information contained from time to time in the Centers’ management systems.

“Customer Data” means, without limitation: (a) customer invoices; (b) customers’ names, addresses, telephone numbers, and e-mail addresses; (c) cash collected from customers; (d) customer vehicle information and service history; and (e) other personal information of or relating to the Centers’ customers and prospective customers.

“Development Area” shall have the meaning assigned to it in Paragraph 2A.

“Development Fee” shall have the meaning assigned to it in Paragraph 6A.

“Development Incentive Addendum” shall have the meaning assigned to it in Paragraph 5A.

“Development Rights” shall have the meaning assigned to it in Paragraph 2A.

“Development Schedule” shall have the meaning assigned to it in Paragraph 2A.

“Entity” means, collectively, a corporation, a limited liability company, a general, limited, or limited liability partnership, or another form of business entity.

“Event” shall have the meaning assigned to it in Paragraph 19A.

“Franchise Agreement” shall have the meaning assigned to it in Paragraph 5A.

“Franchise Agreement Execution Deadline” means 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.

“Guaranty” shall have the meaning assigned to it in Paragraph 2B(3).

“Maaco Indemnitees” shall have the meaning assigned to it in Paragraph 19A.

“Initial Franchise Fee” shall have the meaning assigned to it in Paragraph 6B.

“Losses and Expenses” means 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 Maaco’s reputation and goodwill, and all other costs associated with any of the foregoing losses and expenses.

“Managing Director” shall have the meaning assigned to it in Paragraph 7.

“Opening Deadline” means the applicable date set forth in the Development Schedule by which Developer (or its Approved Affiliate) must open a particular Center.

“Owner” means any individual or Entity holding a direct or indirect Ownership Interest (whether of record, beneficially, or otherwise) in Developer.

“Ownership Interest” means (a) in relation to a corporation, shares of capital stock (whether common stock, preferred stock or any other designation) or other equity interests; (b) in relation to a limited liability company, membership interests or other equity interests; (c) in relation to a partnership, a general or limited partnership interest; (d) in relation to a trust, a beneficial interest in the trust; (e) in relation to any Entity (including those described in (a) through (d) above), any other interest in that Entity or its business that allows the holder of that interest (whether directly or indirectly) to direct or control the direction of the management of the Entity or its business (including a managing partner interest in a partnership, a manager or managing member interest in a limited liability company, and a trustee of a trust), or to share in the revenue, profits or losses of, or any capital appreciation relating to, the Entity or its business.

“Permitted Businesses” shall have the meaning assigned to it in Paragraph 3.

“Playbook” means Maaco’s confidential operations manual that contains mandatory and suggested standards, procedures, techniques and other items relating to the operation of a Maaco Center, and which Maaco may from time to time revise.

“Proprietary Marks” means the trade names, trademarks and service marks, “Maaco Collision Repair & Auto Painting,” “America’s Bodyshop,” “Cosmollision” and such other trade names, service marks, and trademarks as are now designated (and may hereinafter be designated by Maaco) as part of the System.

“Secure Deadline” means 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 Paragraph 4B.

“Term” shall have the meaning assigned to it in Paragraph 2A.

“Third-Party Claim” shall have the meaning assigned to it in Paragraph 19A.

## **2. GRANT OF DEVELOPMENT RIGHTS**

A. Subject to the terms of this Agreement, Maaco grants to Developer the non-exclusive right (the “Development Rights”) to develop the number of new franchised Maaco 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: (1) the final Opening Deadline in the Development Schedule; or (2) 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

thirty (30) days prior to the end of each calendar year during the Term, Developer will submit to Maaco 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 Maaco of an existing Maaco Center located in the Development Area, or a Maaco Center located in the Development Area that has been closed for fewer than twelve (12) months, will not be deemed a new Center and, accordingly, will not count towards Developer's development obligations under the Development Schedule.

B. If Developer is, at any time, an Entity:

(1) Upon Maaco's request, Developer agrees to provide Maaco 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 must provide that no Ownership Interest in Developer may be transferred or issued, except in accordance with Paragraph 13. In addition, all certificates and other documents representing Ownership Interests in Developer will bear a conspicuous printed legend to that effect.

(2) Developer agrees and represents that Exhibit E to this Agreement completely and accurately describes all Owners and their Ownership Interests in Developer and Developer's officers and principal executives. Subject to Maaco's rights and Developer's obligations under Paragraph 13, Developer and its Owners agree to sign and deliver to Maaco promptly revised Exhibit E to reflect any changes in the information that Exhibit E now includes.

(3) 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 assigned to any Entity in accordance with Paragraphs 13 and/or 14 (as applicable))), each individual Owner shall execute Maaco'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 an Owner at any time after the Effective Date, whether pursuant to Paragraphs 13 and/or 14 or otherwise, shall, as a condition of becoming an Owner, execute the Guaranty. Developer represents and warrants to Maaco that, as of the Effective Date (or, if Developer is not then an Entity, as of 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 its Owners to, cooperate reasonably with Maaco in connection with all auditing and reporting requirements relating to the Guarantor Net Worth Threshold requirement, whether contained in this Agreement or the Guaranty.

### 3. NO EXCLUSIVITY

Developer acknowledges and agrees that: (a) its right to develop Maaco Centers in the Development Area under this Agreement is non-exclusive; (b) Maaco 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 Maaco 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 Maaco’s or its affiliates’ operation and/or licensing of any Permitted Business and agrees that Maaco’s or its affiliates’ operation and/or licensing of any Permitted Business will not give rise to any liability on the part of Maaco 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.

#### **4. GRANT OF FRANCHISES**

Maaco will grant Developer a franchise for the operation of a Maaco Center at a proposed site within the Development Area upon Maaco’s written approval of a completed application submitted by Developer in accordance with the form reasonably prescribed by Maaco, as may be modified from time to time, subject to the following:

A. The site which Developer proposes for a Maaco Center within the Development Area is a suitable site for a Maaco Center based upon reasonable criteria established by Maaco 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 Maaco, which may include the use of a form of lease prepared by Maaco and submitted to Developer for its use. The lease, whether the form of which is the form of lease prepared by Maaco or the form of lease mandated by the landlord of the site, must be submitted to Maaco prior to execution for Maaco’s examination and approval to ensure that it contains the terms Maaco requires in all leases. Developer must provide Maaco with a copy of the executed lease within ten (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 Maaco or its affiliates (as evidenced by the fact that Maaco has not issued a notice of default that has remained uncured);

D. Developer and Owners have furnished all information Maaco reasonably requires in evaluating Developer’s application; and

E. If Owners desire to establish an Entity to operate a Maaco 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 Maaco’s approval for that new Entity to develop and operate the proposed Maaco Center as an “Approved Affiliate.” Maaco 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 Maaco 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.

## **5. FRANCHISE AGREEMENTS AND DEVELOPMENT INCENTIVE ADDENDUM**

A. 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 Maaco. With respect to each Center to be developed hereunder, no later than ten (10) days after the execution of the applicable purchase agreement, lease, or sublease in accordance with Paragraph 4B, Developer (or, if applicable, an Approved Affiliate) and Owners (or, if applicable, the Approved Affiliate's direct and indirect owners) shall execute: (a) Maaco'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 Maaco's form of franchise agreement in effect as of the Effective Date (except as expressly provided in this Paragraph 5A and Paragraph 6B); 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 continuing weekly royalty fee for the applicable Center for a limited period of time.

B. 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.

## **6. DEVELOPMENT FEE, INITIAL FRANCHISE FEES, AND OTHER FEES**

A. In exchange for the Development Rights, Developer agrees to pay Maaco, within two (2) business days of the Effective Date, a development fee equal to one hundred percent (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 Maaco when paid, is not refundable, and, except as provided in Paragraph 6B, is not credited against any fees payable to Maaco.

B. The initial franchise fee for each Center required to be developed hereunder (the "Initial Franchise Fee") is as follows: (a) Forty-Five Thousand Dollars (\$45,000.00) for the first Center to be developed hereunder; (b) Twenty-Two Thousand Five Hundred Dollars (\$22,500.00) for the second Center to be developed hereunder; and (c) Twenty Thousand Dollars (\$20,000.00) for the third and each subsequent Center to be developed hereunder. With respect to each Center developed hereunder, Maaco 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.

C. Following the opening of each Center, Developer (or its Approved Affiliate) shall pay ongoing continuing weekly royalty fees and marketing fees in accordance with the terms of each Franchise Agreement.

