



FRANCHISE DISCLOSURE DOCUMENT

AAMCO TRANSMISSIONS, LLC

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The franchise offered is for a transmission and general automotive repair center under the AAMCO® brand. The total investment necessary for a new franchisee to begin operation of a new AAMCO Center is \$223,600 to \$330,500. This includes between \$68,500 to \$80,000 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 Brian O'Donnell at 201 Gibraltar Road, Horsham, PA 19044 (telephone: 610-668-2900 ext. 331; e-mail bodonnell@aamco.com).

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: April 30, 2020

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor and its affiliate by mediation, arbitration and/or litigation in the franchisor's home state (currently, Pennsylvania). Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Pennsylvania than in your own state.

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

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Exhibits to FDD listed on following page

Exhibits

Forms of AAMCO-related contracts:

Exhibit A-1	AAMCO Franchise Agreement
Exhibit A-2	EDAC Agreement (for franchisees in network prior to 10/01/06)
Exhibit A-3	Deposit Agreement
Exhibit A-4	Lease Rider
Exhibit A-5	Advertising Commitment Letter
Exhibit A-6	Advertising Pool Installment Note
Exhibit A-7	Sample Advertising Pool Agreement
Exhibit A-8	Electronic Funds Transfer (EFT)
Exhibit A-9	Personal Guaranty
Exhibit A-10	General Release
Exhibit A-11	DAC Phone Redirect Agreement
Exhibit A-12	POS System License

Additional Information, Forms, and Disclosures:

Exhibit B	State Addenda to FDD Item disclosures
Exhibit C	State Amendments to Franchise Agreement
Exhibit D	State Administrators/Agents for Service of Process
Exhibit E	List of State and Local Laws
Exhibit F	List of Franchised Outlets
Exhibit G	List of Former Franchisees
Exhibit H	Financial Statements
Exhibit I	Operator's Manual Table of Contents
Exhibit J	Franchisee Purchase Confirmation
Exhibit K	Receipts

ITEM 1.
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this Franchise Disclosure Document (“FDD”), “AAMCO”, “ATI”, “we”, and “us” each mean AAMCO Transmissions, LLC, the franchisor. “You” means the person or business entity that buys the franchise rights, and includes your owners if you are a corporation, limited liability company, partnership or other type of business entity.

Our Company

AAMCO has conducted business for over 50 years since its formation as a Pennsylvania corporation on November 6, 1963 under the name AAMCO Transmissions, Inc. AAMCO does business as “AAMCO Transmissions” and also “AAMCO Transmissions & Total Car Care”. Our principal business address is 201 Gibraltar Road, Horsham, Pennsylvania 19044. AAMCO has no predecessors. On March 7, 2006, AAMCO became a wholly-owned subsidiary of American Driveline Systems, Inc. (“ADS”), a Delaware corporation, by way of a stock purchase agreement. On December 27, 2016, ADS’s then parent company, American Capital, Ltd., entered into an agreement and plan of merger under which all capital stock and equity interests of ADS ultimately were acquired by Transom ADS Holdings Corp. (“Holdco”), at which time Holdco became ADS’s parent company. On October 2, 2017, Holdco’s then parent company, Transom ADS Holdings LLC, sold all stock and interests in Holdco to Icahn Automotive Service LLC (“IAS”), a Delaware limited liability company with a principal business address at 1155 Roberts Blvd, Suite 175, Kennesaw, GA 30144. Pursuant to an internal restructuring completed in December 2017, Icahn Automotive Service Partners LLC (“IASP”), an affiliate of IAS, became the 100% owner of AAMCO, and AAMCO converted from a corporation to a limited liability company under Pennsylvania law to its current name, AAMCO Transmissions, LLC, on December 29, 2017. IAS and IASP are affiliated with Icahn Enterprises Holding, L.P. (“IEP”), a diversified holding company with a principal address of 767 Fifth Avenue, Suite 4700, New York, New York 10153. We further describe IASP and certain of our other affiliates later in this Item 1, and we include information in Item 2 about executives of IEP-related affiliates who are directors of AAMCO and IASP, our parent company that controls and directs our business and franchising activities.

Since 1963, AAMCO has itself and through related entities developed, operated and sold franchises for transmission repair and general automotive repair centers of the type described in this FDD (“AAMCO Centers” or “Centers”). As of the end of our last fiscal year, there were 579 total AAMCO Centers operating in the United States and Canada, all but 13 of which were franchised (see Item 20). We do not operate businesses of the type being franchised, although one or more of our affiliates did so in the past and resumed doing so again in 2018. We have not offered franchises in any other line of business and do not engage in any other business activities. AAMCO’s agents for service of process in various states are listed on Exhibit D attached to this FDD.

AAMCO Franchises We Offer

If you become a franchisee, you will own and operate an AAMCO Center and sell transmission repair services, as well as additional automotive maintenance and repair services we then currently authorize, such as oil and filter changes, brake services, heating and cooling system service, tune-ups, steering and suspension, factory-recommended maintenance, and related services (collectively, “Total Car Care Services” or “TCC Services”), to the general public on both a retail and wholesale level. Before you sign an agreement for franchise rights to an AAMCO Center, you will first enter into a deposit agreement with us (“Deposit Agreement”, attached in form version as Exhibit A-3 to this FDD) under which you will pay an initial deposit that is refundable under certain circumstances (see Item 5). Later, you will sign a

franchise agreement with us (“Franchise Agreement”, attached in form version as Exhibit A-1 to this FDD) to operate a single AAMCO Center at a location you choose and that we approve. If you are an existing AAMCO franchisee or franchisee owner that currently operates at least one franchised AAMCO Center (an “Existing Franchisee”) and have operated an AAMCO Center since October 1, 2006, then instead of signing the Franchise Agreement you will sign an Existing Dealer Additional Center Agreement (“EDAC Agreement”, attached in form version as Exhibit A-2 to this FDD).

In the future, we also may offer opportunities for a development agent program through which we will authorize certain qualified candidates that we approve, each within a defined geographic area and according to a mandatory development schedule, to recruit and support new AAMCO Center franchisees before and during the new franchisees’ beginning years of operations. If and when we offer a development agent opportunity, we anticipate doing so initially on a limited, test-pilot program basis, and eventually (once perfected after pilot cases) on a uniform basis through a separate disclosure document specific to the development agent offering.

Our Affiliates’ Operations and Franchising Experience

This section describes any of our parent companies required to be disclosed in this FDD, our other affiliates that offer or have offered franchises in any line of business, and our other affiliates that currently (or in the future may) provide products or services to AAMCO Centers. Unless indicated otherwise in this section, each of these entities shares AAMCO’s same current principal business address.

- Icahn Automotive Service Partners LLC (“IASP”): Our parent company, IASP, is our 100% owner that exercises control over the policies and direction over our franchise system. IASP has never operated AAMCO Centers or offered franchises in any line of business, though its subsidiary AAMCO offers franchises as described in this FDD, and its subsidiary Cottman (defined below) previously offered franchises as detailed below.
- American Driveline Technical Services, LLC (“ADTech”): Our affiliate, ADTech, provides certain technology services and support to AAMCO Centers. ADTech operated until at least April 2014 under the name American Driveline Communications Corporation (“ADCC”), then conducted business under the name American Driveline Technical Services Corporation until December 2017, and now conducts business under its current name as converted under state law since December 29, 2017. ADTech, when known as ADCC in prior years, operated affiliate-owned AAMCO Centers in the state of California from 2010 to 2014, but no longer does. Otherwise, ADTech has never operated AAMCO Centers and has never offered franchises in any line of business.
- American Driveline Centers, LLC (“ADC”): Our affiliate, ADC, previously operated affiliate-owned AAMCO Centers in multiple states outside California between 2010 and 2014, but no longer does. ADC also sold operating assets of many former affiliate-owned centers to new AAMCO franchisees in connection with franchise sales by ATI to new franchisees. ADC has never offered franchises in any line of business. ADC converted from a corporation to a limited liability company under Pennsylvania law on December 29, 2017.
- Cottman Transmission Systems, LLC (“Cottman”): Our affiliate, Cottman, authorizes limited trademark licenses for transmission repair and total automotive care service centers under the Cottman® name and related marks (“Cottman Centers”). Cottman or its predecessor(s) previously operated, and otherwise offered, sold and supported franchises

for, Cottman Centers between 1962 and January 2018, but no longer does. After ADS acquired AAMCO in 2006, certain franchisees of Cottman Centers elected to convert their franchises to operation as AAMCO Centers, and vice versa. Pursuant to a global agreement in December 2017 with all 51 then-current operators of Cottman Centers, Cottman ceased offering, servicing, or otherwise supporting franchises as of January 15, 2018, and all those operators simultaneously converted to operation as trademark licensees under new trademark licenses that replaced their terminated franchise agreements. Cottman no longer offers, nor does it expect or intend to offer or sell in the future, limited trademark licenses for the development or establishment of any new Cottman Centers, nor any franchises whatsoever; however, at an existing licensee's request, Cottman may approve a transfer of an existing Cottman Center trademark license from the current licensee to that licensee's independently-identified business purchaser.

- Precision Franchising LLC (“Precision”): Our affiliate, Precision, operates, offers and supports franchises for automotive service centers under the Precision Tune Auto Care® name and related marks (“Precision Centers”). Precision or its predecessors have operated Precision Centers since 1976. Precision has sold franchises for Precision Centers since 2001. As of December 31, 2019, there were 239 total Precision Centers in the U.S., 192 of which were franchised. Except for Precision Centers, Precision has never operated or offered franchises in any other line of business. Precision's current principal business address is 748 Miller Drive, S.E., Leesburg, Virginia 20175.
- The Pep Boys – Manny, Moe & Jack (“Pep Boys”): Our affiliate, Pep Boys, and its subsidiaries operate automotive aftermarket retail and service chain centers under the Pep Boys® name and related marks (“Pep Boys Centers”). Pep Boys or its predecessors have operated Pep Boys Centers since 1921. Pep Boys has never operated or offered franchises in any line of business. Pep Boys' current principal business address is 3111 W. Allegheny Avenue, Philadelphia, Pennsylvania 19132. Pep Boys also acquired Just Brakes in January 2017, as described further below in this Item 1.
- JBRE Holdings, LLC (“Just Brakes”): Our affiliate, Just Brakes, operates automotive service centers under the Just Brakes® name and related marks (“Just Brakes Centers”). Just Brakes or its predecessors have operated Just Brakes Centers since 1980. Just Brakes has never operated or offered franchises in any line of business. Just Brakes' current principal business address is 8150 North Central Expressway, Suite M-1008, Dallas, Texas 75206. In January 2017, Pep Boys acquired Just Brakes and has since converted nearly all of the former Just Brakes Centers to operations as Pep Boys Centers, with only 3 Just Brakes Centers still operating.
- IEH Auto Parts LLC d/b/a Auto Plus (“Auto Plus”): Our affiliate, Auto Plus, is an automotive aftermarket parts distributor that operates under the Auto Plus® name and related marks. Auto Plus has never operated or offered franchises in any line of business. Auto Plus shares the same current principal business address as IAS.
- AAMCO Retail LLC and subsidiaries (together, “AAMCO Retail”): Our affiliate, AAMCO Retail, develops and operates non-franchised, corporate affiliate-owned AAMCO Centers through four wholly-owned and regionally-focused subsidiaries: AAMCO Northeast, LLC; AAMCO Northwest, LLC; AAMCO Southeast, LLC; and AAMCO Southwest, LLC. AAMCO Retail began developing and operating affiliate-owned locations in April 2018, and were operating 13 total affiliate-owned locations

nationwide as of December 31, 2019. These locations operated by AAMCO Retail may include and implement certain services, features, and/or designs or procedures being developed or tested on a “pilot basis” for potential future use in franchised AAMCO Centers; therefore such affiliate-owned businesses may not replicate or approximate the same size, appearance, formats, or other business requirements as franchised AAMCO Centers described in this disclosure document. AAMCO Retail has never operated or offered franchises in any line of business, and it shares a principal business address with AAMCO.

Market and Competition

AAMCO Centers compete with other businesses that repair transmissions and/or provide general automotive repair services, including independent garages and shops, automobile dealerships, service stations, and other branded auto repair chains. Potential customers of AAMCO Centers are owners of various types of automotive vehicles who have transmission or general automotive related problems. The market is well-developed and competitive. An attraction of an AAMCO Center is that customer demand typically is not seasonal.

Laws and Regulations

In operating your AAMCO Center, you must comply with all federal, state, provincial, municipal, and local laws and regulations applicable to an automotive care business. Exhibit E to this FDD illustrates the types of federal and state laws that might apply to your AAMCO Center, which include automotive repair, tax, employment, environmental, and consumer protection laws. You also must comply with all federal, state, and local laws and rules applicable to your AAMCO Center that may affect businesses generally, including: prohibitions on smoking in public places or requiring the public posting of notices about health hazards (e.g., tobacco smoke or other carcinogens); laws or rules on fire safety, general emergency preparedness, proper use, storage and disposal of waste, insecticides and other hazardous materials, and employee health and safety standards. Exhibit E is not exhaustive, meaning that there may be other laws and regulations beyond those listed that cover automotive repair facilities in your locality. Exhibit E does not take the place of a franchisee’s duty to investigate and comply with all applicable laws; you have full responsibility for being aware of and ensuring that your AAMCO Center complies with all applicable laws.

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. In response, many states and local municipalities have enacted laws or governmental orders that put temporary or periodic restrictions on business operations and group gatherings for an indeterminate period of time. As a result, there may be disruptions or additional operating requirements imposed on your franchised business for an indeterminate duration, which could affect sales and operating costs. You must comply with all applicable laws, rules and orders of any governmental authority concerning the outbreak and your response.

ITEM 2.

BUSINESS EXPERIENCE

President and Chief Executive Officer – Jim Gregory

Mr. Gregory is our President and Chief Executive Officer (“CEO”) since October 2017. He joined ADS in August 2014 and was our and ADS’s Chief Financial Officer (“CFO”) until October 2017. From December 2012 to August 2014, he was a Principal for American Capital, Ltd., where he held prior positions since 2005, all in New York, New York.

Chief Financial Officer and Secretary – Mary Shetzline

Ms. Shetzline has been our CFO and Secretary since October 2017. From April 2014 to September 2017, she was Controller and a manager at ADS. From December 2012 to April 2014, she was a financial executive at Globus Medical, Inc. in Audobon, Pennsylvania, and previously was an Auditor at Ernst & Young from May 2008 to December 2012 in Philadelphia, Pennsylvania.

Chief Strategy Officer – Brian O’Donnell

Mr. O’Donnell has been our Chief Strategy Officer (“CSO”) since October 2019, previously was our Senior Vice President of Sales & Development from February 2014 until September 2019, and our Senior Vice President of Operations from 1997 to February 2014. Mr. O’Donnell has otherwise served AAMCO and its affiliates in various positions since 1985, with all positions based in our corporate headquarters.

Chief Information Officer – Adam Baumgardner

Mr. Baumgardner has been our Chief Information Officer (“CIO”) since March 2019. He previously served as Vice President of Product Management and Analytics for ConnectiveRx from September 2016 to February 2019 in Whippany, New Jersey. Prior to that, Mr. Baumgardner served as Principal for IQ 20/20, a business intelligence software company, from June 2014 to September 2016 in East Norriton, Pennsylvania. From September 2003 to June 2014, Mr. Baumgardner held various positions at inVentiv Health in Newtown, Pennsylvania, including his last role as Director of Software Development and Product Management.

Chief Operating Officer – Zach Peters

Mr. Peters has been our Chief Operating Officer (“COO”) since November 2019. From July 2018 to October 2019, he was Senior Program Manager for Katerra in Menlo Park, California. Before that, from May 1998 to July 2018, he held various positions in the United States Marine Corps, including in Marine Special Operations Command (“MARSOC”) from 2007 to 2018 where he held leadership roles as SOF Senior Enlisted Advisor, Battalion Operations Chief, MSOC Operations Chief, and Team Chief.

Chief Marketing Officer – Amy Johnson

Ms. Johnson has been our Chief Marketing Officer (“CMO”) since November 2019. From January 2019 to October 2019, she was Head of Global Demand Generation for Optiv Inc., where she also previously served as Director of Digital Marketing from April 2018 to December 2018, based in Denver, Colorado. Before that, Ms. Johnson served as Vice President of SEO and Content Marketing, and in other assorted roles, at BBVA USA based in Birmingham, Alabama from March 2014 to March 2018.

Director – James Healy

Mr. Healy has been a Director since October 2017. Mr. Healy has also been CFO of Icahn Automotive Group, LLC (“IAG”), an affiliate of IASP, since April 2018 and a Senior Vice President with IAG in Kennesaw, Georgia since March 2017. Prior to that he was Vice President with IEH Auto Parts, also in Kennesaw, Georgia beginning in May 2016, before which he was a Vice President with FastPay in Los Angeles, California from April 2015 to April 2016. He previously held the consecutive positions of ECLP Member, Assistant Vice President, and Managing Director/NRD Manager with GE Capital from June 2010 through March 2015. Mr. Healy will be departing IAG, and vacating his Director position on our board, shortly after the effective date of this disclosure document, after which we anticipate a replacement Director being appointed to our board during the current fiscal year.

Director – Matthew Flannery

Mr. Flannery has been a Director since March 2018. Mr. Flannery also has been Chief Legal & Administrative Officer of IAG since November 2019. He previously was Senior Vice President, General Counsel and Secretary of IAG from March 2017 to October 2019, and Senior Vice President and General Counsel of The Pep Boys – Manny, Joe & Jack from July 2015 to October 2019, with all positions located in Kennesaw, Georgia. Before joining IAG, Mr. Flannery was Senior Counsel of The Goodyear Tire & Rubber Company in Akron, Ohio from January 2011 to June 2015.

Director – Brian Kaner

Mr. Kaner has been a Director since March 2018. Mr. Kaner has also been CEO – Service for IAG since June 2019, and served IAG as President – Service & Senior Vice President of Strategy, Corporate Development, and Real Estate from June 2018 to May 2019, and as Senior Vice President from November 2017 to May 2018, based in Indianapolis, Indiana and Kennesaw, Georgia. Mr. Kaner was previously President, Sears Auto from June 2015 to May 2017, and Chief Operating Officer, Sears Home Services and Sears Holdings from January 2014 to June 2015 in Chicago, Illinois.

ITEM 3. LITIGATION

Pending Actions:

Chambers v. Montileone Industries, Inc. and AAMCO Transmissions, Inc. (Circuit Court of St. Louis County, Missouri, Case No. 16SL-CC03885, Div. 9). On October 15, 2019, the Plaintiff, individually and on behalf of a purported class of similarly situated consumers, filed a First Amended Petition adding AAMCO as a co-defendant in this action originally filed against a former franchisee. Plaintiff alleges that defendants, now including AAMCO, misrepresented auto repair services performed on customer vehicles at the former franchisee’s center by replacing original transmissions with salvaged transmissions. Plaintiff asserts claims for fraud and negligent misrepresentation, seeking unspecified economic damages and injunctive relief to enjoin the allegedly unlawful business practices. AAMCO answered the complaint and will continue defending itself in this matter.

Concluded Actions:

Morristown Transmissions, LLC et al. v. 2 JOS, LLC, et al. (Morris County, NJ, Superior Court, No. MRS-L-2079-12; Removed to United States District Court for the District of New Jersey, Docket No. 2:14-CV-02912-CCC-JBC). On October 2, 2013, plaintiffs, former franchisees, brought claims against the immediately preceding former franchisees that sold the franchised center’s assets to plaintiffs (the

“Sellers”). While the Sellers were the principally-targeted defendants, plaintiffs also alleged breach of contract, breach of good faith and fair dealing, tortious interference with contract, conversion, unjust enrichment, fraud, negligence, rescission and civil conspiracy against AAMCO. The complaint did not specify a damages amount against AAMCO. On May 8, 2014, AAMCO successfully removed the case to federal court and later defeated plaintiffs’ motion to remand back to state court. AAMCO answered the complaint, denying all allegations. On September 10, 2015, the Sellers filed a Chapter 7 bankruptcy petition with the United States Bankruptcy Court, District of New Jersey, and were later discharged from any claims or liability asserted in this litigation. The parties settled the matter in May 2018 through Court-ordered mediation, including plaintiffs receiving \$200,000 from AAMCO and certain of its current or former affiliates, and the case was dismissed with prejudice.

Thomas Reddoch v. AAMCO Transmissions, Inc. and American Driveline Systems, Inc., (JAMS Arbitration Ref. # 145003619, filed April 16, 2015); Donald Saylor v. AAMCO Transmissions, Inc. and American Driveline Systems, Inc. (JAMS Arbitration Ref. # 1450003620, filed April 16, 2015). Two former franchisees filed separate arbitrations against AAMCO and ADS, each alleging breach of contract and fraud in connection with the purchase and operation of their respective franchises. Claimant Reddoch alleged damages of approximately \$784,000, and claimant Saylor alleged damages of approximately \$960,000. AAMCO denied any liability for the former franchisees’ claims, and filed counterclaims against both for breach of the franchise agreements to recover unpaid fees, breach of the post-term covenant not to compete against Reddoch, and breach of a promissory note against Saylor. AAMCO sought damages in the arbitrations of not less than \$160,000 from Reddoch, and not less than \$87,000 from Saylor. These filed arbitrations were preceded by two failed lawsuits (one dismissed in April 2014, the second dismissed in September 2015), brought by the same opposing counsel on behalf of other former and current AAMCO franchisees, that asserted similar past allegations for unspecified damages. Instead of continuing to arbitrate, the above-named claimants joined with certain of those former litigants to mediate as a group with AAMCO in January 2017. On May 25, 2017, the mediating parties entered into a settlement agreement that resolved all claims, counterclaims, and any other alleged grievances among the parties on or before the date of mediation (the “Group Resolution”). The Group Resolution did not include admission of liability by AAMCO or by any group member for existing or threatened claims, or an itemized distribution of settlement funds to individual group members; however, each of Reddoch and Saylor would have received about \$70,000 as a pro-rata share of the total group settlement payment AAMCO made to the group’s counsel for the group’s benefit, if that payment was distributed evenly among the group members. Among other conditions of resolution, group members Reddoch, Saylor, and Adeniyi (see below in this Item 3) dismissed with prejudice their existing actions.

Asimiyu Adeniyi and Robert Jones v. AAMCO Transmissions, Inc. et al. (Circuit Court of Maryland for Baltimore City, Case No. 24-C-15-004704, filed September 11, 2015). Two former franchisees alleged violations of Maryland law, fraud, and negligent misrepresentation in connection with plaintiffs’ purchase and operation of AAMCO franchises. Plaintiffs sought over \$10 million compensatory and \$6 million punitive damages, plus costs and fees. On January 11, 2016, defendants filed a motion to dismiss the complaint and compel arbitration pursuant to the terms of the franchise agreements. Plaintiffs did not respond to that motion. On January 28, 2016, the court notified the parties that it would dismiss the case without prejudice for lack of jurisdiction if the plaintiffs did not file a motion showing good cause why the case should not be dismissed. Plaintiff Jones voluntarily dismissed all his claims on August 24, 2016. Plaintiff Adeniyi mediated with other alleged, similarly-situated claimants and participated in the Group Resolution discussed above in this Item 3. As part of the Group Resolution, Adeniyi dismissed this action with prejudice on May 31, 2017 and received an undisclosed share of the total group consideration paid to and distributed by opposing counsel to the group members.

The PDM Group, Inc. v. AAMCO Transmission, Inc., American Driveline Systems, Inc. (“ADS”) et al. (United States Bankruptcy Court for the Eastern District of Pennsylvania, Chapter 11 Case No. 11-22149, Adversary Proceeding Case No. 11-02124). Plaintiff was the operating entity of former AAMCO franchisee, Philip McKee (“PDM”), who abandoned his AAMCO franchise and the franchised premises while leaving the equipment and inventory behind. AAMCO refranchised the location. PDM filed for bankruptcy and later, on October 17, 2011, filed an adversary proceeding asserting claims against AAMCO and ADS for conversion, turnover, preference and fraudulent transfer, and demanded return of the equipment and/or monetary damages. Under a settlement agreement dated July 17, 2012, the bankruptcy estate transferred all equipment and inventory to AAMCO free of all encumbrances in exchange for monetary consideration of \$35,000.

Schuette v. AAMCO Transmissions, Inc. (United States District Court for the Eastern District of California, Case No. 2:11-cv-00641-KJM-DAD). On February 24, 2011, AAMCO terminated franchisee Schuette for, among other reasons, failure to timely pay amounts owed by Schuette to AAMCO and to his local ad pool. On March 8, 2011, Schuette filed a complaint against AAMCO alleging damages over \$75,000 and causes of action for breach of contract, violation of the California Franchise Relations Act, violation of California Business and Professions Code section 17200, and requesting declaratory relief. Plaintiff also filed a motion for a preliminary injunction seeking to halt AAMCO’s enforcement of the termination, alleging that AAMCO wrongfully terminated his franchise agreements. AAMCO denied any wrongdoing and contended that Schuette’s termination was lawful. On June 15, 2011, this matter was resolved by a settlement, the terms of which involved AAMCO’s affiliate, ADC, taking over the two AAMCO Centers previously operated by plaintiff in exchange for AAMCO’s agreement to purchase the centers’ equipment for \$150,000.

Virginia Corporation Commission v. AAMCO Transmissions, Inc. (Case No. SEC-2012-00042). The Commonwealth of Virginia Corporation Commission, Division of Securities and Retail Franchising (“Securities Division”) asserted that AAMCO violated the Virginia Retail Franchising Act (the “Virginia Act”) by omitting from its 2010 and 2011 franchise disclosure documents information concerning the bankruptcy proceeding of the prior employer of AAMCO’s former President, Marc Graham, when he was the executive of that prior employer a few years earlier. Without admitting fault or the Securities Division’s conclusions, AAMCO voluntarily entered into a Consent Order with the Securities Division on June 11, 2013, under which AAMCO agreed not to violate the Act in the future, and agreed to pay \$10,000 in monetary penalties.

In the Matter of AAMCO Transmissions, Inc. (Order No. S-12-0916-12-CO01, State of Washington Department of Financial Institutions-Securities Division (“Securities Division”), entered October 15, 2012). The Securities Division had asserted that AAMCO violated the Washington Franchise Investment Protection Act (the “Washington Act”) by omitting from its 2011 franchise disclosure document a statement that American Capital is a “parent” of AAMCO, contact information for a Washington franchisee whose centers AAMCO’s corporate affiliate had reacquired during 2010, and information concerning the bankruptcy proceeding of the former employer of AAMCO’s former President, Marc Graham, when he was an executive of that entity a few years earlier. Without admitting fault or the Securities Division’s conclusions, AAMCO waived its right to a hearing and judicial review and voluntarily entered into a Consent Order with the Securities Division dated October 10, 2012. Pursuant to the Order, AAMCO agreed not to violate section 19.100.170, (the anti-fraud provision of the Washington Act), and for three years not to claim any exemption from the franchise registration provisions in section 19.100.030 of the Act.

States v. AAMCO Transmissions, Inc. In the States of Iowa, Louisiana, Massachusetts, Michigan, Missouri, New York, North Carolina, Ohio, Pennsylvania, Tennessee, Texas, Washington, West Virginia

and Wisconsin, AAMCO agreed to undertake a defined standard for monitoring its franchisees in those states through categorizing and tabulating complaints received from customers of franchisees, and taking defined follow-up actions as needed. Separate judgments with identical substantive terms were entered on February 18, 1987 in courts of each state capital. No findings of any violations of law were entered.

In the matter of the Agreed Case Between the People of the State of California and AAMCO Transmissions, Inc. No. 479197, Superior Court of the State of California for the County of San Diego. A final judgment pursuant to the statement of the agreed case was entered on December 14, 1981, concerning advertising procedures in the State of California.

In the matter of the State of Illinois against AAMCO Transmissions, Inc. (File No. 79-CH-3706) Circuit Court of Cook County, Illinois; finding by stipulation that AAMCO failed to provide a prospective franchisee with a copy of the required disclosure statement within the required time; judgment was entered by consent on August 2, 1979; AAMCO agreed to pay a civil penalty of \$2,000 and to comply with requirements of the Illinois Franchise Disclosure Act.

In the matter of the Application of the State of New York against AAMCO Transmissions, Inc., et al. File No. 9973, issued on December 6, 1967, Supreme Court of the State of New York, County of Queens; final judgment entered by consent; judgment governs the advertising, servicing and repair of transmissions by AAMCO in the State of New York and requires AAMCO to maintain a compliance program; no findings were entered.

State of Minnesota against AAMCO Automatic Transmissions, Inc., et al. File No. 638539, issued on October 26, 1967, District Court for the Fourth Judicial District, State of Minnesota, County of Hennepin; permanent order entered by consent without findings; order governs the advertising, servicing and repair of transmissions in the State of Minnesota and requires AAMCO to maintain a compliance program for its franchisees.

Franchisor-Initiated Actions

AAMCO initiated the following arbitrations against existing or former franchisees between January 1, 2019 and the date of this disclosure document, typically seeking to recover past-due amounts and damages related to franchisees' abandonment of their franchised centers:

AAMCO Transmissions, LLC v. Rick W. Bouse and BARJJ, LLC, AAA Case No. 01-20-0000-5362, filed February 14, 2020 before the American Arbitration Association ("AAA") in Philadelphia, Pennsylvania. AAMCO initiated arbitration to recover from respondents past due royalty fees, advertising and marketing fees, and other amounts, totaling \$90,000, and to enforce post-termination covenants. On April 10, 2020, respondents filed counterclaims for breach of contract, alleging that AAMCO failed to provide support required by the franchise agreement and failed to adequately protect the franchisor's trademarks. Respondents seek unspecified damages, including arbitration costs, less than or equal to \$75,000. AAMCO intends to vigorously litigate its claims and otherwise defend itself in this matter.

AAMCO Transmissions, LLC v. John Orleski and Henry Lee, AAA Case No. 01-19-0000-7706, filed March 8, 2019 before the AAA in Philadelphia, Pennsylvania. AAMCO initiated arbitration to recover from respondents past due royalty fees, advertising and marketing fees, and other amounts, totaling \$90,000. On June 25, 2019, respondent Orleski filed a counterclaim for breach of contract, alleging AAMCO's failure to provide training, tools and/or equipment, as well as assessing invalid charges for debts purportedly not owed by the franchisee, and seeking termination of the franchise agreement and relief from any ongoing franchisee obligations thereunder. AAMCO intends to vigorously litigate its claims and

otherwise defend itself in this matter.

AAMCO Transmissions, LLC v. Gary Guraya and Shertech, Inc., JAMS Ref. No. --, filed on May 30, 2019 before JAMS in Philadelphia, Pennsylvania.

AAMCO Transmissions, LLC v. Daniel Winard, Samuel LaTorre, and D&S Consolidated, Inc., JAMS Ref No. 1450006283, filed on May 30, 2019 before JAMS in Philadelphia, Pennsylvania.

AAMCO Transmissions, LLC v. Timothy F. O'Neill and T. O'Neill III, Inc., JAMS Ref No. 1450006284, filed on May 30, 2019 before JAMS in Philadelphia, Pennsylvania.

AAMCO Transmissions, LLC v. Joseph Casey, AAA Case No. 01-19-0001-6941, filed on May 30, 2019 before the AAA in Philadelphia, Pennsylvania.

AAMCO Transmissions, LLC v. Albert Tsai and 3Pieceforgedwheels.com, LLC, JAMS Ref No. 1450006282, filed on May 31, 2019 before JAMS in Philadelphia, Pennsylvania.

AAMCO Transmissions, LLC v. Kurt A. Siems, AAA Case No. 01-19-0002-5982, filed on August 19, 2019 before the AAA in Philadelphia, Pennsylvania.

AAMCO Transmissions, LLC v. Otto Echeverri and Mitchell Echeverri, JAMS Ref No. 1450006431, filed on August 19, 2019 before JAMS in Philadelphia, Pennsylvania.

AAMCO Transmissions, LLC v. Manohar Motlagh, AAA Case No. 01-19-0002-5985, filed on August 19, 2019 before JAMS in Philadelphia, Pennsylvania.

AAMCO Transmissions, LLC v. Jack Brunk and Synergy Auto, LLC, AAA Case No. 01-19-0002-5989, filed on August 19, 2019 before AAA in Philadelphia, Pennsylvania.

AAMCO Transmissions, LLC v. B&V Enterprises, Inc., Melvin Gordils, and Nivia Gordils, JAMS Ref No. 1450006441, filed on August 20, 2019 before JAMS in Philadelphia, Pennsylvania.

AAMCO Transmissions, LLC v. RS&S LLC and Reid Khalil, JAMS Ref No. 1450006819, filed on February 26, 2020 before JAMS in Philadelphia, Pennsylvania.

Except as disclosed above, no litigation is required to be disclosed in this Item.

ITEM 4. BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

ITEM 5. INITIAL FEES

All initial fees described below in this Item 5 are fully earned by AAMCO when paid, are uniformly applied, and, unless otherwise described below, are not refundable.

Deposit Agreement

Initial Deposit under Deposit Agreement

Before you sign a Franchise Agreement, you will sign the Deposit Agreement under which you will pay us an “Initial Deposit” along with submitting your completed franchise application. The Initial Deposit is \$20,000 for a new applicant who does not own an existing AAMCO Center and intends to open a new location after signing the Franchise Agreement (a “New Franchisee”).

We will refund 100% of your Initial Deposit if we reject your franchise application outright. We will refund 25% of the total Initial Deposit you paid us (up to \$5,000 for New Franchisees), and keep the remainder, if we conditionally approve your application but you later fail to satisfy the conditions of the Deposit Agreement (including failing to sign a Franchise Agreement). However, if later you are unable to sign a Franchise Agreement because you cannot obtain financing, and you demonstrate same to us according to the terms of the Deposit Agreement, then we will refund your entire Initial Deposit.

When you sign a Franchise Agreement, we will credit the entire amount of your paid Initial Deposit towards: (a) fees due to us (for example, the initial License Fee for a new franchise, or mandatory equipment purchases from us or our affiliates under the Center Opening Package (defined below)); and (b) costs (if applicable) we incur relating to your transaction.

Despite the above, no Initial Deposit will be due from an applicant seeking to purchase an existing AAMCO Center. (Note however, while not imposed on you by AAMCO, outgoing selling franchisees often include the cost of their franchise transfer fee (see Item 6) as part of their third-party asset sale price that they independently negotiate to receive from an incoming buyer of the center’s equipment and business assets.) Also, Existing Franchisees applying for an additional franchise, and applicants seeking to convert an existing automotive business to an AAMCO Center, may pay a different amount for the Initial Deposit (see below in this Item 5).

Franchise Agreement

Initial License Fee

You will pay us a one-time initial franchise license fee (“License Fee”, also sometimes called an initial franchise fee) when you sign each Franchise Agreement for an AAMCO franchise. We will credit toward the License Fee any amounts you have previously paid for the Initial Deposit discussed above. The total amount of our standard License Fee is \$39,500 for a New Franchisee. As we describe further below in this Item, you may be eligible to pay a reduced amount on the total License Fee if you are already an Existing Franchisee or you otherwise qualify for a then-current incentive program.

The License Fee is payable in two installments: (a) the Initial Deposit due under the Deposit Agreement (\$20,000 for New Franchisees); and (b) the remaining balance due when you sign your Franchise Agreement (balance of \$19,500 for New Franchisees). Except as provided under the Deposit Agreement for some or all of the Initial Deposit, the License Fee is not refundable under any circumstances.

- Existing Franchisee Incentive Programs

If you are an Existing Franchisee purchasing an additional franchise, then your total License Fee payable will be \$17,500, including \$10,000 for the Initial Deposit due to us when you sign the Deposit Agreement and the remaining \$7,500 balance due to us when you sign the Franchise Agreement.

We also may, in our discretion, introduce new incentive program offers during the fiscal year that include reduced initial License Fees available exclusively to Existing Franchisees in good standing with us (as we solely determine) who are interested in purchasing an additional franchise. In the past, we have offered such programs on a limited basis or specified volume of new franchise sales. If we elect to offer such a program, we will notify the current network of all Existing Franchisees in advance and in writing about the benefits, conditions, and restrictions on the incentive offer before or upon initiating the program.

- VetFran Program

We are a member of the International Franchise Association (“IFA”) and participate in the IFA’s VetFran Program (the “Vet Fran Program”), which provides a discount on initial franchise license fees to veterans of U.S. Armed Forces who are buying their first AAMCO Centers and otherwise meet the requirements of the program. For a qualified veteran participating in the Vet Fran Program and buying his or her first franchise, we will reduce the amount of the initial License Fee by \$8,000 on the first center from the amount otherwise due from a New Franchisee. To qualify, veterans must provide us with adequate documentation of honorable discharge, and the prospective franchisee must be at least 51% owned by the veteran participating in the Vet Fran Program. Qualifying veterans will pay the same Initial Deposit amount as a New Franchisee, with the Vet Fran Program discount applied to the balance of the initial License Fee due upon signing the Franchise agreement. Veterans participating in the Vet Fran Program who wish to transfer (i.e. re-sell) the franchise before opening the Center must pay us the portion of the initial License Fee that we waived under the program (\$8,000) as a condition of transfer.

- Conversion Program

In its sole and absolute discretion, AAMCO may offer owners of independent transmission shops or licensees of other branded chains, including existing Cottman Center franchisees, the opportunity to become AAMCO franchisees. For new conversion franchisees of non-Cottman-branded facilities, AAMCO will reduce the License Fee to \$17,500, of which \$10,000 will be payable as the Initial Deposit under the Deposit Agreement and credited toward the License Fee due with the Franchise Agreement. For new conversion franchisees of existing Cottman Centers, AAMCO will waive the entire cost of the License Fee and the Initial Deposit. Conversion franchisees (whether of a Cottman Center or other facility) converting to an AAMCO Center will need to update the physical appearance of (and/or expand) their facilities, purchase required center design and opening packages, and fulfill other requirements as directed by AAMCO. The applicable requirements will depend on the current status of each conversion facility seeking to become an AAMCO Center.

Business Coach Fee for New Franchisees

Because training and operational support are essential to operating an AAMCO Center, we provide New Franchisees with an on-site business coach (“Business Coach”) to stand side-by-side with you and deliver intensive onsite training for up to 5 total weeks (whether consecutive or periodic) at your Center. This training by a Business Coach is in addition to any training that you or your personnel may receive at AAMCO University (defined below). New Franchisees pay a fee for the Business Coach program of

\$10,000, due and payable upon signing the Franchise Agreement. The Business Coach fee is not refundable.

Grand Opening Advertising

You must pay us a lump-sum, non-refundable \$3,000 to be used for grand opening promotions for the Center before and around the Center's opening (the "Grand Opening Advertising Program"). Payment for the Grand Opening Advertising Program is due when you sign the Franchise Agreement. AAMCO will coordinate with you to determine how these funds will be used, such as for online marketing, direct mail campaigns, or television or radio ad placement to promote the Center.

Security Deposit

You must pay us a \$5,000 "Security Deposit" when you sign the Franchise Agreement. We use the Security Deposit, as necessary, for customer claims and other sums that may accrue and become payable under the Franchise Agreement. The Franchise Agreement authorizes us, without waiving any of our other rights and without providing advanced notice to you, to apply some or all of your Security Deposit toward curing a default by your AAMCO Center. You must immediately replenish the Security Deposit up to the total amount specified above after receiving notice from us. If you sell your AAMCO Center with our consent, and the buyer assumes your warranty obligations and pays us a new Security Deposit, then upon your written request (that includes a forwarding address) we will return any unused portion of the Security Deposit to you within 90 days. Otherwise, we will retain your Security Deposit for up to 3 years after your Franchise Agreement terminates or expires and apply the funds toward any costs of customer warranty work that we or any AAMCO Center incurs arising from prior work performed by your AAMCO Center, or otherwise toward other unpaid amounts due to AAMCO or any of its affiliates under the Franchise Agreement. After 3 years following termination or expiration of your Franchise Agreement, we will refund any then-remaining amounts of the Security Deposit to you upon your request. Existing Franchisees under an incentive program offer may be eligible to receive credits toward first fulfillment of the Security Deposit using other initial amounts described above; still, each will be obligated to replenish the Security Deposit throughout the franchise term as required by the Franchise Agreement.

New Center Opening Package – Purchases Required from AAMCO

You must purchase certain required equipment, supplies, office furniture, signage, and Center design items (collectively, "Center Opening Package") before you open and begin operating a new AAMCO Center. We list all items currently included in the Center Opening Package in an exhibit to the Franchise Agreement, and we will communicate to you further details about product specifications, pricing, ordering and delivery of these items, if we conditionally approve your application and you sign the Franchise Agreement. Some items included in the Center Opening Package must be purchased from us (or our affiliates, as we may designate), while other items may be purchased from us or from a third party supplier. (See Items 7 and 8) The following categories of items included in the Center Opening Package must be purchased from "AAMCO only" and total about \$11,000 to \$22,500 of required purchases from us: about \$7,500 to \$19,000 for required signage; about \$2,950 for our prescribed point-of-sales system ("POS System"), including the initial license and first 3 months of support; and about \$550 for required sales materials (including branded items) at the Center.

The amounts specified above exclude the "Grand Opening Advertising" expenses separately discussed above in this Item 5 that are also payable to AAMCO and may be listed on the Center Opening Package form, as well as any additional required products you might need to purchase from us if you choose to staff your Center with a master transmission rebuilder rather than outsourcing replacement transmission

purchases or rebuild services to qualified third parties. Because our current standard franchise offer assumes a Center without a transmission builder on staff, we do not deem these costs as required purchases for a new franchisee.

Your required purchases from AAMCO mentioned in this subsection will be arranged with AAMCO before or while you attend the initial training program, and will be due as invoiced to you and not refundable. All required purchases by franchisees from us or our affiliates have been determined by AAMCO, in its commercially reasonable business judgment, for protection and advancement of AAMCO Centers and our franchise system and network.

Range of Pre-Opening Fees in Prior Fiscal Year

During our most recently completed fiscal year, franchisees signing the Franchise Agreement paid or committed to pay between \$5,000 and \$154,900 in total pre-opening fees as we describe above. (These amounts include Initial Deposits applied to initial License Fees under those franchise agreements, where applicable.)