## **7. 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 Maaco 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 Maaco relating to minimum staffing levels for the Maaco Centers, including the presence of district managers (as specified in the Playbook), provided Maaco 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.

## **8. TERMINATION**

A. This Agreement and all rights and obligations of the parties may be terminated at any time by the mutual agreement of the parties.

B. Maaco may terminate this Agreement, effective upon delivery of written notice to Developer, if:

(1) 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 Paragraph 4B by the applicable Secure Deadline and/or fails to develop and open the Center by the applicable Opening Deadline;

(2) 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;

(3) Any franchise agreement between Developer (or, if applicable, an affiliate (including an Approved Affiliate)) and Maaco, whether executed prior or pursuant to this Agreement, is terminated by Maaco in accordance with its terms;

(4) Developer becomes insolvent, makes a general assignment for the benefit of creditors, is adjudicated as bankrupt, suffers temporary or permanent court appointed receivership of substantially all of its property or suffers the filing of a voluntary or involuntary bankrupt petition which is not dismissed within thirty (30) days after filing or is dissolved for any reason;

(5) Developer abandons, surrenders, transfers control or fails to actively operate Developer’s business contemplated hereunder;



(6) 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 Proprietary Marks;

(7) 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;

(8) Developer or any Owner makes an unauthorized assignment of this Agreement or an Ownership Interest in Developer;

(9) Developer or any Owner violates any of the covenants contained in Paragraph 10 or 11 of this Agreement; or

(10) Developer or any Owner fails to comply with any other provision of this Agreement and fails to correct such failure within thirty (30) days following notice thereof from Maaco.

C. 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 Paragraph 5A 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 Maaco all copies of any other confidential materials that Maaco 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.

## **9. ALTERNATIVE REMEDIES**

Without waiving its option to terminate this Agreement under Paragraph 8, if Developer fails to meet the Development Schedule, Maaco may, in Maaco'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.

## 10. 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 Maaco periodically designates in relation to the development of Centers during the Term and according to Maaco's 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 Maaco and its franchisees. Maaco 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 Maaco'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 repair 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 Maaco 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. Maaco 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 Maaco approves.

## 11. RESTRICTIVE COVENANTS

A. Developer covenants that during the Term, except as otherwise approved in writing by Maaco, Developer shall not directly or indirectly, for himself or herself, or through, on behalf of, or in conjunction with any person, persons, or Entity:

(1) Divert or attempt to divert any business or customer of Maaco Centers to any Competitive Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System.

(2) Own, maintain, engage in, be employed by, finance or make loans to, advise, assist, or have any interest in or relationship or association with any Competitive Business.

B. Developer covenants that for a period of one (1) year from whichever of the following events occurs later: (i) the expiration or termination of this Agreement, regardless of the cause of termination; (ii) the date upon which Developer ceases to do business under this Agreement; (iii) a transfer of this Agreement permitted under Paragraph 13; (iv) the date upon which Developer complies with this Paragraph 11B; or (v) a final arbitration or court order (after all appeals have been taken) concerning any of the foregoing or concerning the enforcement of this Paragraph 11B, Developer shall not either directly or indirectly, for himself or through, on behalf of, or in conjunction with any other person, persons, or Entity:

(1) Do or engage in any act prohibited by Paragraph 11A(a).

(2) Own, maintain, engage in, be employed by, finance or make loans to, advise, assist, or have any interest in or relationship or association with any Competitive Business located: (1) in the Development Area; (2) within ten (10) miles of the border of the Development Area; or (c) within a ten (10)-mile radius of any Center (including any Maaco retail store) that is then operating or under development or construction.

C. Developer understands and acknowledges that Maaco shall have the right to reduce the scope of any covenant set forth in Paragraphs 11A and 11B, or any portion thereof, without Developer's consent, effective immediately upon receipt by Developer of written notice thereof, and Developer agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Paragraph 16.

D. If any court or other tribunal having jurisdiction to determine the validity or enforceability of this Paragraph 11 determines that it would be invalid or unenforceable as written, then the provisions of this Paragraph 11 shall be deemed to be modified to such extent or in such manner as necessary for such provisions to be valid and enforceable to the greatest extent possible. Developer acknowledges that any violation of this Paragraph 11 would result in irreparable injury to Maaco for which no adequate remedy at law is available.

## **12. ASSIGNMENT BY MAACO**

This Agreement is fully assignable by Maaco and the assignee or other legal successor to Maaco's interests will be entitled to receive all of the benefits of this Agreement.

## **13. ASSIGNMENT BY DEVELOPER**

This Agreement and the Development Rights contained in this Agreement are personal to Developer and Owners and may not be voluntarily, involuntarily, directly, or indirectly, assigned or otherwise transferred or encumbered by Developer or Owners without the prior written consent

of Maaco, 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 Paragraph, a sale, assignment, or transfer of any direct or indirect Ownership Interest in Developer shall be deemed an assignment or transfer of this Agreement.

#### **14. ASSIGNMENT TO ENTITY**

Maaco will consent to the transfer of this Agreement to an Entity that Developer forms for the convenience of ownership, provided that: (a) such Entity is newly formed; (b) such Entity has and will have no business other than the development and operation of Centers; (c) Developer and the Entity satisfy Maaco's then-current conditions for transfer; (d) Developer holds all Ownership Interests in the Entity or, if Developer is owned by more than one individual, each Owner's proportionate Ownership Interest in the Entity is the same as his/her Ownership Interest in Developer prior to the transfer; and (e) Developer and the Entity comply with the Entity requirements set forth in Paragraph 2B.

#### **15. PUBLIC OFFERING**

Securities in Developer may not be sold by public offering without Maaco's prior written consent. If Maaco 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 Maaco for review prior to their being filed with any government agency. No such materials shall imply (by use of the Proprietary Marks or otherwise) that Maaco is participating as an underwriter, issuer, or offeror of Developer's securities. Any review by Maaco of the offering materials or the information included therein will be conducted solely for Maaco's benefit and not to benefit or protect any other person. No investor should interpret such review by Maaco 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 Maaco may specify, including legends and statements which disclaim Maaco'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 Maaco in connection with the offering in the form Maaco prescribes. Developer agrees to give Maaco written notice at least sixty (60) days prior to the date of commencement of any offer covered by this Paragraph. In no event shall Developer permit or allow any of Developer's securities to be owned, directly or indirectly, by any competitor of Maaco or its affiliates. Maaco may charge Developer a fee for reviewing the materials required to be submitted to Maaco by this Paragraph.

#### **16. 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 Maaco and Developer.

## 17. 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 there are no other oral or written understandings or agreements between Maaco 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 Maaco made in the Franchise Disclosure Document that Maaco 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.**

## 18. RELATIONSHIP OF THE PARTIES

A. 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, Maaco and Developer are not and do not intend to be partners, associates, or joint employers in any way, and Maaco shall not be construed to be jointly liable for any of Developer’s acts or omissions under any circumstances. To the extent that the Playbook or Maaco’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. Maaco and Developer recognize that Maaco neither dictates nor controls labor or employment matters for developers and that Developer, and not Maaco, 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. Maaco has no relationship with Developer’s employees, and Developer has no relationship with Maaco’s employees.

B. 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 Maaco may require from time to time.

C. Developer may not make any express or implied agreements, warranties, guarantees or representations or incur any debt in Maaco’s name or on Maaco’s behalf or represent that the

relationship of the parties hereto is anything other than that of independent contractors. Maaco 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. Maaco will not be obligated for any damages to any person or property arising directly or indirectly out of the operation of the business hereunder.

## 19. INDEMNIFICATION

A. From and after the Effective Date, Developer and Owners, jointly and severally, shall indemnify Maaco 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 “Maaco Indemnitees”) and hold the Maaco 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 Maaco Indemnitees; provided, however, that this indemnity will not apply to any liability arising from a breach of this Agreement by any of the Maaco Indemnitees or the gross negligence or willful acts of any of the Maaco 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).

B. Promptly after the receipt by any Maaco Indemnitee of notice of the commencement of any action against such Maaco Indemnitee by a third party (such action, a “Third-Party Claim”), the Maaco Indemnitee will, if a claim with respect thereto is to be made for indemnification pursuant to this Paragraph, give a claim notice to Developer with respect to such Third-Party Claim. No delay or failure on the part of the Maaco Indemnitee in so notifying the Developer will limit any liability or obligation for indemnification pursuant to this Paragraph, 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. Maaco 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 Maaco 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 Maaco in the defense of such Third-Party Claim. The fees and expenses of counsel incurred by Maaco will be considered Losses and Expenses for purposes of this Agreement. Maaco may as it deems necessary and appropriate take such actions to take remedial or corrective action with respect thereof as may be, in Maaco’s reasonable discretion, necessary for the protection of the Maaco Indemnitees or Maaco Centers generally. Maaco 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 Maaco Indemnitees.