ITEM 6. OTHER FEES

Column 1	Column 2	Column 3	Column 4
Type of Fee	Amount	Due Date	Remarks
FRANCHISE			
Franchise Fee (Note 1)	7½% of Gross Receipts (Note 2)	Weekly on Tuesday's for prior week	Gross Receipts are gross sales (cash receipts), as further defined in Note 2
ADVERTISING			
National Creative Advertising Fund contribution	\$150 per month	Due on the 1st day of each month	Amount determined by National Creative Committee. See Item 11
Local Advertising (Notes 3 and 4)	\$200 - \$876/ week (average \$550/week) for active Pools; If no Pool, greater of 4% of Gross Receipts or \$400 (or 5% of Gross Receipts or \$500 in top 20 markets)	Established by Pool; expended on ongoing basis if no active Pool	Amount varies by Pool. Top 20 population markets are as determined by Nielsen Media Research. See Note 4 and Item 11
Internet Directories	\$23.10 per quarter for yp.com platinum ad	Quarterly	Placed by a national yellow pages agency we authorize

Column 1	Column 2	Column 3	Column 4
Type of Fee	Amount	Due Date	Remarks
Web Page Fee(s)	Annual cost of third party URL provider, plus \$35/year processing fee	Annually, on or about the date we submit the order for the URL	Excludes site design or maintenance costs, which may vary by complexity required. See Note 7
1-800-GO-AAMCO (Note 1)	\$125 initial connection, plus \$0.25/minute per call in U.S. (or \$0.55/minute in Canada)	When billed	See Item 11
Remote Call Forwarding Telephone Numbers	About \$500/year for 5 numbers, plus adjustable usage fees at about \$0.06/minute	When billed	See Note 8
SOFTWARE, SYSTEMS & TECHNOLOGY			
POS System Software – Initial License	\$2,499	When billed	Paid to us. See Note 9 and Items 8 & 11
POS System Software – Support	\$149/month, plus tax	When billed	Paid to us
MISCELLANEOUS			
Express Cash Processing Fee (Note 1)	1.38% of central billed, national fleet account approved repair order amount (amount subject to prime rate and number of participating Centers)	Fee deducted from payment	Enables participating Centers to receive payment within 5 business days. See Note 5
Recruiting Requisition Fee	\$250 per requisition	As incurred	Payable if you request prospective job candidate(s) for you to independently evaluate and/or hire to work at your Center; You alone make all hiring decisions

Column 1	Column 2	Column 3	Column 4
Type of Fee	Amount	Due Date	Remarks
Reputation Management Fee	\$50 per month	As incurred	Payable to us for cost of your Center's inclusion in chainwide online reputation monitoring program administered by third party
Intershop Warranty Work	Other Center's costs incurred for warranty work (parts plus labor)	Immediately to the other Center for honoring warranty	See Note 6, and also Item 8
Indemnification	Will vary under circumstances	As incurred	You will indemnify us against all losses arising from your violation of the franchise agreement or third party claims concerning the Center's operation
Unauthorized Telephone Number Transfer Charge	\$250 per day	As incurred	Payable to us if you transfer, or attempt to transfer, Center's phone number to another name or business after termination
Interest	18% per year (1.5% per month)	When billed	Payable on outstanding balances owed to us
Late Fees	\$10 per week per late report	When billed	Payable on each report not timely received
Bank Fee	\$65 per transaction	When billed	Payable to us for incurred costs of your failed or returned EFT payment (e.g., for insufficient funds in your account)
Audit	Costs of audit, plus 3 times amount of underpayment, plus interest on underpayment	When billed	Payable if audit reveals understatement of at least 2% of Gross Receipts. Other amounts due arising from underage are in addition to our other remedies.

Column 1	Column 2	Column 3	Column 4
Type of Fee	Amount	Due Date	Remarks
Transfer Fee	\$6,000	Before Center transfer	Payable when you sell Center. No charge to add owners or transfer to entity you control (except to come current on all amounts due to us).

Notes to Item 6 table:

1. Unless indicated otherwise in the table above or in the notes below, all fees are imposed by and payable to AAMCO, are non-refundable, and we impose them uniformly. We require you to remit all fees to us through electronic funds transfer (“EFT”) from a bank account you designate, as described in the Franchise Agreement.
2. The standard Franchise Fee for new Centers is 7.5% of Gross Receipts. “Gross Receipts” include all revenue from all services from the franchise location. Gross Receipts do not include sales tax. We may pay a portion of Franchise Fees we receive to third parties, such as a broker. Purchasers of some existing AAMCO Centers may be eligible, for a limited time, to inherit from the selling franchisee a lower Franchise Fee depending on the selling franchisee’s then existing arrangement with AAMCO at the time of the sale. We also may offer to Existing Franchisees limited opportunities to acquire new franchise locations (see Item 5), or to acquire and operate certain Centers that we deem to be underperforming, in consideration for which we may offer discounts or other conditional allowances (rebates) on the Franchise Fees payable to us during all or part of the franchise term.
3. These fees are paid to the local advertising cooperative pool (an “Advertising Pool” or “Pool”) that shares costs of local advertising with other franchisees in the Designated Market Area (“DMA”) as defined by A.C. Nielsen Company, which may periodically change. Fees paid to Pools typically include internet pay-per-click (“PPC”) campaigns at a regional level, which in the past we implemented on a national level subject to each Pool’s ability to opt out in favor of a Pool-driven regional campaign.
4. If no local Pool exists for your Center, or if the Pool votes not to implement a required advertising buy, then you must spend weekly a minimum amount for local advertising in your area or pay AAMCO a weekly advertising fee. If your AAMCO Center is in one of the top 20 markets as determined by A.C. Nielsen, then you must spend an amount equal to the greater of 5% of your Gross Receipts or \$500. In all other markets, the weekly amount is equal to the greater of 4% of Gross Receipts or \$400. If payable to AAMCO, this fee is due weekly at the same time as the Franchise Fee. The advertising obligation will not apply to franchisees in the AAMCO Center network as of October 1, 2006 who belong to an active Pool and purchase an additional AAMCO Center.
5. The AAMCO Express Cash Program enables participating AAMCO Centers to receive payment for central billed national fleet accounts within 5 business days after submission of the required paperwork. You will pay AAMCO a processing fee equal to a percentage (currently 1.38%) of the

amount approved for payment by the AAMCO national fleet account. The amount of the processing fee depends on the prime rate and the number of AAMCO Centers participating in the program; the processing fee may increase if the prime rate increases. AAMCO may not change the processing fee more than once per calendar quarter.

6. These fees are imposed by AAMCO and payable to other AAMCO Centers.
7. To maintain uniformity in the AAMCO System, you may not establish a web site or internet address (top line domain name) for your AAMCO Center unless AAMCO obtains it and owns the internet address and top line domain name or URL. AAMCO will pass along the initial and ongoing costs of a third-party provider for such top line domain name and may also charge you a the related processing fee, as specified in the table above. These charges are independent of web site development or hosting fees that you may pay to other third parties.
8. AAMCO will obtain on your behalf up to 5 remote call forwarding telephone numbers (“RCF Numbers”), which you must pay for, that will be used at your Center. These (and only these) numbers will be used in various advertisements (such as telephone directories, print ads, etc.); the RCF Numbers allow AAMCO to track the success of each given form of advertisement.
9. The initial license fee for our newly-introduced POS System will not apply to conversion franchisees or to Existing Franchisees already using our current or legacy software at another AAMCO Center. We will also provide you with one copy, at no additional charge, of our proprietary “Filemaker Pro” software to use as part of the POS System; however, if you run software on multiple computers, then you may need to acquire additional “Filemaker Pro” software licenses for each additional computer for \$86.90/year per license.

ITEM 7. INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT ¹

Column 1 Type of expenditure ²	Column 2 Amount ³	Column 3 Method of payment	Column 4 When due	Column 5 To whom payment is to be made
Initial License Fee ^{3,4} (including credit of Initial Deposit received under Deposit Agreement)	\$39,500	Installments	Upon Signing Franchise Agreement	AAMCO
Business Coach Training ³	\$10,000	Lump Sum	Upon Signing Franchise Agreement	AAMCO
Grand Opening Advertising Expenses ³	\$3,000	Lump Sum	Upon Signing Franchise Agreement	AAMCO

Column 1 Type of expenditure ²	Column 2 Amount ³	Column 3 Method of payment	Column 4 When due	Column 5 To whom payment is to be made
AAMCO Security Deposit ³	\$5,000	Lump Sum	Upon Signing Franchise Agreement	AAMCO
Travel Expenses for Training Program ⁴	\$2,000 - \$4,000	As incurred	Before opening	Third Parties
Real Estate & Utility Deposits ⁵	\$14,000 - \$43,000	As incurred	Before opening	Landlord, Utility Companies, other Third Parties
Leasehold Improvements ⁶	\$8,500 - \$12,000	As arranged	As arranged	Landlord, other Third Parties
Signs ⁷ (included in Center Opening Package, See Item 5)	\$7,500 - \$19,000	As agreed	Before opening	AAMCO
Shop Equipment, Supplies, Lifts & Installation (included in Center Opening Package, See Item 5), plus freight & taxes ⁸	\$78,400 - \$98,000	As agreed	As Arranged	AAMCO and Third Parties (See Item 5)
POS System – Acquisition ⁹	\$2,500	Lump Sum	Before opening	AAMCO
POS System – 3 months Access/Support ⁹	\$500	Installment	Monthly	AAMCO or Supplier we designate (See Item 6)
Computers and Phone System – Hardware ¹⁰	\$6,500 - \$10,000	As incurred	As arranged	Suppliers you choose (may include AAMCO)
Office Furniture ¹¹	\$5,500 - \$7,000	As incurred	As arranged	Suppliers you choose (may include AAMCO)
Sales Materials ¹¹	\$500 - \$1,000	Lump Sum	Before opening	AAMCO

Column 1	Column 2	Column 3	Column 4	Column 5
Type of expenditure ²	Amount ³	Method of payment	When due	To whom payment is to be made
Miscellaneous Costs & Professional Fees ¹² (Legal and Accounting Advice, Personnel recruitment, etc.)	\$4,000 - \$10,000	As incurred	As arranged	Third Parties
Insurance	\$1,500 - \$2,500	As incurred	Before opening	Third Parties
Advertising Costs ¹³ (13 weeks)	\$4,700 - \$13,500	As agreed	Periodically (weekly or monthly) and as arranged	AAMCO, Ad Pool, regional monthly internet search program (or national program if applicable), and Yellow Page agency
Additional Funds ¹⁴	\$30,000 - \$50,000	As incurred	As arranged	Suppliers and other Third Parties
TOTAL ESTIMATED INITIAL INVESTMENT^{15, 16}	\$223,600 - \$330,500			

NOTES TO TABLE:

1. Description of Investment. The table above represents the estimated initial investment range for a New Franchisee to open a new AAMCO Center. If you purchase an existing AAMCO Center, your initial investment may vary based on various factors, including possibly reduced fees and start-up costs, or your independent negotiations with the seller from whom you agree to acquire assets relating to the franchised business. For purposes of this table, we round the estimated amount to the nearest \$100.

2. Amounts Generally Not Refundable. Except as indicated above in Item 5 or in this Item 7, none of the initial investment amounts above are refundable from AAMCO and should not be assumed to be refundable from third parties once paid. We make no representation regarding your ability to obtain refund terms with third parties you deal with in establishing your AAMCO Center. However, amounts imposed by third parties might be refundable, in whole or in part, based on your independent negotiation of purchase and refund terms with the vendor. For example, security deposits on real property or equipment leases often are refundable by the lessor according to agreed-upon conditions of the property lease or applicable law where your Center will operate.

3. Initial License Fee and Other Pre-Opening Payments to AAMCO. Our current standard License Fee (i.e. initial franchise fee) is \$39,500 for a New Franchisee purchasing a new AAMCO Center. Existing Franchisees buying an additional franchise, VetFran prospects, or conversion franchisees may pay a reduced amount upon satisfying certain conditions, as described in Item 5 above in this FDD. The License Fee is due in 2 installments: first in the form of the Initial Deposit payable when you submit a franchise application and sign the Deposit Agreement, and the remaining balance due when you sign the Franchise Agreement. The initial License Fee is non-refundable, except for: (i) the refundable portion of the Initial Deposit under the Deposit Agreement; and (ii) the potential refundability of some or all of the Security Deposit, if included as part of an incentive program offer that may be in effect (see Item 5). We also further describe the Initial Deposit, the initial License Fee, the Business Coach training Fee, the Grand Opening Advertising Expense, and the AAMCO Security Deposit (each payable under the Franchise Agreement) above in Item 5. (See Item 5) At our option, we may pay portions of pre-opening amounts we receive from you to a third party referral source or a service provider we designate, including brokers.

4. Expenses to Attend Training. We do not impose a separate fee for attending the initial training program at AAMCO University, except for transferees of existing Centers who do not pay the standard License Fee and may be assessed \$3,000 to attend training. While most franchisees do not pay an initial training fee, you will be responsible for all travel and living expenses for 1 person to attend all required training sessions. These costs typically include airfare, lodging, car rental or taxi/valet service, meals, and other related costs of business travel. Your specific costs will depend on distance the trainee must travel and type of accommodations you choose, and will increase if you elect to send more than 1 trainee to initial training.

5. Real Estate Costs. The estimates above assume you will lease the premises for an AAMCO Center rather than purchase the building or real property. When you lease the premises of an AAMCO Center, you will pay monthly rent as independently agreed with the landlord, and possibly other sums mandated by your lease. You will be required to pay your landlord at least one month's security deposit, while some landlords may require additional sums. Premises of a typical AAMCO Center usually covers 3,500 to 5,000 square feet, with a minimum of 4 lifts, and are located in a commercial area on a main or secondary street. The rental cost estimate above uses the following assumptions: (a) four months' rent (security deposit to landlord plus 3 months' rent during post-opening operations); (b) rental premises between 3,500-5,000 square feet; and (c) \$0.75 to \$1.60 per square foot per month. If you decide to buy the land and building for an AAMCO Center rather than lease the premises, many factors could impact the cost of your acquisition and development of the real property, such as geography, current market conditions and financing rates, environmental concerns, local zoning requirements, site conditions, property size and type, and architectural demands and building materials. Also, if you purchase the premises, you may pay a loan secured by a mortgage on the building and land, the terms of which can vary, depending on amount financed, loan duration, interest rate, and other conditions of financing you are able to obtain.

6. Leasehold Improvements. Amount includes costs for electrical work, the installation of our required interior design package, painting, furnishings, and related leasehold improvements. This estimate does not include any structural changes and may vary depending on the particular location. If you choose to design and construct your Center, the final cost of construction will vary depending on factors such as land acquisition cost, size, and type of building, and construction materials used; in addition, you will be required to have the design of the Center approved by AAMCO. You may need to make and pay for leasehold improvements.

7. Signs and External Center Image. You are required to comply with our Center identity and image requirements that we prescribe for the AAMCO Center network. You must buy your signs AAMCO as listed in an exhibit to the Franchise Agreement, and AAMCO will provide you with specifications for

paint colors and other design items for the Center that you may purchase from third party vendors. Sign costs vary widely depending on your building and local requirements, such as building codes in a particular municipality. Installation, shipping, and tax costs for signage are separate from purchase costs. The estimated costs of signage in the table include performance of a sign survey.

8. Shop Equipment, Supplies & and Other Items. You must buy certain shop equipment, fluids, diagnostic devices, and other supplies and inventories from AAMCO and other suppliers we recommend or have approved. These specified purchases are listed as part of the Center Opening Package (See Item 5 and Appendix 9.2 of the Franchise Agreement.) The exact cost of one or more items in the Center Opening Package may vary depending on, among other things, how many bays/lifts are in your Center, the specific brand or model of equipment, pricing at the time of your Center purchase, and other factors. The estimate herein provides you with the basic equipment to operate a 6 bay Center starting with 6 lifts, as well as cost of installation of the lifts. AAMCO may adjust the costs of items included in the Center Opening Package to reflect pricing changes by suppliers before actual shipment of the equipment. The low end of the range for required shop equipment assumes that you will elect not to staff a master transmission rebuilder at the Center and instead choose to outsource transmission replacement purchases or reconstruction services to a qualified third party supplier. While our experience generally indicates, and we believe, that an AAMCO Center may operate more efficiently and cost-effectively without staffing a re-builder on the premises, nonetheless you may choose (solely at your option) to staff a master transmission builder at your Center. Therefore, the high end of the range includes over \$13,000 in “Builder-Only” costs that a New Franchisee should anticipate incurring if it elects to staff a master builder and provide necessary supplies to the builder, as well as additional shipping and freight costs of about \$6,000. “Builder-Only” costs we deem to include items like a costly transmission cleaning machine (over \$5,000), transmission parts shelves and boxes, additional technical guides and resources, and other fixtures (See Appendix to Franchise Agreement).

9. POS System, Access/Support, and Reference Materials. Amount includes a license to for the current point-of-sale software and system (“POS System”) we require for a new AAMCO Center (see Exhibit A-12) and 3 months’ of ongoing monthly usage fees. The one-time acquisition and ongoing support fees for the POS System might vary if you are an Existing Franchisee purchasing an additional franchise, for conversion franchisees, or if you are purchasing a resale of an existing AAMCO Center. (See Item 6). You must comply with the terms and conditions of the license agreement for our current POS System (current form attached as Exhibit A-12 of this FDD). If you run the POS System on more than one computer, then you will need a license for FileMaker Pro software for each additional computer costing \$86.90 annually per computer. You will also need to purchase all equipment, and/or subscribe to a reliable Internet access provider, in order to use the POS System. We are nearing the conclusion of a network-wide process whereby all existing AAMCO Centers have converted (or will convert imminently) to operations under our proprietary state-of-the-art POS System platform, which all new, re-sale, and conversion franchisees will use immediately. If you acquire an existing AAMCO Center that operates on a legacy system, then when you begin operating the Center we will assist you in converting to the current POS System platform (See Item 11 under the heading “Computer System”). Our new POS System package incorporates touch screen functionality, so you may want to purchase a touch screen monitor for use at the Center in order to maximize the POS System’s capabilities. These amounts also include access to an online library of instructional and technical software and reference materials that we make available to all AAMCO Centers as a feature of the POS System.

10. Computer & Phone Hardware. The equipment list appendix to the Franchise Agreement lists approximately \$5,000 in recommended IT package equipment, and about \$1,500 in phone system equipment, that is built into this estimate. AAMCO’s current equipment requirements include at least 3

personal computers and 2 printers, along with peripherals. Costs may vary depending on the hardware and supplier you choose, as well as internet service. You also need a fax machine.

11. Office Furnishings, Interior Design, and Sales Materials. You must follow our prescribed requirements for office furnishings and interior design purchases and specifications for AAMCO Centers. These purchases include includes point of sale displays, chairs and furnishings, service cubicle and counter, posters, banners, etc. Most of these items are included in the Center Opening Package list; some items must be purchased from AAMCO (such as branded sales materials), while the remainder you can purchase from AAMCO or from another third party supplier as long as the item meets AAMCO's specifications for interior design and appearance of the office and other areas of the Center.

12. Miscellaneous Opening Costs. These costs estimate recruitment and pre-opening costs you may incur with respect to recruiting personnel to staff your independently franchised Center, business license fees, and fees for attorneys, accountants, and other financial advisors that you might engage concerning your franchise investment decision and starting up your Center's business. You must register your business with the local, county and/or state governmental agencies applicable to you and comply with their fictitious name and other requirements.

13. Advertising Costs – 3 months. Estimate covers 3 months of National Creative Advertising contributions at the rate of \$150 per month; 13 weeks of estimated weekly payments to your local advertising Pool (range from \$200 per week to \$876 per week, or about \$550 per week on average); and 3 months of telephone/Internet directory advertising that averages about \$545 per month. (See Items 6 and 11.)

14. Additional Funds. This estimates the funds needed to cover your initial expenses for the first 3 months of operation (other than the items identified separately in the table). It includes payroll and your incurred costs for interviewing and hiring other Center personnel, but not any draw, salary or living expenses for you. The 3-month period does not identify a point at which your Center will "break even," which we cannot and do not guarantee in any manner. This amount is only an estimate, and you may find it helpful or necessary to have additional sums available, whether in cash or through a bank line of credit, or other assets which you may liquidate or against which you may borrow, to cover other expenses and any operating losses you may sustain, whether during your start-up and development stage or beyond. Your costs will depend on factors like how well you follow AAMCO's methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for the services you offer; the prevailing wage rate; competition; and the sales level that you reach during the initial period.

15. Considerations Regarding Total Initial Investment. Unless indicated otherwise in the table above, the figures provided in this Item 7 estimate describe your initial investment up to the opening of your Center and through its first 3 months of operation. They do not provide for your cash needs to cover any financing you incur or your other expenses. You should not plan to draw income from the operation during the start-up and development stage of your Center, the actual duration of which will vary from franchisee to franchisee (and which may extend for longer than the 3 month "initial phase"). We cannot guarantee that you will not have additional expenses starting your AAMCO franchised business. The amount of necessary reserves will vary greatly from franchisee to franchisee, may be more than the "Additional Funds" amount shown above, and will depend upon many factors, including the rate of growth and success of your Center, which in turn will depend upon factors such as the demographics and economic conditions in the area in which your Center is located, competition, your ability to operate efficiently and in conformance with our procedures, methods of doing business and.