C. This Paragraph will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

## 20. NOTICES

All written notices, reports and payments permitted or required under this Agreement will be deemed delivered at the time of delivery by express courier or messenger service, one (1) business day after sending by e-mail transmission and three (3) business days after placed in the U.S. mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to: (a) if to Maaco, Maaco Franchisor SPV LLC, 440 S. Church Street, Suite 700, Charlotte, North Carolina 28202 (e-mail address: \_\_\_\_\_); and (b) if to Developer, Developer at the address specified in Exhibit E. Either Party may change its notice address by giving the other Party written notice of the change. the party to be notified at its most current principal business address of which the notifying party has been advised, or to any other place designated by either party. Any required notice, payment, or report that Maaco does not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two (2) days before it is due) will be deemed delinquent.

## 21. GOVERNING LAW

This Agreement shall be interpreted and construed under the laws of the State of North Carolina and any dispute between the parties shall be governed by and determined in accordance with the substantive law of the State of North Carolina, which laws shall prevail in the event of a conflict of law.

## 22. ENFORCEMENT

A. Any action arising out of or relating to this Agreement shall be commenced, litigated, and concluded only in a state or federal court of general jurisdiction in the county or district where Maaco's principal offices are located, which as of the date of this Agreement is Charlotte, North Carolina. Developer irrevocably submits to the jurisdiction of the state and federal courts located in Mecklenburg County, North Carolina, and irrevocably waives any objection that Developer may have to either the jurisdiction or venue of such courts. Developer further irrevocably agrees not to argue that any such court is an inconvenient forum or to request transfer of any such action to any other court. Maaco, however, shall have the option of bringing any action to enforce the terms of this Agreement or prevent any actual or threatened breach of this Agreement in any court of competent jurisdiction and Developer consents to the entry of injunctive relief, including temporary restraining orders and/or preliminary and permanent injunctions without the requirement of bond, according to the equity rules in the jurisdiction in which such relief is sought.

B. No right or remedy conferred upon or reserved to Maaco or Developer by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein

or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

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

D. Developer agrees to pay Maaco its reasonable attorneys' fees and costs incurred in connection with any default by Developer under this Agreement. If Maaco shall institute any action at law or in equity against Developer to secure or protect its rights hereunder or to enforce the terms of this Agreement, Maaco shall be entitled to recover, in addition to any judgment rendered in its favor, its reasonable attorneys' fees, costs, and court costs.

## **23. EXERCISE OF MAACO'S JUDGMENT**

Whenever Maaco 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, Maaco may, except as otherwise specifically provided in this Agreement, make its decision or exercise its rights based on information readily available to Maaco and Maaco's reasonable judgment of what is in the best interests of Maaco and its affiliates or the System at the time Maaco's decision is made without regard to whether Maaco could have made other reasonable or even arguably preferable alternative decisions or whether Maaco's decision promotes Maaco's or its affiliates' financial or other individual interest. Except where this Agreement expressly obligates Maaco reasonably to approve or not unreasonably to withhold its approval of any of Developer's actions or requests, Maaco 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 Maaco's approval.

## **24. WAIVER OF OBLIGATIONS**

Maaco 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 Maaco's prior approval or consent, Developer shall make a timely written request therefor, and such approval shall be obtained in writing. Maaco 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 Maaco shall be without prejudice to any other rights Maaco may have, will be subject to continuing review by Maaco, and may be revoked, in Maaco's sole discretion, at any time and for any reason, effective upon receipt by Developer of ten (10) days' prior written notice. Maaco 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 Maaco or Developer to demand strict compliance with this Agreement; any waiver, forbearance, delay, failure or omission by Maaco to exercise any right, power or option, whether of the same, similar or different nature, with respect to all Centers or the acceptance by Maaco of any payments due



from Developer after any breach of this Agreement. No acceptance by Maaco of any payment by Developer and no failure, refusal or neglect of Maaco 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 Maaco'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 Maaco's obligations or liabilities relating to or arising from this Agreement, (b) any claim against Maaco based on, in respect of, or by reason of the relationship between Developer and Maaco, or (c) any claim against Maaco based on any of Maaco'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. Maaco 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 Maaco 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 Maaco, as an inducement to Maaco'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 Maaco, any franchise seller, or any other person acting on behalf of Maaco. This provision supersedes any other term of any document executed in connection with the franchise.

*[Signatures appear on following page.]*

**IN WITNESS WHEREOF**, the parties hereto have duly executed and delivered this Agreement on \_\_\_\_\_.

**DEVELOPER**  
**If an Entity:**

\_\_\_\_\_  
a \_\_\_\_\_

(Name of Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**If individuals:**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

**MAACO FRANCHISOR SPV LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Attest: \_\_\_\_\_

**EXHIBIT A**

**DEVELOPMENT AREA**

The Development Area will be \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(as depicted on the attached map), provided that the location of any Maaco 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 Maaco Center, any protected area then granted by Maaco under the applicable Maaco 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]

**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:

<b>Secure Deadline</b>	<b>Franchise Agreement Execution Deadline</b>	<b>Opening Deadline</b>	<b>Cumulative Number of New Centers Required to Be Open and Operating in the Development Area No Later than the Opening Deadline (in Previous Column)</b>
			1
			2
			3

(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 Paragraph 4B 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  
MAACO FRANCHISE AGREEMENT**

**THIS DEVELOPMENT INCENTIVE ADDENDUM TO MAACO FRANCHISE AGREEMENT** (the “Addendum”) is made and entered into on \_\_\_\_\_ (the “Addendum Date”), between MAACO FRANCHISOR SPV LLC, a Delaware limited liability company, with its principal office at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 (“Maaco”), and \_\_\_\_\_ (“Franchisee”).

**WITNESSETH:**

**WHEREAS**, Maaco and \_\_\_\_\_ (“Developer”) are parties to that certain Area Development Agreement dated as of \_\_\_\_\_ (the “Development Agreement”), pursuant to which Developer has been granted the right to develop three (3) or more Maaco Centers within the Development Area;

**WHEREAS**, Franchisee desires to open and operate a Maaco 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;

**WHEREAS**, simultaneously with the execution of this Addendum, the parties have entered into a Maaco Franchise Agreement (the “Franchise Agreement”), which will govern Franchisee’s operation of the Center; and

**WHEREAS**, 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**, the parties, in consideration of the undertakings and commitments of each party to the other party set forth herein, hereby mutually agree as follows:

**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, Franchisee must open the Center by the applicable Opening Deadline set forth in the Development Schedule, and

failure to do so will entitle Maaco to terminate the Franchise Agreement, under which circumstances Franchisee will forfeit the Initial Franchise Fee.

### 3. CONTINUING WEEKLY ROYALTY FEE

A. Notwithstanding anything to the contrary in the Franchise Agreement, and subject to Paragraph 5 below, during the thirty-six (36)-month period following the actual opening date of the Center (the “Royalty Reduction Period”), the continuing weekly royalty fee will be reduced, as follows:

Royalty Reduction Period	Continuing Weekly Royalty Fee
First twelve (12) months	One percent (1%) of the Center’s gross receipts
Second twelve (12) months	Two percent (2%) of the Center’s gross receipts
Third twelve (12) months	Two percent (2%) of the Center’s gross receipts

Upon the expiration of the Royalty Reduction Period, the continuing weekly royalty fee will be calculated in accordance with the terms of the Franchise Agreement without regard to this Paragraph 3A.

B. The royalty reduction incentive granted to Franchisee pursuant to Paragraph 3A is expressly contingent on Franchisee’s opening of the Center in accordance with Paragraph 2 and the continuing satisfaction of the following terms and conditions throughout the Royalty Reduction Period (collectively, the “Incentive Conditions”):

(1) Franchisee must be in material compliance with the Franchise Agreement;

(2) the Center must, at minimum, be a Gold Certified Maaco Center and must meet and maintain all of Maaco’s requirements and standards in connection with that certification program, as periodically modified by Maaco in its sole discretion; and

(3) the Center must participate in and/or comply with any other operational programs or requirements that Maaco periodically specifies.