16. Experience and Basis of Estimates. To compile these estimates, AAMCO relied on its current and prior personnel's experience in franchising and assisting, and periodically operating, AAMCO Centers for over 50 years (since our founding in 1963). You should review these figures carefully with a business advisor before you make a decision to purchase this franchise.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Except as described below, currently there are no goods, services, supplies, fixtures, equipment,, inventory, computer hardware and software, real estate or comparable items related to establishing or operating an AAMCO Center that you must buy or lease from us (or an affiliate), from designated or approved suppliers, or according to our standards and specifications.

Obligations to Purchase or Lease Generally

AAMCO determines all standards, specifications and requirements for the equipment, including diagnostic and technical equipment, supplies, parts, and assembly sets that you may use in your AAMCO Center or sell to customers. You will conduct the business of the Center according to our prescribed, mandatory standards and specifications for operation of an AAMCO Center ("System Standards"). System Standards may regulate, among other things, the: (1) types, models, and brands of required equipment, supplies, fixtures, furniture, furnishings, and operating assets you use at the Center; (2) products, services or processes that you must use or offer at the Center, including trademarked items (for example, sales materials, multi-media content, or signage); (3) inventory requirements for some or all items; (4) designated and approved suppliers (including and/or limited to us and our affiliates) of specified items and services; and (5) unauthorized and prohibited products, services and/or suppliers that you may not use or offer at an AAMCO Center. We describe our System Standards in the Operator's Manual, or they may be communicated to you in other written or electronic form. We may modify our Operator's Manual at any time, and on a periodic basis as we deem necessary, and those changes become effective upon publication to AAMCO franchisees.

We have the absolute right to limit the suppliers with whom you may deal. We may restrict your sources of products and services now and in the future in order to protect our trade secrets, assure quality, assure a reliable supply of products that meet our standards, achieve better purchase terms and delivery service, control usage of our trademarks, and monitor the sale of products and services at AAMCO Centers. If we, at our option, limit your source(s) of certain items to us, our affiliates, and/or other specified exclusive or approved sources, then you must acquire those items only from the limited source(s) at the prices we or they decide to charge. Any purchases you make from us and our affiliates, whether required or voluntary, may be at prices exceeding our costs. The suppliers may include us and our affiliates, and you agree to use commercially reasonable efforts to utilize our affiliates as the primary supplier of items where our affiliates are competitive in terms of price and service compared with the same or similar items available from other qualified suppliers. For some items, we or our affiliates may be the sole supplier so long as such items are competitive in terms of price and service compared with substantially the same items available from other qualified suppliers. We will list all designated and approved suppliers (including us and our affiliates) in our confidential operations and policy manual(s) (collectively, the "Operator's Manual") or otherwise communicate them to you in writing. We may periodically revise this list at our discretion.

Required Purchases from Specified Sources

AAMCO requires that each Center operate with a minimum of required equipment and supplies that you will receive upon signing the Deposit Agreement with us. The required equipment is broken into two categories: (i) “Required - must purchase from AAMCO;” and (ii) “Required - may purchase from AAMCO.” Items listed under “Required - must purchase from AAMCO” must be purchased only from/through AAMCO (unless prohibited by state law); whereas those items listed under “Required - may purchase from AAMCO” must also be used at your Center, but may be purchased from AAMCO or a third party as long as the item meets our standards and specifications. In addition, Appendix 9.2 lists a third category of equipment and supplies entitled “Optional” which includes items that may, but do not have to be, purchased for the Center (whether from AAMCO or a third party).

As mentioned above and previously in Item 5, certain items in the Center Opening Package must be purchased only from AAMCO. These products include signs, the proprietary POS System, technical information system software and reference materials, sales materials (books, brochures, stickers, branded office supplies, posters, etc.), and support in executing the Grand Opening Advertising program for the Center.

Additionally, we have approved certain third party suppliers to provide required items on the Center Opening Package that to AAMCO Centers (provided the items are not ones that “must be purchased from AAMCO”. Currently, you may acquire the following items from suppliers we have authorized or approved to deal with AAMCO franchisees: transmission parts; TCC parts and accessories; insurance policy coverage; payroll services; uniforms; automotive lifts; diagnostic equipment; online marketing and pay-per-click services; and telephone and online directory listings.

We estimate that your product purchases from approved suppliers and according to our specifications will represent approximately 90% of your total product purchases in establishing the Center, and approximately 95-100% in the continuing operation of the Center. We also estimate that your product purchases from us or our affiliates will represent approximately 25% of your total product purchases in establishing the Center, and approximately 25-50% of your total product purchases in the continuing operation of the Center.

Approval Process for New Proposed Suppliers or Goods

If you intend to purchase or lease for use at the Center any product or service (from the “Required - may purchase from AAMCO” or “Optional” lists), or any other item for which we prescribe specifications but have not designated or approved one or more suppliers, then you must first submit a written request for our approval of that particular item or new supplier. We may require you to submit detailed specifications on the product you are looking to purchase. AAMCO may issue changes and/or additions to the required equipment/supply lists at any time and from time to time, as it sees fit. When we issue new or updated product specifications, lists of approved suppliers or required items, you must make any additional purchases of equipment and/or supplies needed to comply with such changes or additions.

AAMCO’s criteria for evaluating and approving suppliers depends on the particular item the supplier is providing. If AAMCO has such criteria in written format, then upon your request for us to approve an item for use with the franchise system, AAMCO will provide the criteria to you. AAMCO’s review of any third-party item may be conducted through or with a designated or approved supplier we authorize to conduct testing and evaluation of new suppliers and/or items you request to use at the Center. This review may include a thorough examination of the product and testing to determine the product’s fitness, which may include actual field testing and comparison of the product to similar products that we

specify. This review, for which there is no charge, usually takes 45-60 days. AAMCO also has a designated supplier program for branded supplies and parts with Transtar Industries that we describe below. AAMCO will provide franchisees with written notice 30 days in advance if the approval for any supplier is being revoked.

Web Sites, Internet, Advertising and Social Media

To maintain uniformity in the AAMCO System, you may not establish a web site or use an internet address (top line domain name) for your AAMCO Center that includes any of the AAMCO trademarks. We own the AAMCO web site and top line domain name. We pass along to you the cost of any third party expenses related to obtaining a top line domain name and may also charge you an annual processing fee of up to \$35 to maintain this top line domain name. See Item 6.

You may not use any advertising or marketing materials until we have authorized them in writing. You must comply with our social media policy that we develop and periodically update in connection with your use of technology-based social networking, including without limitation online comment boards, blogs and Internet sites such as Twitter, Facebook and YouTube.

Purchasing Arrangements and Suppliers

We negotiate purchase arrangements with several suppliers, including price terms, for the benefit of franchisees and all AAMCO Centers. In negotiating purchase arrangements with suppliers, AAMCO seeks to promote its franchise system's overall interests and its interests as the franchisor. We do not provide material benefits (e.g., cash payments, franchise fee reduction, or granting additional franchises) to a franchisee based on a franchisee's purchase of particular products or services or use of particular suppliers.

During our last fiscal year, we received approximately \$1,166,000 in total revenues from directly selling or leasing equipment, products, supplies, services, and technology to franchisees of AAMCO Centers, which comprised approximately 4.1% of our total revenues of \$28,568,000. Our affiliates, Pep Boys and Auto Plus, separately received a total of approximately \$3,180,202 in revenue from product sales to franchisees during our last fiscal year.

Although, as described above, we are the only approved vendor for certain products that you must purchase, we may receive revenue or other material consideration from certain vendors or suppliers we approve for use by the AAMCO Center network. In our last fiscal year, we or our affiliates received such consideration from suppliers that totaled approximately 3.8% of our revenue. These arrangements typically are based on either a flat amount or on a percentage of total network purchases from the supplier.

AAMCO does not have purchasing or distribution cooperatives available for every franchisee at this time. However, as noted in Item 1 above, our other affiliates through common ownership by IAS and its related companies may provide automotive products or services to AAMCO franchisees in the future. Except for ADTech (in which some of our officers own interests as a subsidiary of ADS) and IAS-related subsidiaries or affiliates, none of our officers own an interest in any required, recommended or approved supplier.

AAMCO Warranty Program

You agree to participate in AAMCO's warranty program by honoring all AAMCO Center warranties and service agreements wherever and whenever issued and to comply with all program policies and procedures. You will reimburse other AAMCO franchisees who do warranty repairs for your customers, and you will be reimbursed by other AAMCO franchisees when you do warranty work on their

customers' vehicles. If you purchase an existing Center or one that was recently re-opened, you may be required to honor warranties sold and issued by former franchisee of that location (or a different location if there was a change of address within that same market) without receiving reimbursement). We determine the reimbursement rate. You may not extend any warranties not approved by AAMCO to your customers for work that you perform or with respect to parts that you sell or install. (Franchise Agreement - Sections 14.1, 14.2 and 14.3)

Insurance

Our AAMCO Operator's Manual (which we will update periodically) specifies all then-current types and minimum amounts of insurance coverage required for your Center that you must maintain. If you fail to obtain and maintain any required insurance coverage, then we may purchase it on your behalf at your expense.

You must purchase insurance against all types of public liability, for example, garage liability, garage keeper's legal liability, garage keeper's direct primary coverage and workers' compensation insurance. You also must provide coverage for AAMCO Transmissions, LLC as an additional named insured. The amounts of coverage required is no less than \$1,000,000 per occurrence, bodily injury and property damage combined. The dollar amounts listed as required for insurance coverage are only minimums; you should have a professional evaluate the amount of coverage needed for your particular situation. You may purchase this insurance from any reputable source that is licensed to do business in the state.

If you enter into a lease for the real property of your Center's premises, the lessor may require you to purchase additional insurance policies.

ITEM 9. FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Sections 1.2, 4, 6.1, 8 of Franchise Agreement; Lease Rider	Items 7, 8 and 11
b. Pre-opening purchases/leases	Sections 2, 5.3, 8, 9.1, 9.2, 9.3, 9.5 of Franchise Agreement	Items 5, 7, 8 and 11
c. Site development and other pre-opening requirements	Sections 1.2, 4, 8, 9.1, 9.2, 9.3, 9.5 of Franchise Agreement; Lease Rider	Items 7, 8 and 11
d. Initial and Ongoing Training	Sections 1.1, 5.1, 5.2, 7.1, 7.2, 8, 18.2, 19.1 of Franchise Agreement	Items 6, 7 and 11

Obligation	Section in Agreement	Disclosure Document Item
e. Opening	Sections 1.2, 2, 4, 5.1, 5.2, 5.3, 7.1, 8 of Franchise Agreement	Items 7 and 11
f. Fees	Sections 2, 5.1, 5.3, 8, 10, 11, 14.2, 15, 17, 18.2 of Franchise Agreement	Items 5, 6, and 11
g. Compliance with standards and policies/Operator's Manual	Sections 5, 7.1, 7.2, 8, 9.1, 9.2, 9.3, 9.5, 14, 16, 20 of Franchise Agreement	Items 8 and 11
h. Trademarks and proprietary information	Sections 1.1, 7.1, 7.2, 8, 9.5, 13, 15, 20 of Franchise Agreement	Items 13 and 14
i. Restrictions on products/services offered	Sections 1.2, 5.1, 5.2, 7.1, 7.2, 8, 14.3, 16 of Franchise Agreement	Item 8, 11, 12 and 16
j. Warranty and customer service requirements	Sections 5, 8, 9.4, 14, 19.2 of Franchise Agreement	Items 8 and 11
k. Territorial development and sales quotas	Sections 1.1, 1.2, 6.2, 8 of Franchise Agreement	Items 12 and 16
l. Ongoing product/service purchases	Sections 5.2, 7.1, 7.2, 8, 9.1, 9.3 of Franchise Agreement	Item 6, 8 and 11
m. Maintenance, appearance and remodeling requirements	Sections 1.1, 4, 5.1, 5.2, 8, 9.5 of Franchise Agreement	Item 7, 8 and 11
n. Insurance	Sections 12.1, 12.2 of Franchise Agreement	Items 6, 7 and 8
o. Advertising	Sections 8, 10, 11, 18.2 of Franchise Agreement	Items 6, 7 and 11
p. Indemnification	Section 12 of Franchise Agreement	Item 6
q. Owner's participation/management/staffing	Introduction, Sections 5.1, 5.2, 7.1, 7.2, 8, 12.3, 18.1, 24 of Franchise Agreement	Items 11 and 15
r. Records and reports	Sections 7.1, 8, 10, 15, 17 of Franchise Agreement	Item 6
s. Inspections and audits	Sections 8, 10, 15, 17, 19.1 of Franchise Agreement	Item 6 and 11
t. Transfer	Sections 8, 17, 18, 19 of Franchise Agreement	Item 17
u. Renewal	Sections 3 and 19 of Franchise Agreement	Item 17

Obligation	Section in Agreement	Disclosure Document Item
v. Post-termination obligations	Sections 19 and 20 of Franchise Agreement	Item 17
w. Non-competition covenants	Sections 19 and 20 of Franchise Agreement	Item 17
x. Dispute resolution	Sections 21, 23, 26.1-26.7, 27 of Franchise Agreement	Item 17

ITEM 10. FINANCING

AAMCO does not offer direct or indirect financing and we do not guarantee your note, lease, or obligation. In the past, we have extended financing to purchasers of existing Centers to facilitate the transfer of ownership to an interested third party buyer. However, we do not anticipate doing so for New Franchisees going forward, or according to any standard terms and conditions. AAMCO is listed on the SBA's Franchise Registry as complying with SBA's franchise eligibility guidelines. The Registry allows franchisees to enjoy the benefits of a streamlined review process for SBA loan applications. We may facilitate your introduction to potential lenders through an authorized vendor of a lender-matching software platform, but we cannot determine whether you will be able to obtain third-party financing for all or any part of your investment. If you are able to obtain financing, we cannot predict the terms of that financing. Currently, we do not receive direct or indirect payment from any person or persons in exchange for their obtaining or placing financing for you.

ITEM 11. FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

Except as listed below, AAMCO is not required to provide you with any assistance.

Pre-Opening Assistance: Before you open your business, AAMCO or its designee will:

1. Make recommendations for a suitable Center location. (Franchise Agreement - Section 6.1) AAMCO will also review your site application for a new Center. In this approval process, AAMCO considers demographics, vehicle populations, neighboring uses, and physical characteristics of the location, including building size and suitability and access to traffic. Your proposed site must have capacity for at least 4 automotive lifts and approximately 3,500-5,000 square feet and sufficient parking spaces for customers. AAMCO's approval of your site is not a guarantee of your expected future results or success in operating an AAMCO Center at that site or any other location.

With our assistance, you select the site for your AAMCO Center within a location zone established as a metropolitan statistical area by the U.S. Office of Management and Budget ("Statistical Area"). You must obtain written approval from AAMCO for the site before securing any purchase or leasehold contracts for the location or undertaking any

construction-related activities. AAMCO does not provide you with an exclusive territory or area. (See Item 12) Site approval is also part of the franchise application approval process for conversion franchises.

Under the Deposit Agreement, you will select and propose, and we must approve, a site for the location of your Center. You must submit to us a site package that contains all information we may request regarding a proposed site for the Center. We will have up to 14 days to approve or disapprove the site. If we approve your proposed site, as stated in Item 12, the ultimate decision and final responsibility are yours on whether to accept the site and (if applicable) premises lease. If you own or later acquire the real estate where you locate your AAMCO Center, you must give us the option to lease the location from you on the same terms that you formerly leased the location or, if not applicable, on commercially reasonable terms. If we do not approve a site before the expiration of the Deposit Agreement, then the Deposit Agreement will expire according to its terms (as described above in Item 5) unless we and you sign a written extension.

Additionally, you must give us a right of first refusal to purchase or lease the real estate on the same terms as any third party offer regarding the real estate unless, following the sale, you will continue to operate your AAMCO Center under a lease with the buyer of the real estate. We generally do not own Center sites and then lease those premises to our franchisees.

2. Sell you equipment, inventory, and supplies. (Franchise Agreement -- Section 9.2 and Appendix 9.2)
3. Sell you AAMCO signage. (Franchise Agreement -- Section 9.5)
4. Assist in the layout of your Center and equipment. (Franchise Agreement -- Section 6.1(b))
5. Sell you a copy of our existing point-of-sale software. (Franchise Agreement, Section 10; see also "Computer System" in Item 11.)
6. Sell you our existing technical programs and products. (Franchise Agreement - Section 5.2)
7. Assist you in recommended techniques for identifying and evaluating Center personnel. (Franchise Agreement -- Sections 5.1 and 6.1)
8. Furnish you with a copy of our instructional and training materials to provide guidance in the methods, procedures, and techniques of operating an AAMCO Center. (Franchise Agreement --Section 6.1(c))
9. Lend you a copy of, or provide you electronic access to, the manual that we produce and publish (the "Operator's Manual"). The Operator's Manual includes, among other things, the business procedures, technical advice, policies and procedures, and rules and regulations for the operation of the Center. (Franchise Agreement -- Section 7.1) The Operator's Manual also contains proprietary and confidential information. AAMCO may modify or update the Operator's Manual, including the required equipment list (Appendix 9.2 of Franchise Agreement) contained in the Operator's Manual, at any time and from time to time during the franchise term. There are 256 total pages in the Operator's Manual

as of the date of this FDD. Exhibit I to this FDD includes the current table of contents of our Operator's Manual.

10. We will train you and any other person who signs the Franchise Agreement with you at AAMCO's Operator's School and through the Business Coach training program. We may designate a qualified third party to provide training programs on our behalf. (Franchise Agreement – Sections 5.1 and 6.1)

If you become a franchisee for a new Center, then you must attend AAMCO's "Operator's Training School" at AAMCO University before you open the Center for business. AAMCO does not charge a fee for this training to New Franchisees, whether your Center will be a new outlet or you will take over operation of a pre-existing AAMCO Center. If you are a New Franchisee purchasing a pre-existing Center, then you must attend AAMCO's Operator's Training School at AAMCO University as soon as practicable after signing your purchase and sale agreement for the Center and the Franchise Agreement, and in any case before we will approve you to begin operating the Center, and pay the required Training Fee (currently \$3,000). (Franchise Agreement – Section 5.1).

AAMCO's 4 week Operator's Training School includes intensive training in the operation of an AAMCO Center, including management skills and methods, and does not teach mechanical skills. The instructional materials used during the Operator's Training School currently include the Operator's Manual, handouts, online projects or programs on AAMCOU.com, and related materials we may specify. If you do not satisfactorily complete this Operator's Training School, then we may terminate your Franchise Agreement. Operator's Training School is conducted on an as-needed basis, but is typically offered monthly. You must pay all costs to attend this training, including travel, lodging, food, and personal expenses, which we conduct at AAMCO University in Newnan, Georgia (see Item 7) or another suitable location we may designate. The following provides an overview of our Operator's Training School curriculum:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Class Pre-Requisite Work	0	5	Your Location
Introduction and Overview	2	0	AAMCO U in Newnan, Georgia (or other location we designate)
Service System Procedures	22.5	0	AAMCO U in Newnan, Georgia (or other location we designate)
Operations/KPI Management	13.5	0	AAMCO U in Newnan, Georgia (or other location we designate)
Technical Services	4	0	AAMCO U in Newnan, Georgia (or other location we designate)

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Recruiting	9	0	AAMCO U in Newnan, Georgia (or other location we designate)
Customer Relations/Consumer Affairs	3	0	AAMCO U in Newnan, Georgia (or other location we designate)
Workflow Procedures/Quality Control	4	0	AAMCO U in Newnan, Georgia (or other location we designate)
Center Computerization	12	0	AAMCO U in Newnan, Georgia (or other location we designate)
Intershop	1	0	AAMCO U in Newnan, Georgia (or other location we designate)
National Fleet	3	0	AAMCO U in Newnan, Georgia (or other location we designate)
Business-to-Business Sales	3	0	AAMCO U in Newnan, Georgia (or other location we designate)
Advertising and Marketing	7.5	0	AAMCO U in Newnan, Georgia (or other location we designate)
Consumer Financing	2	0	AAMCO U in Newnan, Georgia (or other location we designate)
Accounting	6.5	0	AAMCO U in Newnan, Georgia (or other location we designate)
Parts Sourcing	7.5	0	AAMCO U in Newnan, Georgia (or other location we designate)
Pricing	2.5	0	AAMCO U in Newnan, Georgia (or other location we designate)
Management skills – personnel	22	0	AAMCO U in Newnan, Georgia (or other location we designate)
Management skills – P&L Management	20	0	AAMCO U in Newnan, Georgia (or other location we designate)

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
In-field training	0	35	AAMCO Center we authorize
Business Coach training (for new franchisees)	0	200 hours (5 weeks)	Your Center (occurs during first 3 months of your Center's operations)
TOTAL	145 hours	240 hours	

John Bethune directs all training programs for AAMCO University since April 2017. Mr. Bethune has been involved in automotive aftermarket businesses for over 32 years, including as an AAMCO Center franchisee from 1987 to 2008 in and around Orlando, Florida. Mr. Bethune became a multi-unit AAMCO franchisee, operating 2 centers at his peak ownership and 3 total centers during his franchisee tenure, and he was elected by his fellow franchisees to lead local advertising programs. After successfully running AAMCO Centers and selling those businesses to successor franchisees, he remained in the industry and became Director of National Accounts for Transtar, a major aftermarket parts supplier, from 2008 to 2016. Earlier in his career, he was an educator in New Zealand and Australia.

As we note in the training program chart above, for franchisees who are new to the AAMCO network, during the first quarter after you open your Center, AAMCO will provide an intensive 5-week Business Coach training program at your AAMCO Center for you and your staff. We describe the Business Coach training fee in above in Items 5 and 7. Business Coach training is conducted by our personnel or qualified third parties we designate who report to the Dean of AAMCO U. This training will be conducted during normal business hours and will not interfere with your Center operations. Business Coach training includes training in: personnel recruiting, policies and procedures, computer training and set-up, Center marketing; manager training; customer relations; accounting procedures; vendor establishment; and other topics relating to an AAMCO Center.

AAMCO reserves the right to modify the subjects and adjust the actual hours dedicated to each subject of our training programs at any time and according to your individual needs and operations.

While you are responsible for hiring your employees, AAMCO may offer assistance for recruiting a customer service manager ("CSM") and technicians for your Center. Any CSM you appoint for the Center must attend AAMCO's 1-week training program no later than 3 months after CSM begins working at the Center, which we conduct at various regional locations we designate (for example, hotels, AAMCO U, etc.) periodically during the year. There is no charge for this training, but you must pay the CSM's travel and living expenses. (Franchise Agreement – Section 5.2)

AAMCO may require that you attend additional training courses. AAMCO will determine whether or not you have to attend additional training based on the effectiveness of your compliance with AAMCO's policies and procedures. You will pay the expenses of any additional training, including transportation and room and board. (Franchise Agreement – Sections 5.1 and 5.2)

Ongoing Assistance and Support

During the operation of your Center, AAMCO will:

1. From time to time, provide you with business information, literature, and materials to assist you in improving the operations of your Center. (Franchise Agreement – Section 6.1(e))
2. Advise and consult with you during usual business hours on matters relating to the operation of your Center. (Franchise Agreement – Section 6.1(f))
3. Advise you of any new developments or improvements in the AAMCO System. (Franchise Agreement – Section 6.1(g))
4. Assist you by providing technical consulting services via telephone, online and in various media, including online, print, or electronic communications. (Franchise Agreement - Section 5.2(b))
5. Assist in the design of advertising promoting the business and services of AAMCO Centers. (Franchise Agreement - Section 6.1(j))
6. Make available to you AAMCO's experience, guidance, and counseling about national, regional, and/or local advertising in electronic and/or print media. (Franchise Agreement – Section 6.1(i))
7. Provide you with advice and assistance in customer relations through staff located in AAMCO's home office and reached by a toll-free telephone number. (Franchise Agreement – Section 6.1(e))
8. Offer continuing training opportunities from time to time for you and your employees. You are responsible for all expenses incurred as part of this additional training. (Franchise Agreement - Section 5.2)
9. Provide you any updates to the Operator's Manual. (Franchise Agreement – Section 7)
10. Maintain a 1-800-GO-AAMCO computerized Center locator service that connects retail customers to their local AAMCO Center. (Franchise Agreement – Section 6)
11. Offer you the opportunity to participate, at your option, in our national fleet accounts program. If you choose to participate, then you must perform repair work for fleet account customers at the prices and issue warranties other service terms we have previously negotiated with the fleet account. We manage fleet accounts through a centralized and direct billing system. (Franchise Agreement - Section 16)

Advertising Fund and Services

You must contribute to our network-wide advertising fund (the "National Creative Advertising Fund" or "Fund"), which is used, among other things, to create and place advertising and to secure endorsements or other national affiliations for use by all AAMCO Centers. The National Creative Advertising Fund will be used to meet any and all costs of maintaining, administering, directing, creating, conducting, and preparing marketing, public relations and promotional programs and materials, engaging media placement agencies, and conducting any other activities that we believe will enhance the image of

the System. This includes, among other things, the costs of preparing and conducting media marketing campaigns; marketing research; public relations activities; developing and maintaining our website; employing marketing or public relations agencies; and providing promotional and other marketing materials and services to the Centers operated under the System. However, we will not use the Fund principally for the solicitation of new franchisees for AAMCO Centers.

Our National Creative Committee (“NCC”) determines the amount of the contribution to the National Creative Advertising Fund, selects the advertising agency and approves the commercials made. The NCC has 18 current members. The NCC consists of the President of NADA, 3 representatives from AAMCO’s management selected by AAMCO, and 14 franchisees. 11 members are elected for 4-year terms by existing members of the National Creative Committee, and 3 members each serve a 1-year term. Because AAMCO selects only 3 of 18 members of National Creative Committee, AAMCO does not control the decisions of the National Creative Committee. The Chairman of the National Creative Committee is always an AAMCO franchisee.

AAMCO collects contributions to the Fund from each AAMCO Center. The NCC must allocate contributions to the Fund solely to advertising and promotion of the “AAMCO” name and of goods and services sold under the “AAMCO” name. AAMCO’s finance department provides accounting and administrative services to the NCC. The Fund is audited tri-annually by an outside accounting firm. You may upon request obtain a copy of the bi-annual audited financial statement from the Chairman of NCC. While AAMCO has in the past advanced funds to the NCC at the NCC’s request without interest, it has no obligation to loan money to the NCC on any terms.

AAMCO periodically advances funds to the NCC to cover the cost of advertising, which allows the NCC to occasionally spend more funds in a given year than it collects from AAMCO Centers. In years when the NCC spends less than it collects, it either uses the unspent funds to reimburse AAMCO for any previous advances, or rolls these amounts into subsequent fiscal years. No portion of the Fund is used to sell additional franchises. NCC determines the contributions to the Fund. AAMCO Centers that we or our affiliates own and operate contribute to the Fund on the same basis as third-party franchisees. As of the date of this FDD, the monthly Fund contribution is \$150 per month for each AAMCO Center. The committee has the right to increase this amount as needed.

During our last fiscal year ending December 31, 2019, NCC collected approximately \$1,150,000, retained approximately \$340,000 for future use (or to offset past subsidies that may have been provided by AAMCO or other third parties to shortages in prior years), and spent the remaining approximately \$810,000 as follows: 9% for production of advertisements and other promotional materials, 59% for marketing and consumer studies, and 32% for general and administrative expenses.

Once your Center opens, you must participate in the local advertising Pool or cooperative established in the Designated Market Area (“DMA”) where your Center is located. Your local advertising Pool will buy the air time for the commercials created by NCC, which usually is on local television and/or radio. Very often, the Pool will also fund a Pool-wide search engine marketing program with related web pages/sites created for Centers belonging to the Pool. Item 6, under the heading “Advertising Fees and Expenses,” describes the amount of your contribution to the local advertising Pool. Each local advertising Pool determines the amount of contribution for advertising costs, and assesses and collects payments from all AAMCO Centers in that Pool. AAMCO Centers that we or our affiliates own and operate in the DMA of an established Pool contribute to the Pool on the same basis as third-party franchisees.

Each local advertising Pool adopts written governing documents which vary depending on how the Pool is formed or organized. You may request a copy of the Pool’s governing documents from the

advertising Pool (if one has been established) for your DMA. (See Exhibit A-7 for a sample local advertising pool agreement.) Each local advertising Pool determines its own voting procedures. The members of each local advertising Pool and their elected officials are responsible for the administration of the Pool. AAMCO recommends that each Pool prepare financial statements on an annual basis and that the Pool make the statements available to all franchisees in that local advertising Pool.

If your Center is the only Center in the DMA, or a majority of the Centers in the DMA do not implement a local advertising buy and budget or do not have a locally administered advertising Pool, then you must spend weekly a minimum amount for local advertising in your area or pay AAMCO a continuing advertising fee weekly. If your AAMCO Center is in one of the top 20 markets as determined by A.C. Nielsen, the amount you must spend weekly, or, alternatively, the continuing advertising fee paid to AAMCO is equal to the greater of 5% of your Gross Receipts or \$500. In all other markets, the weekly amount is equal to the greater of 4% of Gross Receipts or \$400. AAMCO will use this continuing advertising fee for media costs, commissions, fees, production and development costs, not covered by the national creative advertising fee, and other costs of promotion for your Center. AAMCO has the right to determine the placement of such advertising which may be used for electronic, print, internet, or any other form of advertising or promotion. This advertising obligation will not apply to franchisees in the franchise network as of October 1, 2006 who are in an active Pool, and who are approved for an additional AAMCO Center.

We will assist in forming a local advertising Pool. We do not have the right to require any local advertising Pool to change, dissolve or merge, except as may be necessary to ensure all AAMCO Centers have the opportunity to participate in their respective Pools as required by their franchise agreements. AAMCO may also provide advertising materials and support services to you through an approved in-house or outside advertising agency. Advertising services may include production, publication, placement and broadcasting of national, regional and local advertising, including Yellow Pages of telephone directories, and promotional materials.

If you utilize our in-house or outside approved agency to place media ads for you, place Yellow Pages listings, engage in direct mail activities or perform comparable services, the agency may receive a commission payable by the media for the placement. Where no commission is paid for an advertising expenditure, the in-house or outside approved agency has the right charge you a fee of up to a specified percentage of the cost of the ad to defray its overhead expenses and cover in-house production costs (i.e., local Yellow Pages, newspaper advertising, endorsements, sponsorships, promotions and direct mail). AAMCO has not, and currently does not, charge a fee for providing such placement, while third party agencies impose a percentage as they solely determine. In-house or outside approved agencies may also retain certain discounts or other commissions earned by pre-paying advertising charges.

At this time, the NCC is the only advertising council composed of franchisees that advises us regarding advertising and promotional programs for AAMCO Centers. Further, at this time, the local advertising Pools are the only local advertising cooperatives that exists which we require you to participate in if your Center is in a DMA. There are no other local or regional advertising cooperatives that exist in our franchise system at this time where franchisee participation is mandatory.

As stated in Item 7, you are required to spend at least \$3,000 for a Grand Opening Advertising Program to promote your Center before you being operating. This covers special advertising and promotional activities during your initial opening period. It does not include your weekly local advertising fee, continuing advertising fee, or NCC contribution.

You may purchase from AAMCO additional posters, mats and miscellaneous point-of-sale items. You may advertise on television, radio or in print. You may develop advertising materials for your own use at your own cost. However, AAMCO must give its prior written approval to all advertising that you create or prepare for local use to promote or publicize your AAMCO Center in any type of media before you may use the advertising in any fashion. (Franchise Agreement – Section 11) You may not deduct the costs that you incur to create or place your own local advertising from the advertising fees due under your Franchise Agreement.

You may not create, maintain or use an Online Site or other form of electronic media not paid for or approved in writing by AAMCO for the purpose of advertising or promoting the Center. You may also not create or adopt, use or register any domain name that uses in any manner, the AAMCO Marks, and you may not establish any HTML or other link between any web site that you create, maintain, or use and our home page(s) or other Online Sites without our prior written approval. The term “Online Site” means one or more related documents, designs, pages, or other communications that can be accessed through electronic means, including, but not limited to, the Internet, World Wide Web, webpages, microsites, social networking sites (e.g., Facebook, Twitter, LinkedIn, You Tube, Google Plus, Pinterest, etc.), blogs, vlogs, applications to be installed on mobile devices (e.g., iPad or Droid apps), and other applications, etc.

Currently, AAMCO has instituted a national search engine advertising program with a mandatory fee of \$128/month for site management, administration and Google media spend. This program was designed to ensure AAMCO dealers have a web presence on internet search for transmission and auto services searches. Single-point centers and Ad Pools have the option of opting out of the national program as long as they can show equal or greater spending committed to internet search with an approved vendor.

Currently, each center is participating in a national platinum banner ad program on yp.com. The current assessment for this program is noted above in Item 6.

Besides the advertising fees which you pay to the NCC, the national internet program, and to your local advertising Pool (or to us if you do not belong to an Ad Pool already assessing, as we describe above), AAMCO has the right in the future to develop additional national or regional advertising program(s) and, if developed, you must participate in and pay for those programs.

As we note above, the telephone number, 1-800-GO-AAMCO® (and other vanity toll-free numbers), are a computerized Center locator available to connect retail customers to your AAMCO Center. Usage charges include the cost of monthly calls to your Center. AAMCO imposes an initial connection charge and bills the cost of monthly calls to your AAMCO Center. (See Item 6.)

If you fail to pay National Creative Advertising, local advertising Pool, or Yellow Pages advertising fees, we may direct any internet provider, our 800-GO-AAMCO provider, or the Yellow Pages publisher to omit your listing and may additionally withhold advertising benefits from you until you remit the fees and payments due together with interest and collection costs. (Franchise Agreement, section 17(e)). This remedy is in addition to, and not in lieu of, our right to declare you in default of the Franchise Agreement.

Opening Timeline

Franchisees typically open their Centers 6 to 9 months after they sign a Franchise Agreement. Factors that may affect this timeline are the ability to obtain financing or building permits, zoning and local ordinances, weather conditions, shortages, delayed installation of equipment, fixtures and signs and publication dates of the applicable Yellow Pages directories. If you fail to open your AAMCO Center for

business within 1 year after the date of the Franchise Agreement, AAMCO may terminate your Franchise Agreement. (Franchise Agreement – Section 4)

Computer System

For a fee, AAMCO provides you with a copy of its currently prescribed point-of-sale software, a specialized and proprietary program for use by AAMCO Centers. This software is shipped to you, or made available to you to download, and the cost is charged to your Center's account with us. You are required to use this software and subscribe to the maintenance, updates, and upgrades of the program for a monthly fee of \$149/mo. (or approximately \$1,800 total annually). (See Item 6) The program currently automates business intake using AAMCO procedures, tracks AAMCO work flow in the Center, and generates reports in the forms prescribed by AAMCO. The software also currently prints on AAMCO's authorized form of customer repair orders and produces customized marketing materials we authorize. You will use the program to print and transmit to AAMCO weekly business report information. We reserve the right to independently access your computer system for the purpose of downloading sales and other data. There is no contractual limitation on our right to receive this information. You currently are required to establish both an email account and a high speed internet connection in your Center. The software will operate on standard personal computers used in any business (see Exhibit A-12).

We may, at any time and from time to time, make changes to our prescribed POS System, related software, and associated costs thereof. You must implement these changes as we direct. We are not obligated to provide you with ongoing maintenance, repairs, upgrades or updates to the POS System. AAMCO has developed a new POS System and is in the process of replacing the existing platform and software package throughout the network. All incoming new, re-sale, and conversion franchisees are required to use the new POS System at their newly-acquired AAMCO Centers. We will require all other existing AAMCO Centers on legacy software to adopt the new POS System gradually in upcoming months and years, including communicating any necessary changes, upgrades, or other requirements of obtaining or converting to the new POS System.

AAMCO will also provide you with technical programs, materials and products, which currently include DirecTech PRO and ALLDATA (or an equivalent third party service), as incorporated into our newly-introduced POS System software suite. These items will be shipped to automatically, or made available for you to access online. DirecTech PRO is an online program. You will also be automatically subscribed to the technical update service provider in use at any given time; such provider is currently ALLDATA, which does not impose a separate monthly charge because the service is included with the ongoing monthly usage license for the POS System. You may need to purchase vehicle computer reflash equipment if you desire to offer reflash services to customers of your Center.

ITEM 12. TERRITORY

AAMCO grants you a license for the operation of one AAMCO Center located within a specific Statistical Area defined by the U.S. Office of Management and Budget. Although we must pre-approve in writing the exact location of your Center, the ultimate decision and final responsibility on whether to accept your Center's location and (if applicable) its real estate lease are yours. You cannot re-locate your Center without our advance written approval and we are not obligated to consent to any request by you for Center relocation. Our criteria for site approval, or relocation approval, include visibility, accessibility, traffic patterns, physical site characteristics, real estate lease terms and demographic information. You will not

have any options, rights of first refusal, or similar rights to acquire additional franchises or other rights under the Franchise Agreement.

You do not receive and AAMCO does not grant you an exclusive or protected territory or trading area. You may face competition from other AAMCO franchisees, from AAMCO outlets that we own, or from other channels of distribution or competitive brands that we or our affiliates control.

While AAMCO maintains the right to establish additional company-owned, affiliate-owned or franchisee-owned AAMCO Centers in the same Statistical Area as your Center, AAMCO limits the number of AAMCO Centers it will authorize to a maximum of one Center for each 100,000 motor vehicle registrations in the Statistical Area. Before establishing any additional location zones for franchises in the Statistical Area in which your AAMCO Center is located, AAMCO will conduct a marketing study and will receive and consider input and comments from you and other AAMCO franchisees in that Statistical Area. If we do open, or permit one of our franchisees to open, an AAMCO Center in your Statistical Area, we have no obligation to compensate you for sales made by that Center, regardless of the proximity of that Center to your Center.

We reserve for ourselves the exclusive and unrestricted right to use all forms and channels of distribution, regardless of proximity to your AAMCO Center and/or whether we use the method now or adopt it in the future. This includes the right to distribute AAMCO products and services that bear the “AAMCO” trademark or that display other names and marks that we do not include as part of the AAMCO franchise. Channels of distribution include the Internet, catalogue sales, telemarketing or other direct marketing sales. New emerging technologies may yield new channels of distribution over time.

You have no right to offer or sell any AAMCO products or services through channels of distribution other than from your AAMCO Center’s premises. However, while you may only offer services from your AAMCO Center, we do not limit your right to service customers according to where they reside or work. In other words, you may sell authorized products and services to customers regardless of their place of residence or work.

As we disclose in Item 1, our affiliates, Cottman, Precision, Pep Boys, and Just Brakes, operate, license, or franchise businesses that offer products and services (under different trademarks than AAMCO’s trademarks, including “Pep Boys,” “Just Brakes,” “Big 10 Tires” and “Precision Tune Auto Care”) that are similar to those parts and services that AAMCO Centers offer, including automobile repair service and maintenance, and the retail sale of automotive aftermarket products, that may compete with AAMCO Centers, including within the same Statistical Area as your AAMCO Center. Depending on the site that you select and we approve for your AAMCO Center, you may compete for customers with a nearby Cottman Center, Precision Center, Pep Boys Center, or Just Brakes Center. We do not regulate competition between AAMCO Centers and neighboring Cottman Centers, Precision Centers, Pep Boys Centers, or Just Brakes Centers in the same market. We and Cottman have the same principal business address (see Item 1) and share certain administrative departments, such as accounting, with our affiliate, ADS. Since Cottman ceased franchising on January 15, 2018, it no longer maintains exclusively-devoted personnel nor provides any support services to Cottman Centers or the trademark licensees of those centers. However, during the time Cottman previously offered and supported franchises, AAMCO and Cottman each maintained separate departments and staff to handle operations, collections, advertising and training, and each brand maintained its own separate and self-contained training facility. The principal business addresses of Precision, Pep Boys, and Just Brakes are disclosed in Item 1.

If any conflict should arise between AAMCO and franchisees, or between the franchisees of AAMCO, Precision Tune or any other affiliates that may have franchisee-owned centers in the future, about

issues concerning territory, customers, and franchisor support, such conflict will be resolved as Icahn Automotive Group LLC, an affiliate of AAMCO and Cottman and an indirect parent of Precision Tune, deems appropriate in the circumstances.

ITEM 13. TRADEMARKS

AAMCO is the registered owner under the laws of the United States of America of the following principal trademarks, each registered on the Principal Register of the United States Patent and Trademark Office (“PTO”).

Name or Mark	Registration Number	Registration Date	Recent Renewal Date
AAMCO	851,209	June 18, 1968	July 17, 2007
AAMCO and Design	860,330	November 12, 1968	September 17, 2009
AAMCO TRANSMISSIONS TOTAL CAR CARE	3,875,638	November 16, 2010	April 8, 2016

There are no agreements in place that limit AAMCO’s right to use or license the use of AAMCO’s marks. We have filed and intend to file affidavits and make renewal filings when they come due for these registrations.

There are no currently effective material determinations of the PTO, the trademark administrator of any state, or any court; and no pending infringement, opposition, or cancellation proceedings or material litigation, involving the principal marks. No agreement significantly limits our rights to use or license the AAMCO marks in any manner material to the franchise, and we do not know of either superior rights or infringing uses that could materially affect your uses of the marks in any state.

You must follow AAMCO’s procedures when you use these marks. You cannot use the “AAMCO” name or mark as part of the company name of your business entity, whether it be a corporation, partnership or limited liability company. You cannot use or register “AAMCO” as part of a top line Internet domain name for your Center.

You cannot use the “AAMCO” name and marks on a web site without AAMCO’s prior written approval and you may not establish any HTML or other link between any web site you create, maintain or use and AAMCO’s home page or other part of AAMCO’s web site without AAMCO’s prior written approval.

You must not directly or indirectly contest AAMCO’s right to the “AAMCO” names, marks, trade secrets, proprietary information or business techniques that are part of the AAMCO system. You may not modify the AAMCO marks.