### 4. TERMINATION

A. If gross receipts of the Center during the first or second twelve (12)-month period of the Royalty Reduction Period exceed One Million One Hundred Thousand Dollars (\$1,100,000.00) (the “Royalty Threshold”), upon Franchisee’s receipt of notice from Maaco, this Addendum and the royalty reduction incentive granted pursuant to Paragraph 3A will terminate at the end of the twelve (12)-month period in which the Royalty Threshold is first surpassed.

B. Maaco may terminate this Addendum and the royalty reduction incentive granted to Franchisee pursuant to Paragraph 3A if:

(1) Maaco terminates the Development Agreement;



(2) Maaco places Franchisee in default of the Franchise Agreement, and Franchisee fails to cure the default within the applicable cure period, if any, regardless of whether Maaco elects 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, Franchisee must immediately begin paying the continuing weekly royalty fee calculated in accordance with the terms of the Franchise Agreement without regard to Paragraph 3A (provided that the Franchise Agreement remains in effect).

## **5. REPAYMENT OF CONTINUING WEEKLY ROYALTY FEES**

If (A) the Franchise Agreement is terminated for any reason prior to the expiration of its term, or (B) Maaco places Franchisee in default of the Franchise Agreement, and Franchisee fails to cure the default within the applicable cure period, if any, regardless of whether Maaco elects to terminate the Franchise Agreement, Franchisee will immediately pay Maaco the difference between (1) the continuing weekly royalty fees for the Royalty Reduction Period (or, if applicable, portion thereof) that Franchisee would have been required to pay Maaco under the terms of the Franchise Agreement but for the royalty reduction incentive granted to Franchisee pursuant to Paragraph 3A, and (2) the continuing weekly royalty fees actually paid by Franchisee for the Royalty Reduction Period (or, if applicable, portion thereof).

## **6. 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 transmitted by e-mailed .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 appear on following page.]*

**IN WITNESS WHEREOF**, the parties hereto have duly executed and delivered this Addendum on \_\_\_\_\_.

**FRANCHISEE**  
**If an Entity:**

\_\_\_\_\_  
a \_\_\_\_\_

(Name of corporation, limited liability company or partnership)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**If individuals:**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

**MAACO FRANCHISOR SPV LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Attest: \_\_\_\_\_

## 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 **MAACO FRANCHISOR SPV LLC** (“Maaco”), each Guarantor personally and unconditionally (a) guarantees to Maaco 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 or otherwise has a direct or indirect relationship with Developer or its affiliates; that he, she or it will benefit significantly from Maaco’s entering into the Agreement with Developer; and that Maaco 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 Maaco requires at least one Guarantor to satisfy under this Guaranty and the Agreement, as such minimum net worth is periodically modified by Maaco in accordance with the following paragraph. Guarantors agree to provide Maaco on an annual basis financial statements or other documents that Maaco reasonably specifies, certified by Developer or Guarantors in the manner that Maaco 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, Maaco 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 Maaco 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 Maaco 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 One Million Dollars (\$1,000,000.00). Maaco may, however, periodically increase the Guarantor Net Worth Threshold by providing Developer and/or Guarantors at least ninety (90) days' prior written notice, if Maaco determines, in its reasonable judgment, that Maaco's risk or exposure with respect to the Agreement and all other franchise and other agreements between Maaco (or its Affiliate) and Developer (or any of the 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 Maaco's satisfaction that a then-existing Guarantor satisfies the modified Guarantor Net Worth Threshold or by presenting a substitute guarantor who signs Maaco's then-current form of guaranty reflecting the modified Guarantor Net Worth Threshold, by the end of that ninety (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 Maaco'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 Maaco 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 Maaco 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 Maaco; (ii) all rights to require Maaco 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 Maaco; and (iv) acceptance and notice of acceptance by Maaco 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. Maaco 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 Maaco. Without affecting the obligations of Guarantors under this Guaranty, Maaco 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 Maaco is required to enforce this Guaranty in a judicial proceeding, and prevails in such proceeding, Maaco shall be entitled to reimbursement of Maaco'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 Maaco is required to engage legal counsel in connection with any failure by any Guarantor to comply with this Guaranty, Guarantors shall reimburse Maaco for any of the above-listed costs and expenses Maaco incurs.

All actions arising under this Guaranty or the Agreement, or otherwise as a result of the relationship between Maaco 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 AND OWNERSHIP INFORMATION**  
(as applicable)

1. Developer Notice Information (street address and e-mail address): \_\_\_\_\_

2. Developer's Entity Type (e.g., corporation, limited liability company, general or limited partnership): \_\_\_\_\_

3. Developer's State/Commonwealth of Formation/Organization/Incorporation: \_\_\_\_\_

4. Developer's Date of Formation/Organization/Incorporation: \_\_\_\_\_

5. Developer's ownership structure is as follows:

<b>Owner</b>	<b>Ownership Interest in Developer</b>
Name: _____ Address: _____	% of Total Share/Units: _____
Name: _____ Address: _____	% of Total Share/Units: _____
Name: _____ Address: _____	% of Total Share/Units: _____
Name: _____ Address: _____	% of Total Share/Units: _____

6. Developer's officers and principal executives are as follows:

Name: _____	Title: _____
Name: _____	Title: _____
Name: _____	Title: _____



**EXHIBIT H-1**

**LIMITED EXCLUSIVITY ADDENDUM TO AREA DEVELOPMENT AGREEMENT**

**MAACO FRANCHISOR SPV LLC  
LIMITED EXCLUSIVITY ADDENDUM TO  
AREA DEVELOPMENT AGREEMENT**

**THIS LIMITED EXCLUSIVITY ADDENDUM TO AREA DEVELOPMENT AGREEMENT** (the “Addendum”) is made and entered into on \_\_\_\_\_ (the “Addendum Date”), between MAACO FRANCHISOR SPV LLC, a Delaware limited liability company, with its principal office at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 (“Maaco”), and \_\_\_\_\_ with its principal office at \_\_\_\_\_ (“Developer”).

**WITNESSETH:**

**WHEREAS**, to encourage System growth, Maaco currently offers developers that commit to developing four (4) or more new Maaco Centers under a new Maaco Area Development Agreement certain additional territorial rights, subject to certain terms and conditions;

**WHEREAS**, simultaneously with the execution of this Addendum, the parties have entered into a Maaco Area Development Agreement (the “Development Agreement”), pursuant to which Developer has undertaken the obligation to develop four (4) or more Centers, entitling Developer to such additional territorial rights in the Development Area, subject to certain terms and conditions; and

**WHEREAS**, the parties wish to amend the Development Agreement to reflect Maaco’s grant of such additional rights to Developer and the applicable terms and conditions of that grant.

**NOW, THEREFORE**, the parties, in consideration of the undertakings and commitments of each party to the other party set forth herein, hereby mutually 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 Paragraph 2A of the Development Agreement is deleted and replaced with the following:

Subject to the terms of this Agreement, Maaco grants to Developer the right (the “Development Rights”) to develop the number of new franchised

Maaco 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**

Paragraph 3 of the Development Agreement is deleted and replaced with the following:

#### **3. TERRITORIAL PROTECTION**

During the Term, neither Maaco nor its affiliates will grant a franchise for the operation of a Maaco Center to anyone else in the Development Area, except for any franchised Maaco 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, Maaco 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, Maaco may acquire or be acquired by another business, which business may open and operate, and franchise others to open and operate, businesses similar to Maaco Centers using marks other than the Proprietary Marks, without providing any rights or compensation to Developer. Developer acknowledges and agrees that Maaco 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 Paragraph 8C 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 Paragraphs 2 and 3 will terminate, and Maaco and its affiliates shall thereafter have the right to license others to develop and/or operate Maaco 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 Paragraph 9 of the Development Agreement, Maaco may, in its sole discretion, without waiving its option to terminate the Development Agreement under Paragraph 8 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 appear on following page.]*

**IN WITNESS WHEREOF**, the parties hereto have duly executed and delivered this Addendum on \_\_\_\_\_.

**DEVELOPER**  
**If an Entity:**

\_\_\_\_\_  
a \_\_\_\_\_

(Name of Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**If individuals:**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

**MAACO FRANCHISOR SPV LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Attest: \_\_\_\_\_

**EXHIBIT I**

**NEW FRANCHISE DISCLOSURE QUESTIONNAIRE**

**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.**

As you know, you and Maaco Franchisor SPV LLC (“Maaco”) are preparing to enter into a Franchise Agreement for the operation of a Maaco Center franchise or an Area Development Agreement for the development of a minimum of three Maaco Centers. The purpose of this questionnaire is to determine whether any statements or promises were made to you that Maaco has not authorized or that may be untrue, inaccurate or misleading. Please review each of the following questions carefully and provide honest responses to each question by writing your initials next to the appropriate answer. If you answer “No” to any of the questions below, please explain your answer on the back of this sheet.