You must notify AAMCO immediately when you learn about an infringement of or a challenge to your use of AAMCO’s marks. AAMCO will take the action that it thinks appropriate to protect its marks against claims of infringement or unfair competition. AAMCO has the right to direct and control any administrative proceeding or litigation involving the AAMCO marks, including any settlement. AAMCO will, at its expense and direction (i.e., control), defend you against any claim of infringement for your use of AAMCO’s marks, provided such use is authorized by AAMCO. You must cooperate in defending such administrative or judicial action, if and as requested by AAMCO.

If it becomes advisable at any time in our sole judgment for you to modify or discontinue using any AAMCO mark(s) or for you and the Center to use one or more additional or substitute trade or service marks, you will have to immediately comply with our directions. Neither we nor our affiliates will have any obligation to reimburse you for any expenditures you make because of any discontinuance or modification of any marks.

ITEM 14.

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

No patents or patent applications are material to this franchise. You can use proprietary and copyrighted information in AAMCO's Operator's Manual and related forms and training materials. See Item 11 for a description of the Operator's Manual. AAMCO claims a common law copyright interest in its Operator's Manual, Opening Procedures Manual, Outside Sales materials and other instructional and training materials and related forms, although AAMCO has not filed for copyright protection with the United States Copyright Office. AAMCO limits the use of the Operator's Manual to you and your employees. You are not permitted to provide copies of the Operator's Manual to anyone else. AAMCO claims a common law copyright interest in all of its technical training videos, DVDs and other technical training materials and regards the information as proprietary, although it has not filed for copyright protection with the United States Copyright Office. You do not have a right to make copies of any of the materials which AAMCO regards as proprietary or in which it claims common law or statute copyrights, although you may use these materials in the operation of your AAMCO Center.

There are no currently effective determinations of the United States Copyright Office or any court, nor any pending litigation or other proceedings, regarding any copyrighted materials. No agreement limits our rights to use or allow franchisees to use the copyrighted materials. We do not know of any superior prior rights or infringing uses that could materially affect your use of the copyrighted materials.

You must notify AAMCO immediately when you learn about an infringement of or a challenge to your use of any of our proprietary or copyrighted materials. AAMCO will take the action that it thinks appropriate to protect its rights in the materials against claims of infringement or unfair competition. AAMCO will, at its expense and direction (that is, its control), defend you against any claim of infringement for your use of AAMCO's proprietary or copyrighted materials. You must cooperate in defending such action, if and as requested by AAMCO.

You must comply with all of the policies and procedures which we periodically establish, including those in our Operator's Manual. The Operator's Manual contains confidential information which you must protect as a trade secret. You must not reprint or reproduce any portion of the Operator's Manual for any reason whatsoever. Upon expiration or termination of the Franchise Agreement for any reason, you must immediately return the Operator's Manual to us.

ITEM 15.
OBLIGATIONS TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

AAMCO strongly encourages that you participate personally in the direct “on-premises” management and operation of your AAMCO Center (see Section 8(d) of the Franchise Agreement). You must hire only those employees who, after appropriate screening by you, demonstrate themselves to be honest and dependable. You may hire a customer service manager for your AAMCO Center, and he or she must satisfactorily complete AAMCO’s customer service manager training and any other retraining AAMCO requires (see Section 8(k) of the Franchise Agreement). If requested by AAMCO, the customer service manager must sign a confidentiality agreement by which he or she agrees to maintain confidentiality of our trade secrets and proprietary information.

If you are a business entity franchisee (e.g., corporation, LLC, etc.), each of your individual principals that holds an ownership interest in the business entity must sign our form of personal guaranty agreeing to jointly and severally guaranty the entity’s obligations to us under all contracts that the entity signs with us (see Exhibit A-9). AAMCO reserves the sole right to determine if it will permit an entity to sign a franchise agreement as a franchisee in lieu of signing as an individual.

While some AAMCO franchisees, with AAMCO’s advance written approval, have non-AAMCO business ownership interests, you must maintain a regular and reasonably consistent schedule of being “on-premises” to personally manage the day-to-day operations and development of the business of the Center.

ITEM 16.
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

AAMCO requires that you offer and sell only those goods and services that AAMCO has approved. You must offer all goods and services that AAMCO designates as required for all franchisees, and we reserve the unlimited right to change the types of products and services you must sell. Parts, supplies and assembly sets used in your AAMCO Center must meet AAMCO’s specifications. See Item 8.

AAMCO has the right to add additional authorized services that you must offer. There are no limits on AAMCO’s right to add additional services and AAMCO may require you to comply with other requirements including training and purchasing of additional diagnostic equipment and/or inventory. It is your responsibility to ensure that your Center is not restricted from performing any automotive related repairs by local ordinance or use restrictions in your Center’s real estate lease.

You cannot operate any other business at the location of your AAMCO Center. You must use your Center premises solely for the operation of your AAMCO Center. Unless we specify to the contrary in our Operator’s Manual, you are free to offer the Center’s products and services to your customers at any prices you wish.

ITEM 17.
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise or Other Agreement	Summary
a. Length of the franchise term	Section 3	15 years from your signing of the Franchise Agreement.
b. Renewal or extension of the term	Section 3	Franchise Agreement will automatically renew for an additional 15 years unless AAMCO receives notice of non-renewal from you, or provides you with notice of AAMCO's intent not to renew, at least one year before termination of your current franchise term. At its option, AAMCO may require you to sign a then current form of Franchise Agreement, or an amendment, at renewal that contains changed or materially different terms. Certain long-time franchisees expiring during the current or next fiscal year of this FDD's issuance may have, or be eligible for, a shorter renewal term.
c. Requirements for franchisee to renew or extend	Section 3	If requested by AAMCO, sign new agreement or amendment within a specific time, and update appearance of Center; franchise fee may be increased. Our then-current Franchise Agreement or the renewal amendment may contain materially different conditions than the expiring Franchise Agreement. Certain long-time franchisees expiring during the current or next fiscal year of this FDD's issuance may have, or be eligible for, a shorter renewal term.
d. Termination by franchisee	None	Not applicable
e. Termination by AAMCO without cause	None	Not applicable

Provision	Section in Franchise or Other Agreement	Summary
f. Termination by AAMCO with cause	Section 19.1 (also Exhibit A-12 of this FDD)	AAMCO can terminate if you breach the Franchise Agreement or you default under conditions of applicable software license agreements
g. “Cause” defined - curable defaults	Sections 19.1(a) and (b)	You have 10 days to cure any failure to make payments. You have 30 days to cure other defaults, except as listed in sections 19.1(c) and (d) or if the nature of the default is incurable.
h. “Cause” defined - non-curable defaults	Sections 19.1(c) and (d)	Non-curable defaults: fraudulent acts; failure to deal fairly and honestly with AAMCO or any customer of the Center; failure to honor and comply with the terms of the advertising placed; receive notice of default under section 8(a), 8(b), 8(i), 8(j), 8(l) or 8(o) of the Franchise Agreement, or notice of failure to pay any sum under the Franchise Agreement, on 3 prior occasions in any twelve (12) month period.
i. Franchisee’s obligations on termination/non-renewal	Sections 19.2 and 20	Obligations include complete de-identification, payment of amounts due, cessation of use of AAMCO name and return of AAMCO materials. (also see r. below)
j. Assignment of contract by AAMCO	Section 22	No restriction on AAMCO’s right to assign.
k. “Transfer” by franchisee - defined	Sections 18.1, 18.2, 18.3	Includes transfer of contract or assets, or ownership change.
l. AAMCO’s approval of transfer by franchisee	Sections 18.1, 18.2	AAMCO has the right to approve all transfers.
m. Conditions for AAMCO approval of transfer	Sections 18.1, 18.2	New franchisee qualifies, all sums due and transfer fee paid, purchase agreement approved, training successfully completed, release signed by you, current agreement signed by new franchisee, Center appearance updated, Assignment of Lease and Lease Rider approved and current diagnostic equipment and technical training materials acquired; franchisee is not subject to an uncured notice of default and all monetary

Provision	Section in Franchise or Other Agreement	Summary
		obligations to AAMCO, Advertising Pool, and third party vendors must be satisfied. (also see r. below).
n. AAMCO's right of first refusal to acquire franchisee's business	Section 18.2(a)	If you receive a bona fide written offer to purchase your Center, you must give AAMCO written notice and AAMCO has 30 days to match the terms and conditions of the third party offer, except that AAMCO may substitute cash for any offer payment method. AAMCO does not have this option if the transfer is due to disability or is between or among partners, shareholders, LLC member, immediate family, Center employees or is for less than 50%. This provision will not apply to franchisees in the System as of October 1, 2006 who are approved for an additional AAMCO Center.
o. AAMCO's option to purchase franchisee's business	Section 19.2 and see provision n. above	At termination or expiration, AAMCO has the option to buy your interest in the Center.
p. Death or disability of franchisee	Section 18.2	Rights pass to your heirs who are members of your immediate family and who otherwise qualify pursuant to section 18.1.
q. Non-competition covenants during the term of the franchise	Section 20	No involvement in a similar or competing Business, except as approved by AAMCO under paragraph 8(e)
r. Non-competition covenants after the franchise is terminated or expires	Section 20	No competing business for 2 years within 10 miles of former Center or another existing AAMCO Center
s. Modification of the agreement	Section 29	No modifications by you unless in writing and signed by AAMCO; but Operator's Manual subject to change.
t. Integration/merger clause	Section 29	Only the terms of the Franchise Agreement are enforceable. Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable. Nothing in the Franchise Agreement may disclaim representations made in this disclosure document. See state-

Provision	Section in Franchise or Other Agreement	Summary
		based disclosure addenda, and amendments to Franchise Agreement (Exhibits B and C, as applicable).
u. Dispute resolution by arbitration or mediation	Section 26	Except for certain claims, all disputes must first be mediated, then if not resolved, arbitrated; no multi-party or class action claims are permitted in arbitration. Arbitration to occur in Philadelphia, PA.
v. Choice of forum	Section 26	Litigation must be in a court nearest AAMCO's principal place of business. See state-based disclosure addenda, and amendments to Franchise Agreement (Exhibits B and C, as applicable).
w. Choice of law	Section 26	Pennsylvania law applies. See state-based disclosure addenda, and amendments to Franchise Agreement (Exhibits B and C, as applicable).

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 locations, 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 location 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.

The below financial performance representations include information on specified subsets of AAMCO Centers operating during recent fiscal years with respect to: (i) average and median gross sales figures; and (ii) franchisee-reported performance results. We provide the information below to help you evaluate the potential performance of an AAMCO Center by showing actual historical data of franchised AAMCO Centers. Please carefully read all information contained in this Item 19, including the notes accompanying and the statements following all tables, which further explain the figures shown below.

Average Gross Sales of AAMCO Centers in Prior Fiscal Year

This financial performance representation is based on actual gross sales figures of AAMCO Centers during our prior fiscal year ended December 31, 2019. Among the 566 total franchised AAMCO Centers in the United States and Canada that were open at the end of our prior fiscal year (see Item 20), this representation includes only those 546 locations that operated continuously under the same owner throughout that fiscal year and reported revenue data for that year (the “Operating Centers”). All the Operating Centers are generally comparable to the franchise opportunity we offer in this FDD, in that the centers used the prototypical business format and operating procedures we prescribe for all AAMCO Center franchises.

The average annual gross sales of the Operating Centers were \$729,517, and the median annual gross sales of the Operating Centers per year were \$669,070. The following table shows average annual and median gross sales of the Operating Centers by quartile, the count of Operating Centers within each quartile that exceeded the quartile’s average gross sales, and the percentage of those Operating Centers within each quartile that exceeded the quartile’s average gross sales during the fiscal year:

Table 19.1: Average Gross Sales for Full-Year Operating Centers in 2019 (by Quartile)

Quartile	# of Operating Centers	% of Operating Centers	2019 Average Total Sales	2019 Median Total Sales	# of Centers that attained or exceeded Average	% of Centers that attained or exceeded Average
1 st	137	25%	\$1,159,298	\$1,072,822	49	36%
2 nd	136	25%	\$782,371	\$782,279	68	50%
3 rd	137	25%	\$584,094	\$578,500	62	45%
4 th	136	25%	\$390,214	\$413,612	80	59%
Total	546	100%	\$729,517	\$669,070	235	43%

In our normal course of business, for purposes of supporting franchisees in their day-to-day activities and in order to effectively administer the franchise system and enhance the network, we periodically categorize AAMCO Centers into quadrants using an internal evaluation formula that considers a variety of factors, both quantitative and qualitative. Our methodology takes into account a center’s actual results and AAMCO’s knowledge about the center and its franchisee, such as the center’s average weekly gross sales, the franchisee’s capability to expand the number of centers under its operation, and the franchisee’s track record of operations and customer satisfaction with AAMCO. The 4 possible quadrants are 1(A), 2(B), 3(C), and 4(D), with 1(A) being the highest-level quadrant. We explain the evaluation criteria for these quadrants in greater detail in the notes accompanying the table below.

The following table represents the average and median annual gross sales of the Operating Centers by quadrant, the count of Operating Centers within each quadrant that attained or exceeded the quadrant average, and the percentage of Operating Centers within each quadrant that exceeded the quadrant’s average gross sales during the year:

Table 19.2: Average Gross Sales for Full-Year Operating Centers in 2019 (by Quadrant)

Quadrant	# of Operating Centers	% of Operating Centers	2019 Average Total Sales	2019 Median Total Sales	# of Centers that attained or exceeded Average	% of Centers that attained or exceeded Average
1(A)	97	18%	\$1,075,325	\$1,016,303	40	41%
2(B)	180	33%	\$808,475	\$774,479	81	45%
3(C)	200	37%	\$588,466	\$559,502	90	45%
4(D)	69	13%	\$446,247	\$428,774	34	49%
Total	546	100%	\$729,517	\$669,070	235	43%

Notes to Table 19.2:

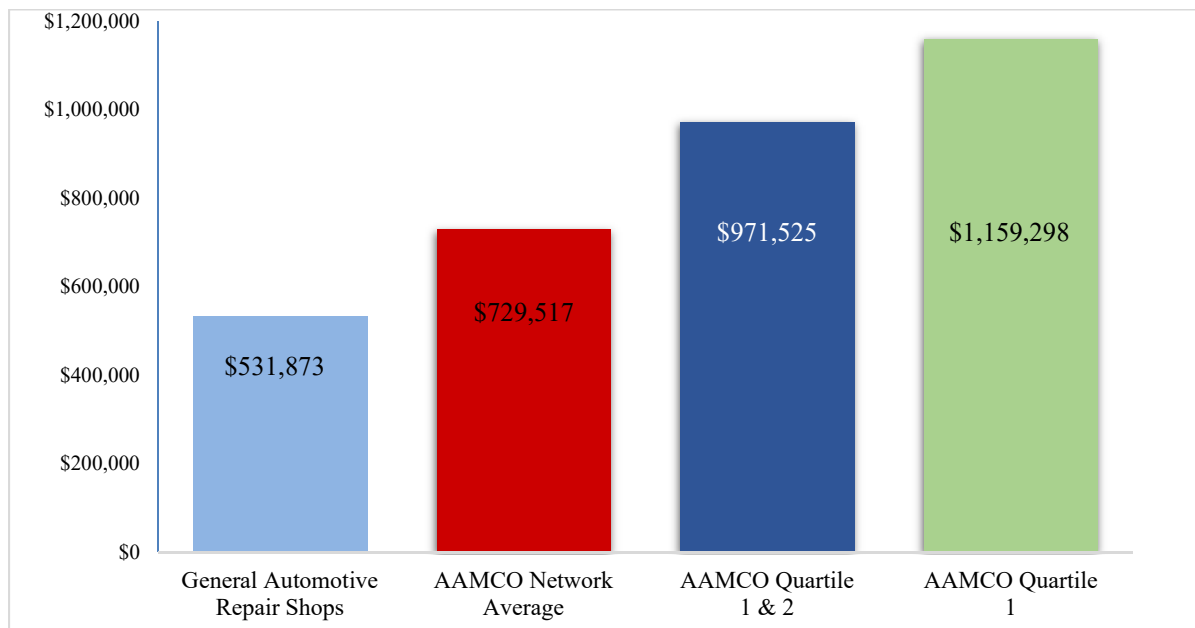
- Whereas chart 19.1 presented earlier in this Item 19 (AAMCO Centers by quartile) reflects quantitative data only, table 19.2 of AAMCO Centers by quadrant incorporated both quantitative data and qualitative data regarding the centers and their franchisee operators. Our process for assigning centers to quadrants relied on actual center performance data and qualitative input from our Operations, Finance, and Customer Service departments. In evaluating this information, our personnel provided systematic feedback on standard criteria concerning each center in order to place centers into a quadrant.
- Our internal methodology for quadrant assignments systematically considered available information on each center and its franchisee across the following criteria and supporting factors: a center's sales quartile based on its average weekly gross sales; years of operation; multiple center ownership; a franchisee's capability to expand and operate additional center(s); a franchisee's form of management/supervision (whether franchisee-managed or general manager) and level of day-to-day involvement in center operations; customer satisfaction history; and track record of remaining in good standing with AAMCO, including payment and accounts receivable history and compliance with franchise obligations.

Industry Comparison: AAMCO Center Gross Sales vs. General Repair Shops

For comparison purposes, the below representation reflects comparative data showing the average annual gross sales of AAMCO Centers, and selected subsets of AAMCO Centers, against a published industry average of annual gross sales for "general repair automotive shops" ("General Repair Shops"). Based on the AutoCare Fact Book 2020, General Repair Shops averaged \$531,873 in annualized revenues during 2018. As referenced above in Table 19.1 of this Item 19, average annual gross sales for AAMCO Center franchisees across the Operating Centers in 2019 were \$729,517 (37% higher than General Repair Shops), and median annual gross sales for those Operating Centers in 2019 were \$669,070 (26% higher than General Repair Shops).

The following chart shows an annual revenue comparison between General Repair Shops in 2018 and the AAMCO sample set of 546 Operating Centers that were open and operating throughout our prior fiscal year (37% higher than General Repair Shops average, 390 or 71% of which attained or exceeded the industry average), as well as: (i) against 273 AAMCO Centers falling within both quartiles 1 and 2 (83% higher than General Repair Shops average), 273 or 100% of which attained or exceeded the industry average, and (ii) against 137 AAMCO Centers solely within quartile 1 (118% higher than General Repair Shops average), 137 or 100% of which attained or exceeded the industry average:

Chart 19.3: 2019 Gross Sales for AAMCO Centers vs. 2018 General Repair Shops Average ¹



Notes to Chart 19.3:

1. Source: AutoCare Fact Book 2020, p. 17, published by the Auto Care Association. As of the date of this FDD, 2019 data for the General Repair Shops category was not yet published by the industry source.
2. General Repair Shops data based on garage category revenues in 2018 covering a total of 81,087 general repair garages in the U.S., which generated total revenues of over \$43 billion dollars during the year, and average sales per garage of \$531,873 (with a 3.0% compound annual growth rate (“CAGR”) in sales over the trailing 5-year period).

Financial Performance Information from AAMCO Center Franchisees in 2017

This financial performance representation is based on the average weekly gross sales and expense information of 166 total franchised AAMCO Centers (the “P&L Centers”) that operated continuously and reported revenue data throughout the 2017 fiscal year. We provide franchisees’ 2017-reported information in this section because we have not received a sufficient volume of profit-and-loss reports from franchisees since that time in order to be able to synthesize and present such information (including their operating costs) for a more recent fiscal year.