Yes \_\_\_ No \_\_\_            1.        Have you received and personally reviewed the Franchise Agreement and, if applicable, the Area Development Agreement and each exhibit or schedule attached thereto?

Yes \_\_\_ No \_\_\_            2.        Have you received and personally reviewed the Maaco Franchise Disclosure Document?

Yes \_\_\_ No \_\_\_            3.        Did you sign a receipt for the Franchise Disclosure Document indicating the date you received it?

Yes \_\_\_ No \_\_\_            4.        Do you understand all of the information contained in the Franchise Disclosure Document, the Franchise Agreement, and, if applicable, the Area Development Agreement?

Yes \_\_\_ No \_\_\_            5.        Are you aware that you can discuss the Franchise Disclosure Document, the Franchise Agreement, and, if applicable, the Area Development Agreement, as well as the benefits and risks of operating a franchise with your professional advisor?

Yes \_\_\_ No \_\_\_            6.        Did you have the opportunity to discuss the benefits and risks of operating a franchise with existing franchisees?

Yes \_\_\_ No \_\_\_            7.        Do you understand that: (i) it is your responsibility to make your Center profitable and to expand the local market for Maaco Collision Repair & Auto Painting services; (ii) your success is determined by your willingness to implement and follow Maaco’s operating system, your skills, abilities and efforts as well as those of the persons you employ; and (iii) Maaco Centers require an intensely hands on, full time obligation, and you must be prepared to make this type of commitment.

Yes \_\_\_ No \_\_\_            8.        Do you understand that the franchisee (or its majority investor) and the Center’s principal operator (if not franchisee or its majority investor) must satisfactorily complete the training course at headquarters before the Center will be allowed to open?

Yes \_\_\_ No \_\_\_            9.        Is it true that no employee or other person, including brokers, speaking on behalf of Maaco made any statement or promise regarding the costs involved in operating a

franchise that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

Yes \_\_\_ No \_\_\_

10. Is it true that no employee or other person, including brokers, speaking on behalf of Maaco, made any statement or promise or provided you with information regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a franchise will generate, except as provided in Item 19 of the Franchise Disclosure Document?

Yes \_\_\_ No \_\_\_

11. Is it true that no employee or other person, including brokers, speaking on behalf of Maaco, made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement, concerning advertising, marketing, media support, marketing penetration, training, support services or assistance that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

Yes \_\_\_ No \_\_\_

12. Do you understand that the Franchise Agreement and, if applicable, the Area Development Agreement contain the entire agreement between you and Maaco concerning the matters covered therein, meaning that any prior oral or written statements not set out in those agreements will not be binding?

Yes \_\_\_ No \_\_\_

13. Do you understand that you will be an independent businessperson with a license to use Maaco's trademark?

If you were introduced to Maaco by a Franchise/Business Broker, please provide the name of the Broker's Company and the name of the Broker below:

\_\_\_\_\_  
Broker's Company

\_\_\_\_\_  
Broker's Name

DO YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM? BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

\_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_

\_\_\_\_\_  
Date

**EXHIBIT J**

**GUARANTEE OF PERFORMANCE**



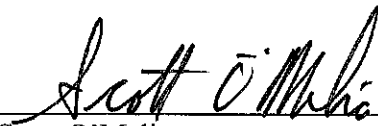
## GUARANTEE OF PERFORMANCE

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 **MAACO 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 2025 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 3rd day of June 2025.

**GUARANTOR:**

**DRIVEN SYSTEMS LLC**

By:   
Name: Scott O'Melia  
Title: Executive Vice President and Secretary

**EXHIBIT K**

**WARRANTY WORK FRANCHISE TRANSFER ACKNOWLEDGMENT**

The National Warranty Program is one of the major selling points of Maaco's Paint and Bodyworks Services. This is because a customer is assured that warranty related items will be corrected by the original Maaco Center, or if he or she moves, by a Maaco franchise located within the new marketplace. In the latter case, the original Maaco Center agrees to pay the new Maaco Center to perform the required warranty repairs at warranty rates. Once completed, the performed repairs become the responsibility of the new Maaco Center.

Cooperation among all of our franchise owners is essential if Maaco is to continue to differentiate itself from its competitors through the use of a National Warranty Program.

If you are buying a franchise formerly owned by another party, you should be aware of the following:

Notification to Buyers of Existing Franchises (Transfer)

The buyer of a Maaco Center is responsible for performing warranty work for vehicles serviced by the prior owner. A franchise transfer purchase agreement may include an escrow account which is set aside to cover the costs that the new buyer will experience with regard to warranty repairs on work performed while the seller was in operation. Not only does this escrow account cover those costs incurred by the buyer when customers come into his or her own Maaco Center, but when the customer moves and the National Warranty Program must be honored.

The escrow account can be established for a period of one to two years in the amount of \$3,000 to \$5,000, although the actual amount to be set aside and the time period are determined by the seller and buyer based upon their evaluation of the particular business.

In the past, during some seller and buyer negotiations, the seller and buyer have not incorporated an escrow account in the purchase agreement. Please be advised that should this be the case in your purchase agreement or in the event the escrow account is insufficient, you as the buyer of the pre-existing Maaco franchise are still responsible for all warranty work arising from the service performed by the seller.

The undersigned acknowledges its understanding of the foregoing information and requirements relating to the purchase of a Maaco Center.

IN WITNESS WHEREOF, the undersigned have executed this Warranty Work Franchise Transfer Acknowledgment on \_\_\_\_\_.

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT L**

**WARRANTY AGREEMENT**

The undersigned (collectively, the “Undersigned”) agrees that in consideration of Maaco Franchisor SPV LLC’s (“Maaco”) approval of its purchase of the Maaco Center located at \_\_\_\_\_, it will perform all warranty work for vehicles serviced prior to its ownership of the Center, all in accordance with the Maaco warranty program.

The Undersigned further agrees that in the event any customer dissatisfaction is brought to the attention of Maaco’s Customer Service Department, it will honor said warranties as required by Maaco.

The obligations of \_\_\_\_\_ under this Warranty Agreement shall be joint and several.

**IN WITNESS WHEREOF**, the Undersigned has executed this Warranty Agreement on \_\_\_\_\_.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

**EXHIBIT M**

**TRI PARTY AGREEMENT**

**THIS TRI PARTY AGREEMENT** (the “Agreement”) is made on \_\_\_\_\_, by and among Maaco Franchisor SPV LLC, with an address at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 (“Maaco”), \_\_\_\_\_, 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 Maaco related to the operation of a Maaco 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, Maaco 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. Maaco agrees to provide Lender with a copy of any written notice of default (“Notice of Default”) served on Franchisee by Maaco relating to Franchisee’s failure to pay Maaco 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 Maaco gives Lender notice that Franchisee has cured the Monetary Default, to allow Franchisee to make payments to Maaco 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 Maaco'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 Maaco retains the services of legal counsel to enforce the terms of this Agreement, Maaco 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.

*[Signatures appear on following page.]*

Intending to be legally bound, the parties execute this Agreement as of the date first written above.

**MAACO FRANCHISOR SPV LLC**

By: \_\_\_\_\_

Lender:

\_\_\_\_\_

\_\_\_\_\_

Franchisee:

\_\_\_\_\_

\_\_\_\_\_

**EXHIBIT N**

**DESIGNATED AREA RESERVATION LETTER**



AUTO PAINTING | COLLISION REPAIR

[DATE]

*Via Federal Express Delivery*

[NAME]

Dear [NAME],

The purpose of this letter (“**Designated Area Reservation Letter**” or “**DARL**”) is to set forth the terms and conditions under which Maaco Franchisor SPV LLC (“**Maaco**”) is willing to reserve (but not grant) to [NAME] (“**Prospect**”) the limited exclusive right to enter into a Maaco Franchise Agreement (the “**Franchise Agreement**”) for a new (ground-up) Maaco Center (a “**Center**”) to be located within the geographic area described in attached Exhibit A (the “**Designated Area**”) for a limited period of time.

**1. Reservation Period.** The Reservation Period begins on the date of this DARL and expires upon the earlier of: **(a)** 30 days after the date of this DARL; **(b)** Prospect’s execution of a Franchise Agreement for a Center to be located within the Designated Area; or **(c)** mutual agreement of the parties.

**2. Reservation of Designated Area.** During the Reservation Period, subject to the terms of this DARL, Maaco 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 Designated Area.

**3. Restrictions on Maaco.** During the Reservation Period, Maaco will not enter into a Franchise Agreement for a Center to be located within the Designated Area, provided that, at all times during and after the Reservation Period, Maaco will have the right to:

**(a)** enter into a Maaco 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 Designated Area; and

**(b)** enter into a Franchise Agreement for a Center located in the Designated Area in connection with the renewal or assignment of an existing Franchise Agreement.

**4. Termination of DARL.** This DARL will automatically terminate if Prospect fails to meet any of the following deadlines:

**(a)** By no later than \_\_\_\_\_, Prospect must: **(1)** submit to Maaco a completed (as determined by Maaco in its sole discretion) Franchise Application; **(2)** complete a Qualitative Assessment; and **(3)** return to Maaco a fully-executed, dated copy of the receipt for the then-current Maaco Franchise Disclosure Document.

**(b)** By no later than \_\_\_\_\_, Prospect must: **(1)** qualify financially under Maaco’s then-current standards for new franchisees; **(2)** visit Maaco’s headquarters in Charlotte, North Carolina; **(3)** complete Maaco’s Operations Interview; and **(4)** submit a Business Plan Review to Maaco.

**(c)** By no later than \_\_\_\_\_, Prospect must execute a Franchise Agreement for a Center to be located within the Designated Area.



**5. Effect of Termination or Expiration.** Upon the termination or expiration of this DARL, Prospect's limited exclusive rights hereunder will terminate or expire, respectively, and Maaco will have the unrestricted right to enter into a Franchise Agreement for a Center to be located within the Designated Area with any third party.

**6. Effect of DARL.** This DARL is not an offer of a franchise or a commitment or promise by Maaco to offer Prospect a franchise, and Maaco's decision to make any such offer rests in Maaco's sole discretion. Maaco 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 Maaco. No franchise offered by Maaco will come into existence except through a written Franchise Agreement executed by an officer of Maaco 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 DARL and, if applicable, the execution of any Franchise Agreement.

**8. Governing Law.** This DARL 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 Ted.Ripsey@drivenbrands.com at your earliest convenience.

Sincerely,

Ted Rippey  
Senior Vice President of Franchise Development  
Driven Brands, Inc.

**Acknowledged and Agreed by:**

\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Exhibit A**  
**Designated Area**

[INSERT MAP OF DESIGNATED AREA]

**EXHIBIT O**

**WAIVER AND RELEASE**

For consideration which I acknowledge, I irrevocably grant Maaco Franchisor SPV LLC (“Maaco”) and its successors, assigns and licensees the right to use my image, name, statement(s) and/or endorsement(s) (“Information”) in all forms and media including composite or modified representations for all purposes, including advertising, trade or any commercial purpose throughout the world. I waive any right to inspect or approve versions of my Information used for publication. I release Maaco and its successors, assigns and licensees from any claims that may arise regarding the use of my Information including any claims of defamation, invasion of privacy, rights of publicity or copyright.

I am over the age of 18. This Agreement expresses the complete understanding of the parties.

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**EXHIBIT P**

**INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT COMPLIANCE  
QUESTIONNAIRE**



International Emergency Economic Powers Act  
Compliance Questionnaire

Pursuant to 50 USC §1701 the undersigned franchise applicant (“Applicant”) is required to complete the following:

1. Were you born in the U.S.?      \_\_\_ YES      \_\_\_ NO
2. If No, are you a U.S. Citizen?      \_\_\_ YES      \_\_\_ 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. (e.g., driver’s license, passport, etc.)

Applicant represents that “neither he/she nor anyone having an ownership or other interest in the Maaco franchise that he/she is purchasing, nor any affiliate, parent, child or spouse of the Applicant 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 Maaco’s training and to open and operate a Maaco Center or similar business.

\_\_\_\_\_  
Date \_\_\_\_\_

\_\_\_\_\_  
Applicant \_\_\_\_\_

## EXHIBIT Q

### RELEASE OF TELEPHONE NUMBER AND TRANSFER OF TELEPHONE SERVICE

This telephone release (“Release”) is entered into and made by the undersigned franchisee (“Franchisee”) in favor of Maaco Franchisor SPV LLC, a Delaware limited liability company with its place of business located at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202.

WHEREAS, Maaco Franchisor SPV LLC is the national franchisor of Maaco Centers throughout the United States;

WHEREAS, Franchisee has executed a Maaco Franchisor SPV LLC Franchise Agreement (the “Franchise Agreement”) for the operation of a Maaco Center located at \_\_\_\_\_, and identified by Maaco Franchisor SPV LLC as Center No. \_\_\_\_\_, which provides that the telephone number used in the operation of Franchisee’s Maaco Center shall be, to the extent allowed by the local telephone company, the property of Maaco Franchisor SPV LLC;

WHEREAS, the telephone service associated with this telephone listing is to be established under the name Maaco Franchisor SPV LLC;

WHEREAS, the telephone numbers and listings have been procured for Franchisee’s use by or at the direction of Maaco Franchisor SPV LLC;

WHEREAS, Franchisee acknowledges and understands that the telephone listing will be used by Franchisee in the operation of its Maaco Center, will be displayed in various directory listings and advertisements in conjunction with Maaco Franchisor SPV LLC’s name and federally registered trade names, trademarks and service marks (collectively, “Maaco’s Proprietary Marks”), and that Maaco’s Proprietary Marks are the sole and exclusive property of Maaco Franchisor SPV LLC;

WHEREAS, Franchisee acknowledges that the Maaco’s Proprietary Marks, and the goodwill associated with Maaco’s Proprietary Marks are of the greatest value to Maaco Franchisor SPV LLC, and that if Franchisee’s Maaco Center franchise were to be terminated or otherwise discontinued, or Franchisee were to cease operating its Maaco Collision Repair & Auto Painting Center, but retained the use and control of the telephone listing referred to in this Release, Maaco Franchisor SPV LLC would be irreparably harmed and without an adequate remedy at law. Under those conditions Maaco Franchisor SPV LLC 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 Maaco Franchisor SPV LLC, Maaco Franchisor SPV LLC may 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 Maaco Franchisor SPV LLC is called upon to guaranty the payment of the telephone service accompanying this telephone listing, or if Franchisee’s franchise is terminated or Franchisee ceases to operate its Maaco Center under the name Maaco Collision Repair & Auto Painting for any reason, then in order to protect the subject telephone listing as being associated with the Maaco Franchisor SPV LLC system, Franchisee would be required to assign and transfer the telephone listing to Maaco Franchisor SPV LLC.

NOW, THEREFORE, for and in partial consideration for the use of Maaco’s Proprietary Marks in various directories, Franchisee hereby authorizes the telephone company, upon written notice from Maaco Franchisor SPV LLC, to transfer all telephone listings (“Telephone Listings”), together with the telephone service used in conjunction with the Telephone Listings, regardless of any code that may be placed upon such listings, to Maaco Franchisor SPV LLC, in the event the Franchise Agreement is terminated, or Franchisee ceases operating a Maaco Center.

In the event the Franchise Agreement is terminated, or Franchisee ceases operating a Maaco Center, or Maaco Franchisor SPV LLC is called upon to honor or satisfy any guaranty of the Telephone Listings by the telephone company, Franchisee grants to Maaco Franchisor SPV LLC, the irrevocable right to have these Telephone Listings removed, transferred, or

suspended, from Franchisee's place of business in accordance with the terms of the Franchise Agreement. Further, in such event, Franchisee hereby acknowledges and agrees that the telephone company shall have the right, authority and obligation to transfer the Telephone Listings to Maaco Franchisor SPV LLC 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 Maaco Franchisor SPV LLC in accordance with the terms of this Release, Franchisee hereby relinquishes any and all right, title and interest it 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 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. On failure of Franchisee to so execute documents required by the telephone company, Franchisee hereby appoints Maaco Franchisor SPV LLC as its lawful attorney-in-fact to execute such documents in the name of Franchisee for the purpose of effecting the transfer of the Telephone Listings to Maaco Franchisor SPV LLC.