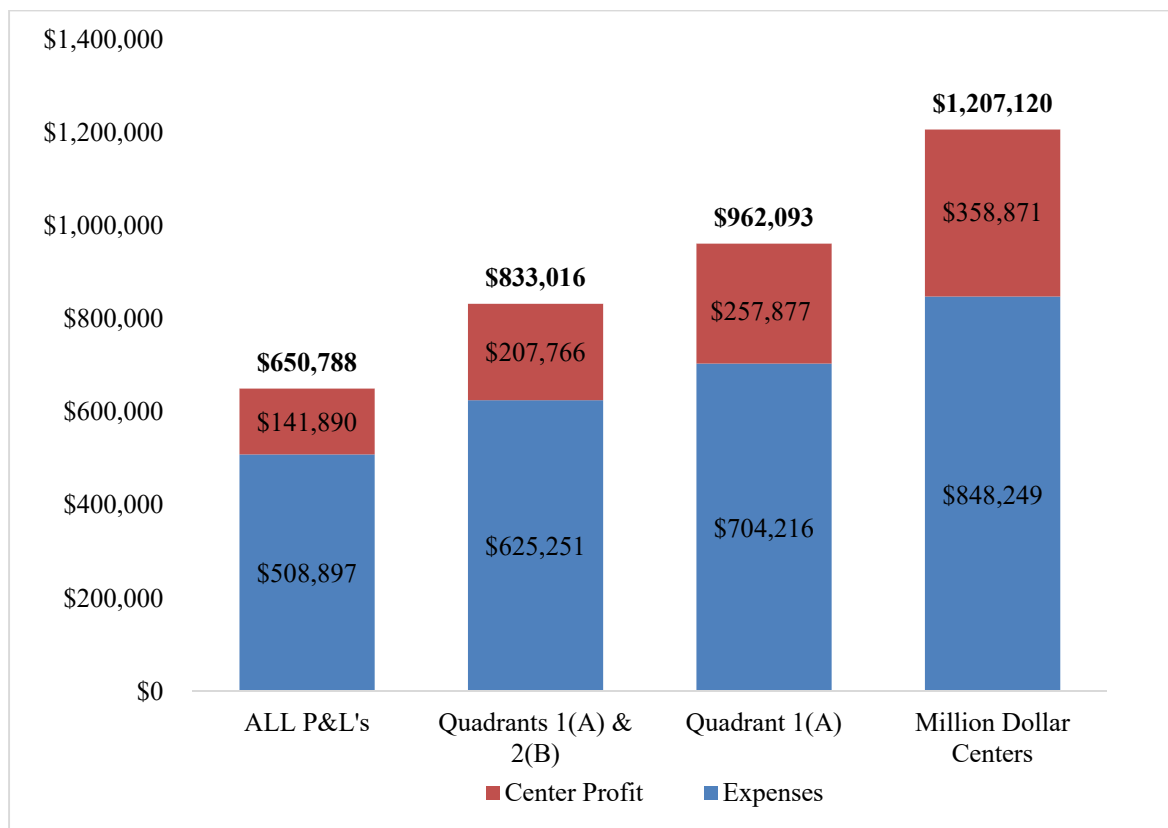
In the normal course of business, 242 among 595 franchised AAMCO Centers that operated continuously throughout fiscal year 2017 provided us actual, detailed profit and loss statements (“P&L’s”) covering at least one week of their individualized center operations during that year. For consistency and accuracy, we then excluded from the sample any franchisee whose center P&L’s for the reported timeframe showed average weekly gross sales that varied more than 10%, whether higher or lower, from that specific center’s weekly average gross sales across the entire 2017 year (76 total centers excluded, including 39 centers with P&L’s showing revenue +10% or more above the center’s 2017 weekly average, and 37 centers with P&L’s showing revenue -10% or lower than the center’s 2017 weekly average), to arrive at the cohort of 166 P&L Centers for 2017.

The 166 P&L Centers, each of which reflected actual weekly gross sales on its P&L’s within 10% of that center’s weekly average for the year, were dispersed across our internal quadrants for that 2017 year

as follows: 27 centers in quadrant 1(A); 46 in quadrant 2(B); 65 in quadrant 3(C); and 28 in quadrant 4(D). Among the P&L Centers, 19 centers had actual annual gross sales of \$1 million or more for the 2017 year (the “Million Dollar Centers”). The average 2017 weekly gross sales of the P&L Centers for the actual weeks reported were \$12,515, or \$650,788 annualized average gross sales per center over 52 weekly periods. The median 2017 weekly gross sales of the P&L Centers for the actual weeks reported were \$11,198, or \$582,295 annualized median gross sales per center over 52 weekly periods.

The following chart and accompanying 4 tables present annualized revenue and expense information across all the P&L Centers, and then for specified subsets of those centers, based on the P&L’s we received from 2017. We present the data in the chart based on the Owner/Operator Model (defined below) of operation, and the data in the tables based on 2 potential business management models: (i) “Owner/Operator Model,” which includes actual franchise-related costs of operating an AAMCO Center managed by the franchisee; vs. (ii) “General Manager Model,” which includes actual franchise-related costs of operating an AAMCO Center and actual costs of the franchisee employing a full-time center service manager. The notes following the tables provide more detailed explanation of the categories and presentation of expenses, including how the data was normalized for consistency across all the P&L Centers, and also the counts and percentages of Centers within each subset that attained or exceeded the subset’s average revenues.

Chart 19.4: Reporting Centers and Selected Subsets – Annualized P&L Figures in 2017



Tables 19.5 to 19.8: Reporting Centers - Annualized P&L Figures in 2017

Table 19.5: Profit and Loss Statement for all P&L Centers ¹				
	Owner/Operator Model ⁵		General Manager Model ⁵	
Revenue	\$650,788	100.0%	\$650,788	100.0%
Parts	\$160,496	24.7%	\$160,496	24.7%
Labor expense	\$150,951	23.2%	\$150,951	23.2%
Subtotal	\$311,447	47.9%	\$311,447	47.9%
Building expense	\$70,167	10.8%	\$70,167	10.8%
Operating expense	\$127,284	19.6%	\$172,822	26.6%
Center profit	\$141,890	21.8%	\$96,352	14.8%

Table 19.6: Profit and Loss Statement for Quadrants 1(A) & 2(B) ¹				
	Owner/Operator Model ⁵		General Manager Model ⁵	
Revenue	\$833,016	100.0%	\$833,016	100.0%
Parts	\$205,793	24.7%	\$205,793	24.7%
Labor expense	\$186,429	22.4%	\$186,429	22.4%
Subtotal	\$392,221	47.1%	\$392,221	47.1%
Building expense	\$77,769	9.3%	\$77,769	9.3%
Operating expense	\$155,261	18.6%	\$214,980	25.8%
Center profit	\$207,766	24.9%	\$148,046	17.8%

Table 19.7: Profit and Loss Statement for Quadrant 1(A) ¹				
	Owner/Operator Model ⁵		General Manager Model ⁵	
Revenue	\$962,093	100.0%	\$962,093	100.0%
Parts	\$236,370	24.6%	\$236,370	24.6%
Labor expense	\$206,575	21.5%	\$206,575	21.5%
Subtotal	\$442,945	46.0%	\$442,945	46.0%
Building expense	\$84,407	8.8%	\$84,407	8.8%
Operating expense	\$176,865	18.4%	\$246,984	25.7%
Center profit	\$257,877	26.8%	\$187,758	19.5%

Table 19.8: Profit and Loss Statement for Million Dollar Centers ¹				
	Owner/Operator Model ⁵		General Manager Model ⁵	
Revenue	\$1,207,120	100.0%	\$1,207,120	100.0%
Parts	\$273,790	22.7%	\$273,790	22.7%
Labor expense	\$261,946	21.7%	\$261,946	21.7%
Subtotal	\$535,736	44.4%	\$535,736	44.4%
Building expense	\$98,738	8.2%	\$98,738	8.2%
Operating expense	\$213,775	17.7%	\$301,797	25.0%
Center profit	\$358,871	29.7%	\$270,848	22.4%

Notes to Chart 19.4 and Tables 19.5 to 19.8:

1. P&L Center counts in year 2017 sample sets covered: 166 Centers in Table 19.5 (all P&L Centers); 73 Centers in Table 19.6 (Quadrants 1(A) & 2(B)); 27 Centers in Table 19.7 (Quadrant 1(A)); and 19 Centers in Table 19.8 (Million Dollar Centers). The 166 P&L Centers averaged 11.1 years of operation by the then current center owners in 2017, 70 or 42% of which operated for that average time period or longer. The P&L Centers' average duration of current franchisee ownership closely approximated the 2017 average of 11.4 years of ownership across the franchisees of 595 total Operating Centers in 2017, 234 or 39% of which Operating Centers had operated for the average period or longer.
2. The time period for the 2017 P&L data we received varied by Center. For comparative purposes, we annualized the data by calculating the weekly center averages and multiplying those numbers by 52 weekly periods.
3. The average weekly gross sales of the 166 P&L Centers for the actual weeks reported was \$12,515, or \$650,788 annualized average gross sales per center over 52 weekly periods. Of those 166 P&L Centers, 69 centers or 42% attained or exceeded the average annualized revenues. Among the 73 centers falling in quadrants 1(A) and 2(B), 31 centers or 42% attained or exceeded the subset's average annualized revenues. Among the 27 centers falling in quadrant 1(A), 13 centers or 48% attained or exceeded the subset's average annualized revenues. Among the 19 total Million Dollar Centers, 8 or 42% attained or exceeded the subset's average annualized revenues.
4. The expenses in these tables covered certain customary and typical expenses of AAMCO Centers operating in the normal course of business throughout the United States. Actual future performance of an AAMCO Center may differ from the 2017 data presented in this representation. A franchisee's expenses in operating a Center also may be impacted by the geographic region in which the center is located, along with other variables referenced further below in this Item 19.
5. The following definitions and details characterize certain operational and expense terminology used in Chart 19.4 and Tables 19.5 to 19.8 above:

	Owner/Operator Model	Center Manager Model
Model description	P&L information in this model includes all operating expense information, but (i) assumes that the franchisee owner managed daily business activities, and (ii) excludes any salary or commission for a center manager. The model also excluded healthcare expenses for the operator and any center personnel, interest expense, and miscellaneous expenses.	P&L information in this model includes all operating expense information, but (i) assumes that a center manager was managing daily business activities, and (ii) includes salary or commission expense for a center manager. The model also excluded healthcare expenses for the operator and any center personnel, interest expense, and miscellaneous expenses.
Parts	Parts, including fluids	Same
Labor	Shop labor and employee taxes (FICA, SUI, and SUTA)	Same
Building expense	Property lease, real estate taxes, utilities, phone, alarm, repairs and maintenance, and branded signage lease and expenses (if applicable)	Same

Operating expense	Insurance (liability, worker's comp, other), bank fees (including credit card processing), car rental, dues and subscriptions, contributions, fuel, and leased equipment, laundry, license and permits, office supplies, postage, professional fees, referral (OSS commission), computer repairs, shop supplies, towing, training, waste and trash removal, franchise fees, Ad Pool assessment, media advertising, national creative, other advertising, Yellow Pages	Same, plus center sales manager
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Historical Breakeven Statistics on AAMCO Center Operations in 2017

This financial performance representation is based on the average weekly gross sales and expense information of the 144 franchised AAMCO Centers (the "Breakeven Centers"), among the 166 P&L Centers from 2017 discussed above in this Item, that were operating for at least a 2-year period as of the end of our 2017 fiscal year. The following table represents data on weekly revenue and percentages of total expenses concerning the operations of the Breakeven Centers that approximates those centers' average breakeven points for weekly operations:

Table 19.9: Breakeven Centers – Breakeven Statistics for Weekly Operations

Breakeven Estimates		
Revenue	\$7,248	100.0%
Parts	\$1,779	24.5%
Labor Expense	\$1,660	22.9%
COGS Expense	\$3,439	47.5%
Building Expense	\$1,358	18.7%
Operating Expense	\$2,451	33.8%
Center Profit	\$0	0.0%

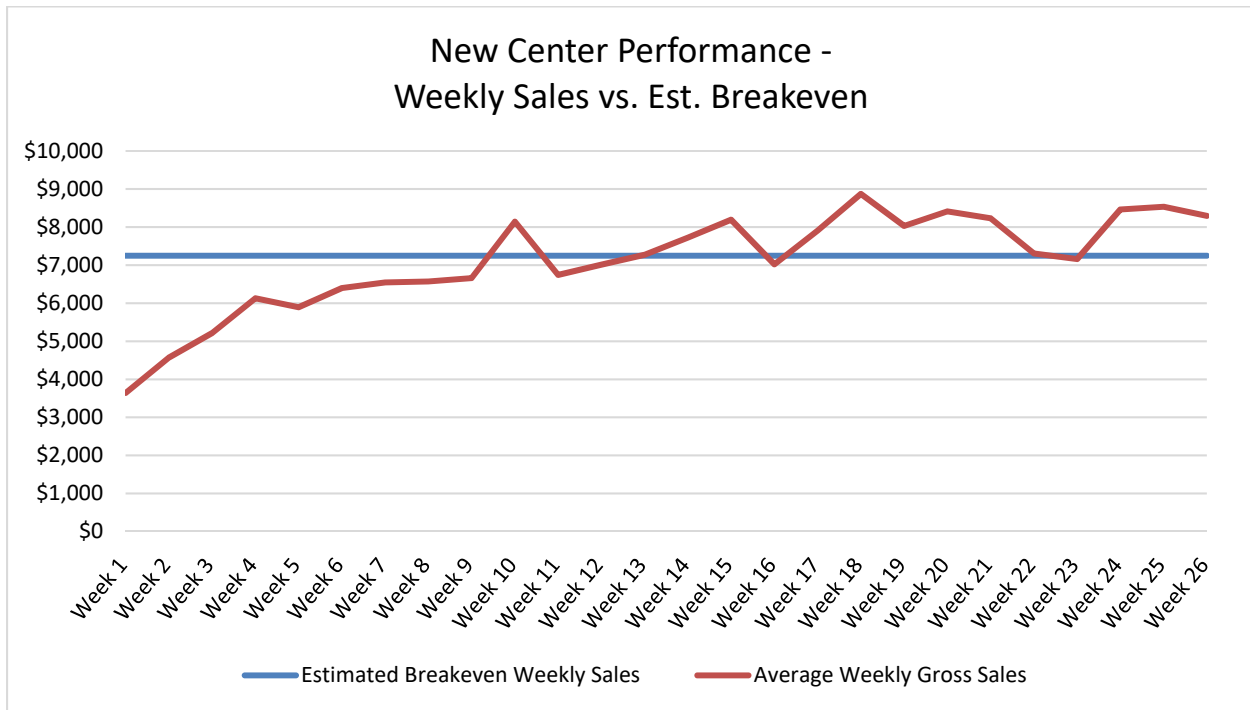
Notes to Table 19.9:

1. The 144 Breakeven Center count was dispersed across our internal quadrants (discussed above in this Item 19) as follows: 23 centers in quadrant 1(A); 43 in quadrant 2(B); 56 in quadrant 3(C); and 22 in quadrant 4(D).
2. The average weekly gross sales of the 144 Breakeven Centers for the actual weeks reported was \$12,756 per week, or \$663,313 annualized average gross sales per center over 52 weekly periods. Of these 144 centers, 60 centers or 42% attained or exceeded the average annualized revenues.
3. Rent for the Breakeven Centers was calculated at approximately \$1,068 per week, or \$4,628 monthly. Combined advertising expenditures were calculated at \$678 per week, or \$2,937 monthly (including Ad Pool assessment, media, national creative committee, yellow pages, and other advertising expenditures required by the Franchise Agreement or the local advertising Pool).

Historical New Center Revenue Ramp-Up to Breakeven, 2013-2018

This financial performance representation is based on the average weekly gross sales of 57 new franchised AAMCO Center locations that opened between 2013 and 2018 and operated for at least 26 weekly periods (the "Ramp-Up Centers"). [To arrive at the sample of 57 Ramp-Up Centers, 7 franchised locations that opened from July 2018 through December 2018 were excluded that had not provided operating data.] As reflected in Chart 19.10 below, the snapshot of Ramp-Up Center revenues over the centers' first half-year (26 weeks) of operations shows that, on average, a newly-opened AAMCO Center franchise within the 6-year period 2013 to 2018 achieved a break-even estimated revenue level of \$7,248 (see Table 19.9 above) in about week 13 of a center's initial operations:

Chart 19.10: New Center Openings 2013 to 2018 – Weekly Sales vs. Estimated Breakeven



Additional Notes to all information in Item 19:

1. We calculated all figures above using information found in actual annual, or weekly, center reports from the franchised AAMCO Centers described. None of the figures have been audited, and we have not sought to independently verify their accuracy. No certified public accountant has audited these figures or expressed his or her opinion concerning their contents or form. You should conduct an independent investigation of the costs and expenses you will incur in operating a franchised AAMCO Center.
2. Some AAMCO Centers have sold or earned this amount. Your individual results may differ. There is no assurance that you will sell or earn as much.
3. Your results will depend on many factors, some of which include competition, overall economic conditions, and your experience, marketing abilities, and skill in managing a business.
4. We will provide written substantiation of the data we used to prepare this financial performance representation at our office or another location we designate upon your reasonable request.

Other than the preceding financial performance representations, AAMCO does not make any financial performance representations. We also do not authorize our employees or representatives to make any other representations either orally or in writing. If you are purchasing an existing AAMCO Center, however, we may provide you with the actual records of that business. If you receive any other financial performance information or projections of your future income other than as we provide above, you should report it to the franchisor's management by contacting Brian O'Donnell at 201 Gibraltar Road, Horsham, Pennsylvania 19044 (or 610-668-2900, ext. 331), the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20.
OUTLETS AND FRANCHISEE INFORMATION

All numbers in the following tables reflect operating AAMCO Centers in the United States and Canada as of our last 3 fiscal years ending December 31, 2019, December 31, 2018, and December 31, 2017. Exhibit F contains a list of all AAMCO Center franchisees (whether operating or not yet open) as of the end of our prior fiscal year.

Table No. 1
Systemwide Outlet Summary
For years 2017 to 2019

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	2017	627	618	-9
	2018	618	593	-25
	2019	593	559	-34
Company-Owned	2017	0	0	0
	2018	0	12	+12
	2019	12	13	+1
Total Outlets (United States)	2017	627	618	-9
	2018	618	605	-13
	2019	605	572	-33
Canada (Franchised Only)	2017	9	7	-2
	2018	7	7	0
	2019	7	7	0
Total Outlets (United States & Canada)	2017	636	625	-11
	2018	625	612	-13
	2019	612	579	-33

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2017 to 2019

Column 1	Column 2	Column 3
State	Year	Number of Transfers
Arizona	2017	2
	2018	1
	2019	2
Arkansas	2017	0
	2018	1
	2019	0
California	2017	7
	2018	6
	2019	8
Colorado	2017	1
	2018	0
	2019	0
Connecticut	2017	1
	2018	0
	2019	0
Florida	2017	4
	2018	4
	2019	10
Georgia	2017	5
	2018	2
	2019	2
Idaho	2017	1
	2018	0
	2019	0
Illinois	2017	1
	2018	0
	2019	0
Indiana	2017	0
	2018	0
	2019	2
Kansas	2017	1
	2018	1
	2019	0
Kentucky	2017	1
	2018	2
	2019	0

Column 1	Column 2	Column 3
State	Year	Number of Transfers
Massachusetts	2017	3
	2018	0
	2019	0
Minnesota	2017	0
	2018	1
	2019	0
Missouri	2017	0
	2018	2
	2019	0
New Hampshire	2017	2
	2018	0
	2019	0
New Jersey	2017	3
	2018	2
	2019	2
New York	2017	1
	2018	3
	2019	2
North Carolina	2017	1
	2018	0
	2019	2
Ohio	2017	1
	2018	2
	2019	1
Oklahoma	2017	0
	2018	1
	2019	0
Oregon	2017	2
	2018	0
	2019	0
Pennsylvania	2017	1
	2018	1
	2019	2
South Carolina	2017	0
	2018	1
	2019	2
Tennessee	2017	0
	2018	1
	2019	0
Texas	2017	4
	2018	0
	2019	2

Column 1	Column 2	Column 3
State	Year	Number of Transfers
Utah	2017	1
	2018	1
	2019	0
Vermont	2017	0
	2018	1
	2019	0
Virginia	2017	3
	2018	3
	2019	1
Washington	2017	1
	2018	5
	2019	0
Total	2017	47
	2018	41
	2019	38

Table No. 3
Status of Franchised Outlets
For years 2017 to 2019

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	2017	10	1	0	0	0	1	10
	2018	10	0	0	0	0	0	10
	2019	10	0	0	0	0	1	9
Arizona	2017	22	1	0	0	0	1	22
	2018	22	1	0	0	0	0	23
	2019	23	0	0	0	0	2	21
Arkansas	2017	4	1	0	0	0	0	5
	2018	5	0	0	0	0	2	3
	2019	3	0	0	0	0	0	3
California	2017	82	3	1	0	0	3	81
	2018	81	0	0	0	0	1	80
	2019	80	3	1	0	0	7	75
Colorado	2017	13	1	0	0	0	0	14
	2018	14	0	0	0	0	0	14
	2019	14	0	0	0	0	0	14

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termi- nations	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations- Other Reasons	Col. 9 Outlets at End of the Year
Connecticut	2017	5	0	0	0	0	0	5
	2018	5	0	0	0	1	3	1
	2019	1	0	0	0	0	0	1
Delaware	2017	4	0	0	0	0	0	4
	2018	4	0	0	0	0	0	4
	2019	4	0	0	0	0	0	4
District of Columbia	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Florida	2017	55	2	0	0	0	2	55
	2018	55	2	0	1	0	0	56
	2019	56	3	0	0	0	2	57
Georgia	2017	27	0	0	0	0	1	26
	2018	26	0	0	0	0	1	25
	2019	25	1	0	0	0	3	23
Hawaii	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Idaho	2017	5	0	0	0	0	0	5
	2018	5	0	0	0	0	0	5
	2019	5	0	0	0	0	0	5
Illinois	2017	16	0	0	0	0	1	15
	2018	15	0	0	0	2	0	13
	2019	13	0	0	0	0	1	12
Indiana	2017	5	0	0	0	0	0	5
	2018	5	0	0	0	1	0	4
	2019	4	1	0	0	0	0	5
Iowa	2017	7	0	0	0	0	1	6
	2018	6	0	0	0	0	0	6
	2019	6	0	0	1	0	0	5
Kansas	2017	6	0	0	0	0	0	6
	2018	6	1	0	0	0	0	7
	2019	7	0	0	0	0	0	7
Kentucky	2017	9	0	0	0	0	0	9
	2018	9	0	0	0	0	0	9
	2019	9	0	0	0	0	0	9