Furthermore, at any time during the term of the Franchise Agreement or upon or subsequent to the termination of the Franchise Agreement, Franchisee hereby authorizes Maaco Franchisor SPV LLC to place a protective code on the Telephone Listings restricting access to the listings from unauthorized individuals, including Franchisee, in order to protect the franchise system in the event that Franchisee ceases operating its business as a Maaco Center.

Executed on \_\_\_\_\_.

**Franchisee:**

\_\_\_\_\_  
\_\_\_\_\_

**(Corporation/Company Name):**

By: \_\_\_\_\_  
Name/Title

## EXHIBIT R

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## EXHIBIT S

### LIST OF 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

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

##### *Los Angeles*

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

##### *Sacramento*

651 Bannon Street, Suite 300  
Sacramento, California 95811  
(866) 275-2677

##### *San Diego*

1350 Front Street, Rm. 2034  
San Diego, California 92101-3697  
(619) 525-4233

##### *San Francisco*

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

*For California service of process, an additional copy to:*

Corporation Service Company (which will do  
business in California as CSC-Lawyers  
Incorporating Service)  
2710 Gateway Oaks Drive, Suite 150N  
Sacramento, California 95833-3505

#### 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 7<sup>th</sup> Place East, Suite 280  
St. Paul, Minnesota 55101  
(651) 539-1600

**NEW YORK**

(for service of process)

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

(Administrator)

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

**NORTH DAKOTA**

(for service of process)

Securities Commissioner  
North Dakota Securities Department  
600 East Boulevard Avenue, Suite 414  
Bismarck, North Dakota 58505  
(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 T**

**STATE-SPECIFIC ADDITIONAL DISCLOSURES AND RIDERS**

**ADDITIONAL DISCLOSURES FOR THE  
FRANCHISE DISCLOSURE DOCUMENT OF  
MAACO FRANCHISOR SPV LLC**

The following are additional disclosures for the Franchise Disclosure Document of Maaco 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 Maaco Franchisor SPV LLC, any franchise seller, or any other person acting on behalf of Maaco 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 Maaco Franchisor SPV LLC as of March 29, 2025 immediately follows.

**MAACO FRANCHISOR SPV LLC**  
**BALANCE SHEET**  
**UNAUDITED**

<i>(in thousands)</i>	<b>March 29, 2025</b>
<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 350
Accounts and notes receivable, net	25,687
<b>Total current assets</b>	<b>26,037</b>
Intangible assets, net	208,817
<b>Total assets</b>	<b>\$ 234,854</b>
<b>Liabilities and members' equity</b>	
Deferred franchise revenue	\$ 3,287
<b>Total liabilities</b>	<b>3,287</b>
Members' equity	231,567
<b>Total members' equity</b>	<b>231,567</b>
<b>Total liabilities and members' equity</b>	<b>\$ 234,854</b>



## 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 I (New Franchise Disclosure Questionnaire) 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. Sections 101 *et seq.*), but we will enforce it to the extent enforceable.

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

Litigation in the county or district court where our then current principal offices are located (currently in Charlotte, North Carolina), 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.

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

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 Risk Factors are added to the Special Risks to Consider About *This* Franchise page of the Franchise Disclosure Document:

3. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the

same or similar goods. This may reduce the anticipated profit of your franchise business.

4. **Unopened Franchises.** The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you also may experience delays in opening your own outlet.

2. The following is added as a new Note 7 at the end of Item 6 of the Franchise Disclosure Document:

7/ With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 604.113, which puts a cap of \$30 on service charges.

3. The following is added at the end of Item 13 of the Franchise Disclosure Document:

Provided you have complied with all provisions of the Franchise Agreement applicable to the Proprietary Marks, we will protect your rights to use the Proprietary Marks and will indemnify you from any loss, costs or expenses from any claims, suits or demands regarding your use of the Proprietary Marks, in accordance with and to the extent required by Minn. Stat. Sec. 80C.12 Subd. 1(g).

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

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: (a) you be given 90 days' notice of termination (with 60 days to cure) of the Franchise Agreement and 180 days' notice for non-renewal of the Franchise Agreement; and (b) we will not unreasonably withhold our consent to an assignment, transfer, or sale of the franchise whenever the transferee meets the present qualifications and standards required of our franchisees in the Maaco franchise system.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J might prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the disclosure document and Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes 1984, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction. Those provisions also provide that no condition, stipulation or provision in the Franchise Agreement will in any way abrogate or reduce any of your rights under the Minnesota Franchises Law, including, if applicable, the right to submit matters to the jurisdiction of the courts of Minnesota. Minn. Rule 2860.4400(J) provides that you cannot be required to consent to our obtaining injunctive relief. We may seek injunctive relief. Also, a

court will determine if a bond is required.

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

No action may be commenced pursuant to Minn. Stat. Sec. 80C.17, Subd. 5. more than 3 years after the cause of action accrues.

No statement, questionnaire, or acknowledgment signed or agreed to by you in connection with the commencement of the franchise relationship will 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.

## **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) of the Franchise Disclosure Document, 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:

All disputes will be litigated. We will not require you to consent to the waiver of a trial by jury, pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law.

4. The following is added to the end 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 MAACO FRANCHISE AGREEMENT**  
**FOR USE IN MARYLAND**

**THIS RIDER** is made and entered into between Maaco Franchisor SPV LLC, a Delaware limited liability company with its principal business address at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 (“Maaco”), and \_\_\_\_\_, whose principal business address is \_\_\_\_\_ (“Franchisee”).

1. **BACKGROUND.** Maaco and Franchisee are parties to that certain Franchise Agreement dated \_\_\_\_\_ (the “Agreement”). This Rider is annexed to and forms part of the Agreement. This Rider is being signed because (a) Franchisee is a resident of Maryland, and/or (b) the Maaco Center that Franchisee will operate under the Agreement will be located in Maryland.

2. **RELEASES.** The following sentence is added to the end of Paragraphs 2H, 3B(5), 14B(2), and 16I 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.

3. **FEE DEFERRAL.** The following is added as a new Paragraph 5A(6) of the Franchise Agreement:

(6) The Maryland Securities Commissioner requires Maaco to defer payment of the initial franchise fee and other initial payments Franchisee owes to Maaco until Maaco has completed its pre-opening obligations under this Agreement.

4. **INSOLVENCY.** The following sentence is added to the end of Paragraph 15A of the Agreement:

Paragraph 15A(1) may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sections 101 *et seq.*).

5. **NON-WAIVER.** The following sentence is added to the end of Paragraph 21 of the Agreement:

All representations requiring Franchisee 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.

6. **GOVERNING LAW.** The following sentence is added to the end of Paragraph 25A of the Franchise Agreement:

However, to the extent required by applicable law, Maryland law will apply to

claims arising under the Maryland Franchise Registration and Disclosure Law.

7. **CONSENT TO JURISDICTION**. The following sentence is added to the end of Paragraph 25B of the Agreement:

Franchisee 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.

8. **LIMITATIONS OF LEGAL CLAIMS**. The following sentence is added as a new Paragraph 25F of the Agreement:

F. Franchisee must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after Maaco grants Franchisee the franchise.

**IN WITNESS WHEREOF**, the parties hereto have duly executed and delivered this Rider on \_\_\_\_\_.

**FRANCHISEE**  
**If a corporation, limited liability company**  
**or partnership:**

\_\_\_\_\_

a \_\_\_\_\_  
(Name of corporation, limited liability company or partnership)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**If individuals:**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

**MAACO FRANCHISOR SPV LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Attest: \_\_\_\_\_



**RIDER TO THE MAACO FRANCHISE AGREEMENT**  
**FOR USE IN MINNESOTA**

**THIS RIDER** is made and entered into between Maaco Franchisor SPV LLC, a Delaware limited liability company with its principal business address at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 (“Maaco”), and \_\_\_\_\_, whose principal business address is \_\_\_\_\_ (“Franchisee”).

1. **BACKGROUND.** Maaco and Franchisee are parties to that certain Franchise Agreement dated \_\_\_\_\_ (the “Agreement”). This Rider is annexed to and forms part of the Agreement. This Rider is being signed because (a) the Maaco Center that Franchisee 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. **NOTIFICATION OF INFRINGEMENT AND CLAIMS.** The following is added as a new Paragraph 9F of the Agreement:

Provided Franchisee has complied with all provisions of this Agreement applicable to the Proprietary Marks, Maaco will protect Franchisee’s right to use the Proprietary Marks and will indemnify Franchisee from any loss, costs or expenses arising out of any claims, suits or demands regarding Franchisee’s use of the Proprietary Marks in accordance with and to the extent required by Minn. Stat. Sec. 80C 12, Subd. 1(g).

3. **RELEASES.** The following is added to the end of Paragraphs 2H, 3B(5), 14B(2), and 16I 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.

4. **RENEWAL AND TERMINATION.** The following is added as new Paragraphs 2I and 15D of the Agreement:

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

5. **GOVERNING LAW.** The following statement is added to the end of Paragraph 25A of the Agreement:

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

6. **CONSENT TO JURISDICTION.** The following language is added to the end of Paragraph 25B of the Agreement:

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

**IN WITNESS WHEREOF**, the parties hereto have duly executed and delivered this Rider on \_\_\_\_\_.

**FRANCHISEE**  
**If a corporation, limited liability company**  
**or partnership:**

\_\_\_\_\_  
a \_\_\_\_\_

(Name of corporation, limited liability company or partnership)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**If individuals:**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

**MAACO FRANCHISOR SPV LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Attest: \_\_\_\_\_

**RIDER TO THE MAACO FRANCHISE AGREEMENT  
FOR USE IN NORTH DAKOTA**

**THIS RIDER** is made and entered into between Maaco Franchisor SPV LLC, a Delaware limited liability company with its principal business address at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202 (“Maaco”), and \_\_\_\_\_, whose principal business address is \_\_\_\_\_ (“Franchisee”).

1. **BACKGROUND.** Maaco and Franchisee are parties to that certain Franchise Agreement dated \_\_\_\_\_ (the “Agreement”). This Rider is annexed to and forms part of the Agreement. This Rider is being signed because (a) Franchisee is a resident of North Dakota and the Maaco Center that Franchisee 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 Paragraphs 2H, 3B(5), 14B(2), and 16I 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. **COVENANT NOT TO COMPETE.** The following is added as a new Paragraph 18G of the Agreement:

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

4. **GOVERNING LAW.** The following statement is added to the end of Paragraph 25A 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 Paragraph 25B of the Agreement:

Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, Franchisee may bring an action in North Dakota for claims arising under the North Dakota Franchise Investment Law.

6. **COSTS AND ATTORNEYS’ FEES.** The following is added to the end of Paragraph 25E of the Agreement:

Provisions requiring franchisees to pay all costs and expenses incurred by the franchisor in enforcing the agreement have been determined to be unfair, unjust and

inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law; however, Maaco will enforce the provision to the maximum extent the law allows.

**IN WITNESS WHEREOF**, the parties hereto have duly executed and delivered this Rider on \_\_\_\_\_.

**FRANCHISEE**  
**If a corporation, limited liability company**  
**or partnership:**

\_\_\_\_\_  
a \_\_\_\_\_

(Name of corporation, limited liability company or partnership)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**If individuals:**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

**MAACO FRANCHISOR SPV LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Attest: \_\_\_\_\_

## 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:

<b>State</b>	<b>Effective Date</b>
California	June 20, 2025, as amended September 18, 2025, <a href="#">and December 15, 2025</a> (Exempt)
Hawaii	July 3, 2025, as amended September 25, 2025, <a href="#">and [Pending]</a>
Illinois	June 20, 2025, as amended September 18, 2025, <a href="#">and December 15, 2025</a> (Exempt)
Indiana	June 26, 2025, as amended September 18, <a href="#">2025, and December 16, 2025</a>
Maryland	July 8, 2025, as amended September 18, 2025, <a href="#">and December 15, 2025</a> (Exempt)
Michigan	June 20, 2025, as amended September 18, <a href="#">2025, and December 15, 2025</a>
Minnesota	July 7, 2025, as amended September 30, 2025, <a href="#">and [Pending]</a>
New York	June 20, 2025, as amended September 18, 2025, <a href="#">and December 15, 2025</a> (Exempt)
North Dakota	July 3, 2025, as amended September 18, 2025, <a href="#">and December 15, 2025</a> (Exempt)
Rhode Island	July 7, 2025, as amended September 18, 2025, <a href="#">and December 15, 2025</a> (Exempt)
South Dakota	June 26, 2025, as amended September 18, <a href="#">2025, and December 15, 2025</a>
Virginia	July 10, 2025, as amended October 8, 2025, <a href="#">and [Pending]</a> (Exempt)
Washington	July 13, 2025, as amended September 18, 2025, <a href="#">and December 15, 2025</a> (Exempt)
Wisconsin	June 26, 2025, as amended September 18, <a href="#">2025, and December 16, 2025</a>

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.

## ITEM 23 – 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 Maaco 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 Maaco 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 in Exhibit S.

The franchisor is Maaco Franchisor SPV LLC, located at 440 South Church Street, Suite 700, Charlotte, North Carolina 28202. Its telephone number is 704-377-8855.

Issuance Date: June 20, 2025, as amended September 18, 2025, [and December 15, 2025](#)

The franchise seller(s) for this offering are:

Grace Makoid  Jennings Huntley  Ted Rippey  ~~Gary “Dave” Gross~~ [Missy McKinley](#)   
~~Frank Petrane~~ [Mo Khalid](#)

Jocelyn Willis  Jacob Weyand  Arthur Mona  ~~Missy McKinley~~ [Jeremy McGowen](#)  ~~Mo Khalid~~ \_\_\_\_\_

\_\_\_\_\_

at Maaco Franchisor SPV LLC, 440 South Church Street, Suite 700, Charlotte, North Carolina 28202. The telephone number is 704-377-8855.

We authorize the respective state agents identified on Exhibit S to receive service of process for us in the particular states.

I received a disclosure document from Maaco Franchisor SPV LLC dated June 20, 2025, as amended September 18, 2025, [and December 15, 2025](#), that included the following Exhibits:

A	Financial Statements	G	Fleet Addendum
B-1	List of Maaco Franchisees	H	Area Development Agreement
B-2	List of Maaco Franchisees Who Have Left the System	H-1	Limited Exclusivity Addendum to Area Development Agreement
B-3	Non-Operational Maaco Franchisees	I	New Franchise Disclosure Questionnaire
B-4	Non-Operational Maaco Franchisees Who Have Left the System	J	Guarantee of Performance
C	Franchise Agreement, Including Analysis of Investment	K	Warranty Work Franchise Transfer Acknowledgment
D	Amendment to Franchise Agreement (Transfer)	L	Warranty Agreement
E	Renewal Addendum to Franchise Agreement	M	Tri Party Agreement
F	Collateral Assignment of Lease and Consent and Agreement of Lessor	N	Designated Area Reservation Letter
		O	Waiver and Release

**ITEM 23 – RECEIPT CONTINUED**

- P International Emergency Economic Powers Act Compliance Questionnaire
- Q Release of Telephone Number and Transfer of Telephone Service
- R Table of Contents of Operations Manual (Playbook)
- S List of State Agencies/Agents for Service of Process
- T State-Specific Additional Disclosures and Agreement Riders

\_\_\_\_\_  
Date [Print Name] [Signature]

\_\_\_\_\_  
Date [Print Name] [Signature]

Center No. \_\_\_\_\_

## ITEM 23 – RECEIPT

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- |     |  |     |  |
|-----|--|-----|--|
| A   | Financial Statements   | G   | Fleet Addendum   |
| B-1 | List of Maaco Franchisees  | H   | Area Development Agreement                                 |
| B-2 | List of Maaco Franchisees Who Have Left the System                 | H-1 | Limited Exclusivity Addendum to Area Development Agreement |
| B-3 | Non-Operational Maaco Franchisees                                  | I   | New Franchise Disclosure Questionnaire                     |
| B-4 | Non-Operational Maaco Franchisees Who Have Left the System         | J   | Guarantee of Performance                                   |
| C   | Franchise Agreement, Including Analysis of Investment              | K   | Warranty Work Franchise Transfer Acknowledgment            |
| D   | Amendment to Franchise Agreement (Transfer)                        | L   | Warranty Agreement   |
| E   | Renewal Addendum to Franchise Agreement                            | M   | Tri Party Agreement  |
| F   | Collateral Assignment of Lease and Consent and Agreement of Lessor | N   | Designated Area Reservation Letter                         |
|     |  | O   | Waiver and Release   |



**ITEM 23 – RECEIPT CONTINUED**

- P International Emergency Economic Powers Act Compliance Questionnaire
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- T State-Specific Additional Disclosures and Agreement Riders

\_\_\_\_\_  
Date [Print Name] [Signature]

\_\_\_\_\_  
Date [Print Name] [Signature]

Center No. \_\_\_\_\_