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termi- nations	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations- Other Reasons	Col. 9 Outlets at End of the Year
Louisiana	2017	7	0	0	0	0	0	7
	2018	7	1	0	0	0	0	8
	2019	8	0	0	0	0	3	5
Maine	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Maryland	2017	16	0	0	0	0	0	16
	2018	16	0	0	0	0	1	15
	2019	15	1	0	0	0	1	15
Massachusetts	2017	7	0	0	0	0	0	7
	2018	7	1	0	0	0	2	6
	2019	6	0	0	0	0	1	5
Michigan	2017	7	0	0	0	0	2	5
	2018	5	0	0	0	0	0	5
	2019	5	0	0	0	0	1	4
Minnesota	2017	7	0	0	0	0	0	7
	2018	7	0	0	0	0	1	6
	2019	6	0	0	0	0	0	6
Mississippi	2017	5	0	0	0	0	0	5
	2018	5	0	0	0	0	0	5
	2019	5	0	0	0	0	1	4
Missouri	2017	15	0	0	0	0	0	15
	2018	15	0	0	0	3	1	11
	2019	11	0	1	0	0	2	8
Montana	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Nebraska	2017	5	0	0	0	0	0	5
	2018	5	0	0	0	0	0	5
	2019	5	0	0	0	0	0	5
Nevada	2017	7	0	0	0	0	0	7
	2018	7	0	0	0	0	0	7
	2019	7	0	0	0	0	1	6
New Hampshire	2017	4	0	0	0	0	0	4
	2018	4	0	0	0	0	0	4
	2019	4	0	0	0	0	0	4

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termi- nations	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations- Other Reasons	Col. 9 Outlets at End of the Year
New Jersey	2017	27	0	0	0	0	3	24
	2018	24	2	0	0	0	1	25
	2019	25	1	0	0	0	2	24
New Mexico	2017	3	0	0	0	0	0	3
	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	1	2
New York	2017	25	2	0	0	0	1	26
	2018	26	1	0	0	0	2	25
	2019	25	0	0	0	0	1	24
North Carolina	2017	18	0	0	0	0	0	18
	2018	18	0	0	0	0	0	18
	2019	18	0	0	0	0	3	15
Ohio	2017	24	1	0	0	0	2	23
	2018	23	0	0	1	0	1	21
	2019	21	0	0	0	0	2	19
Oklahoma	2017	10	0	0	0	0	0	10
	2018	10	0	0	0	0	0	10
	2019	10	0	0	0	0	0	10
Oregon	2017	15	2	0	0	0	1	16
	2018	16	1	0	0	0	3	14
	2019	14	0	0	0	0	0	14
Pennsylvania	2017	31	1	0	0	0	2	30
	2018	30	1	0	0	0	1	30
	2019	30	0	0	0	0	4	26
Rhode Island	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
South Carolina	2017	7	1	0	0	0	0	8
	2018	8	0	0	0	0	1	7
	2019	7	0	0	0	0	0	7
South Dakota	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Tennessee	2017	10	0	0	0	0	1	9
	2018	9	0	0	0	0	0	9
	2019	9	0	0	0	0	0	9

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termi- nations	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations- Other Reasons	Col. 9 Outlets at End of the Year
Texas	2017	44	2	0	0	0	2	44
	2018	44	1	0	0	0	4	41
	2019	41	2	0	0	0	1	42
Utah	2017	9	1	0	0	0	0	10
	2018	10	0	0	0	0	0	10
	2019	10	0	0	0	0	0	10
Vermont	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Virginia	2017	31	1	0	0	0	3	29
	2018	29	0	0	0	0	3	26
	2019	26	0	0	0	0	3	23
Washington	2017	13	0	0	0	0	1	12
	2018	12	0	0	0	0	0	12
	2019	12	0	0	0	0	0	12
West Virginia	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
Wisconsin	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Wyoming	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Total (United States)	2017	627	20	1	0	0	28	618
	2018	618	12	0	2	7	28	593
	2019	593	12	2	1	0	43	559
Total (Canada)	2017	9	0	0	1	0	1	7
	2018	7	1	0	0	0	1	7
	2019	7	0	0	0	0	0	7
Total (U.S. & Canada)	2017	636	20	1	1	0	29	625
	2018	625	13	0	2	7	29	600
	2019	600	12	2	1	0	43	566

Table No. 4
Status of Company-Owned Outlets
For years 2017 to 2019

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Connecticut	2017	0	0	0	0	0	0
	2018	0	2	1	0	0	3
	2019	3	0	0	0	0	3
Illinois	2017	0	0	0	0	0	0
	2018	0	3	2	0	0	5
	2019	5	1	0	0	0	6
Indiana	2017	0	0	0	0	0	0
	2018	0	0	1	0	0	1
	2019	1	0	0	0	0	1
Missouri	2017	0	0	0	0	0	0
	2018	0	0	3	0	0	3
	2019	3	0	0	0	0	3
Total	2017	0	0	0	0	0	0
	2018	0	5	7	0	0	12
	2019	12	1	0	0	0	13

Table No. 5
Projected Openings as of December 31, 2019

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year*	Projected New Company- Owned Outlets In the Next Fiscal Year
Arizona	2	3	0
California	1	1	0
Colorado	0	2	0
Florida	0	4	0
Georgia	0	2	0
Illinois	0	1	0
Kentucky	0	1	0
Mississippi	0	1	0
New Jersey	0	5	0
New York	1	3	0

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year*	Projected New Company-Owned Outlets In the Next Fiscal Year
North Carolina	0	1	0
Pennsylvania	1	2	0
Rhode Island	0	1	0
Texas	0	9	0
Total	5	36	0

* Projected new outlets are additional to franchise agreements signed but outlets not yet opened at end of fiscal year

As of the issuance date of this FDD, 84 former franchisees had their franchise rights terminated, canceled, transferred, or not renewed, or else voluntarily or involuntarily ceased to do business under our Franchise Agreement, during our last fiscal year ended December 31, 2019, or otherwise have not communicated with us within 10 weeks of this FDD's issuance date. We list contact information for these former franchisees who departed the network in Exhibit G. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system

In some instances, current or former franchisees sign provisions restricting their ability to speak openly about their experiences with us or the AAMCO network. You may wish to speak with current and former franchisees, but be aware that not all such franchisees may be able to communicate with you.

The National AAMCO Dealers Association ("NADA") is an independent, trademark-specific franchisee organization that has asked to be included in our disclosures, whether this year in this FDD or in a prior year as part of a past AAMCO disclosure document. You may contact NADA at: Michael Ganjei, President, NADA, 7316 Wisconsin Avenue, Suite 420, Bethesda, Maryland 20814; phone (800) 446-6231; email mganjei@aamcodealers.com; and online at www.aamcodealers.com. We recognize NADA as an independent association of franchisees, which we did not create, sponsor or endorse, that is managed and funded solely by those AAMCO franchisees that individually choose to maintain membership in NADA. Besides NADA, no other trademark-specific franchisee organizations associated with the AAMCO network has requested inclusion in our FDD.

ITEM 21. FINANCIAL STATEMENTS

Attached as Exhibit H to this FDD are the audited consolidated financial statements for AAMCO and its subsidiaries for the fiscal years ending December 31, 2019, December 31, 2018, and December 31, 2017.

ITEM 22. CONTRACTS

The following contracts that are Exhibits are attached to this disclosure document in the following order:

DESCRIPTION	EXHIBIT
Franchise Documents (mandatory)	
Franchise Agreement	A-1
Franchise Agreement – EDAC (for franchisees in network prior to 10/01/06)	A-2
Deposit Agreement	A-3

DESCRIPTION	EXHIBIT
Lease Rider	A-4
Advertising Commitment Letter	A-5
Advertising Pool Installment Note	A-6
Sample Advertising Pool Agreement	A-7
Electronic Funds Transfer (EFT)	A-8
Personal Guaranty	A-9
Additional Franchise Documents (situational)	
General Release	A-10
DAC Phone Redirect Agreement	A-11
POS System License current Terms and Conditions	A-12
State Amendments to Franchise Agreement	C
Franchisee Purchase Confirmation	J

ITEM 23. RECEIPTS

Our and your copies of the FDD Receipt (last Exhibit to this FDD) are the ending pages located at the back of this document. You must sign one copy of the Receipt and return it to us to acknowledge that you received this of this FDD, and you should keep the other copy for your records.



FRANCHISE AGREEMENT

AAMCO TRANSMISSIONS, LLC
A Pennsylvania Limited Liability Company
201 Gibraltar Road
Horsham, Pennsylvania 19044

Exhibit A-1
Franchise Agreement

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Appendix 9.2	Required Products –that Must be Purchased From AAMCO, and that May be Purchased From AAMCO
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FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("AGREEMENT") IS ENTERED INTO BY AND BETWEEN: (1) AAMCO TRANSMISSIONS, LLC, A PENNSYLVANIA LIMITED LIABILITY COMPANY LOCATED AT 201 GIBRALTAR ROAD, HORSHAM, PENNSYLVANIA 19044 ("AAMCO"); AND (2) THE PERSON OR PERSONS OR LEGAL ENTITY LISTED BELOW AS "FRANCHISEE." THIS AGREEMENT BECOMES EFFECTIVE ON THE DATE COUNTER-SIGNED BELOW BY AAMCO (THE "EFFECTIVE DATE").

FRANCHISEE: FULL LEGAL NAME (See Attached Ownership Information Form)

LOCATION OF FRANCHISEE'S AAMCO® CENTER (the "Approved Center Location"):

Street Address: _____

City/State/Zip Code: _____

AAMCO Center Number: _____

As a result of extensive experience in the transmission and general automotive repair business, AAMCO has developed methods, procedures and techniques for the operation of AAMCO centers devoted to such repair business and AAMCO has built up substantial business and valuable goodwill by the establishment of such centers throughout the United States and Canada; and

AAMCO has developed, and continues to develop, a comprehensive system for conducting operations in the transmission and general automotive repair business which consists, in part, of the use of the AAMCO Marks (defined below), AAMCO's methods, procedures and techniques, and a network of centers devoted to the transmission and general automotive repair business (the "System"); and

AAMCO identifies the System by means of certain trade names (for example, the "AAMCO" mark and logo), service marks, trademarks, logos, emblems, and indicia of origin, as well as other trade names, service marks, and trademarks that AAMCO may periodically specify in writing for use in connection with the System (all of these are referred to as the "AAMCO Marks"); and

AAMCO has created a substantial demand for its products and services by maintaining high standards of quality in its operation and in the operation of its franchised centers and by extensive advertising; and

AAMCO makes its experience and proprietary know-how available to all its franchisees in order to assist them in opening and developing an AAMCO center. AAMCO makes this and other means at its disposal available to aid Franchisee in Franchisee's management and operation of Franchisee's AAMCO center.

In recognition of the value of participating in the System, Franchisee desires to acquire from AAMCO, and AAMCO is willing to grant to Franchisee, a franchise upon the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, THE MUTUAL COVENANTS CONTAINED IN THIS AGREEMENT AND FOR OTHER VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, AAMCO AND FRANCHISEE, INTENDING TO BE LEGALLY BOUND, AGREE AS FOLLOWS:

1. Grant of Franchise.

1.1 In consideration of the payment of the Initial License Fee identified in this Agreement, Franchisee shall have the right, subject to compliance with the terms and conditions of this Agreement, and accepts the obligation, to operate an AAMCO transmission and automotive repair center ("Center") at the address identified above in this Agreement (the "Approved Center Location"), under the AAMCO Marks and System.

1.2 Franchisee's Center must be located solely at the Approved Center Location, which is incorporated by reference into this Section 1.2. Franchisee agrees to operate the Center at no other address other than the Approved Center Location. Franchisee also agrees not to, under any circumstance, move or relocate the Center without the express prior written approval of AAMCO, which approval shall only be in the form of a fully executed amendment to this Agreement that changes the Center's address and replaces the Approved Center Location. AAMCO agrees not to unreasonably withhold such relocation approval, but may refuse to grant such approval for so long as Franchisee remains in default of any provision of this Agreement. Nothing in this Agreement shall grant Franchisee any options, rights of first refusal or similar rights to acquire additional franchises from AAMCO.

(a) AAMCO expressly reserves the right to grant additional franchises or establish other Centers in the same Statistical Area (as that term is defined on the signature page of this Agreement). The number of Centers will be based upon then current motor vehicle registrations and the marketing program of AAMCO, and shall be limited to a maximum of one Center for each 100,000 motor vehicle registrations. Notwithstanding this motor vehicle registration limit, Franchisee agrees that Franchisee does not have and is not being granted a protected trading area; specifically, without limitation, in regard to the placement of other Centers.

(b) AAMCO or its affiliates may acquire or develop businesses or franchise systems that are in competition with the Center, including locations near the Center. Franchisee agrees that AAMCO is under no obligation to compensate Franchisee for services performed by such businesses or franchise systems that are in proximity to the Center.

2. Initial License Fee.

(a) Franchisee agrees to pay to AAMCO, prior to or upon the execution of this Agreement, an "Initial License Fee." If Franchisee (as an individual, or any of the equity owners of the Entity (defined below)) does not currently own a fifty percent (50%) or greater ownership in another Center franchise, then the amount of the Initial License Fee is \$39,500. If Franchisee (as an individual, or any of the equity owners of the Entity) currently owns a fifty

percent (50%) or greater ownership in another AAMCO franchise, then the amount of the Initial License Fee is \$17,500. If Franchisee is signing this Agreement: (i) pursuant to the purchase of an existing Center directly from an AAMCO franchisee; or (ii) as a renewal of the Center's franchise rights pursuant to Section 3 below, there is no Initial License Fee payable to AAMCO.

(b) Franchisee acknowledges that AAMCO shall incur expenses upon execution of this Agreement. In the event of any termination, cancellation or rescission of this Agreement for any reason whatsoever, AAMCO will suffer damages not able to be determined; therefore, AAMCO, in addition to any other rights or remedies it may have, shall be entitled to retain any payments towards the Initial License Fee as liquidated damages.

3. Term and Renewal.

This Agreement begins on the date set forth above and continues for a term of fifteen (15) years. Unless either party gives written notice of its intention not to renew at least one (1) year prior to the expiration of the fifteen-year term, this Agreement will automatically renew at the end of the current term for one (1) additional fifteen year term. If this Agreement renews AAMCO may, in its sole discretion, elect to issue Franchisee a new franchise agreement for the renewal term. If AAMCO elects to issue Franchisee a new franchise agreement, Franchisee must execute such franchise agreement and be bound by the terms therein. If AAMCO elects not to issue Franchisee a new franchise agreement, then this Agreement will continue in full force and effect through the entire renewal term. Nothing in this Section 3 eliminates or restricts AAMCO's express right to increase the Franchise Fee upon renewal in accordance with its then current policy, regardless of the franchise agreement in effect. Any non-renewal by AAMCO must be based on good cause. Notwithstanding anything in this Section 3 to the contrary, any non-renewal of this Agreement by Franchisee triggers Franchisee's requirement to comply with the provisions of this Agreement regarding termination and non-competition, which includes without limitation Sections 19 and 20 herein.

4. Approved Center Location and Lease.

(a) In the event Franchisee fails to open the Center for business at the Approved Center Location within one year from the date of execution of this Agreement, AAMCO may, absent any extension of time agreed to in writing by AAMCO, immediately and without prior notice, cancel and terminate this Agreement.

(b) Franchisee agrees not to execute any documents of purchase or lease for the Center's location without the prior written approval of AAMCO as to location and terms of sale or lease, whichever is applicable. Franchisee further agrees that AAMCO's approval of the Approved Center Location is conditioned upon Franchisee making all necessary interior and/or exterior renovations to the Center location in order to comply with AAMCO's then-current appearance standards.

(c) If Franchisee purchases the Center location at any time during the term of this Agreement, or is the owner of the Center location prior to the execution of this Agreement, Franchisee hereby grants to AAMCO the option to lease the location on substantially the same terms and conditions contained in any lease under which Franchisee occupied the location as lessee, or if no such lease existed, then on terms and conditions that are commercially reasonable. This option granted may be exercised by AAMCO for a period of thirty (30) days following the termination, rejection, or rescission of this Agreement for any

reason whatsoever. If requested, Franchisee agrees to sign a lease or similar document providing AAMCO or its designee the rights of occupancy granted herein.

(d) If Franchisee purchases the Approved Center Location at any time during the term of this Agreement, or is the owner of the Approved Center Location prior to the execution of this Agreement, Franchisee hereby grants to AAMCO, upon expiration or non-renewal, a right of first refusal to purchase or lease the Approved Center Location on terms and conditions that are commercially reasonable or on substantially the same financial terms and conditions of any binding third-party offer. This right of first refusal may be exercised by AAMCO for a period of thirty (30) days following such expiration or non-renewal; provided, however, this right of first refusal shall not apply if Franchisee himself is using the location so long as such use is in compliance with Section 20(b) of this Agreement.

(e) If Franchisee is leasing the Center location, then Franchisee shall execute the lease and agrees to deliver a copy of the fully executed lease to AAMCO. Franchisee agrees that the lease shall contain (i) a provision that the authorized use of the premises shall be as an AAMCO Transmissions center only, which includes transmission and general automotive repairs; and (ii) a conditional assignment clause which shall provide that, upon the termination or expiration of this Agreement for any reason whatsoever, AAMCO or its designee shall have the option for thirty (30) days to assume the obligations of and to replace Franchisee as the lessee under the lease and at any time thereafter reassign the lease to a new franchisee. Franchisee agrees not to terminate, renew or in any way alter or amend the Center's lease during the Term or any renewal term of this franchise without AAMCO's prior written consent, and any attempted termination, renewal, alteration or amendment shall be null and void and have no effect as to AAMCO or AAMCO's interests.

(f) Except as otherwise provided in this Agreement, Franchisee agrees not to assign its Center lease or sublet the Center, or any portion of the premises containing the Center.

(g) If Franchisee chooses to design and construct his Center, Franchisee agrees to engage AAMCO's designated design and construction professional or, alternatively, to procure design and construction services from another source approved by AAMCO in writing.

(h) Franchisee agrees not to make any material change to the Center premises or adjacent areas without the prior written consent of AAMCO.

(i) Franchisee agrees to use the Center's premises solely and exclusively for the operation of an AAMCO franchised business.

5. Training, Staffing, Security Deposit and Commencement of Business.

5.1 Training

(a) Prior to opening the Center for business, Franchisee must attend and successfully complete to AAMCO's satisfaction, AAMCO's operator's training school, which includes instruction, training, and education in the operation of the Center. All expenses of travel, lodging, meals, and any other expenses relating to attendance at such school shall be borne and paid solely by Franchisee. If Franchisee fails to complete training to AAMCO's satisfaction, AAMCO, in its sole discretion, may terminate this Agreement immediately, and this

Agreement shall be of no further force and effect and neither AAMCO nor Franchisee shall have any further liability or obligation to the other; provided, however, that the provisions of section 20 (titled "Covenant Not-to-Compete") shall survive any such termination. If at any time during the term of this Agreement, AAMCO determines, in its sole discretion, that Franchisee's involvement in the day-to-day operations of the Center falls below the commitment required by this Agreement, then AAMCO may require additional parties to attend and satisfactorily complete AAMCO's operator's training school to ensure that a properly-trained individual is running the day-to-day operations of the Center.

(b) Provided Franchisee (i) is not the franchise owner of a currently operational AAMCO center or (ii) is not signing this Agreement pursuant to the purchase of an existing AAMCO center directly from an AAMCO franchisee, then Franchisee agrees to pay AAMCO a training fee of \$10,000 for the "Business Coach" on-site training program in which AAMCO or its designee will provide five (5) weeks of on-site training for Franchisee and Franchisee's staff within the initial thirteen (13) weeks of the Center becoming operational. The Business Coach training fee is due at the start of AAMCO's operator's training school. The training will be held at Franchisee's Center and be substantially conducted during the Center's hours of operation.

(c) Franchisee agrees to attend such additional training or meetings at such locations as AAMCO may, from time to time, direct. All expenses incurred in connection with such attendance at training sessions or meetings shall be borne solely by Franchisee.

5.2 Staffing.

(a) Franchisee agrees to maintain at all times during the term of this Agreement a staff of trained employees sufficient to operate the Center in accordance with this Agreement. Franchisee agrees that all personnel whom Franchisee employs shall conform to the experience or skill standards which AAMCO may prescribe. Franchisee agrees to direct any of its employees to attend such meetings and training sessions as AAMCO may require, including directing the Center's technicians to obtain technical certification, as AAMCO may require, pursuant to AAMCO's technical certification program or a comparable technical certification program approved by AAMCO. All expenses of travel, lodging, meals and any other expenses shall be borne and paid by Franchisee or the Center's employees.

(b) Franchisee agrees not to employ any person who may be required by AAMCO to complete a training program or otherwise meet training requirements, but who fails to do so for any reason whatsoever.

(c) Franchisee acknowledges and agrees that the training of the Center's technical employees is essential to the successful operation of the Center. Therefore, Franchisee agrees to purchase, participate in, and utilize all existing technical software, equipment, materials, services, and programs (i) that are in use as of the date of this Agreement and (ii) that AAMCO may from time to time develop in the future. Franchisee must also purchase, participate in, and utilize all technical software, equipment, materials, services, and programs developed in addition to, to enhance, or to replace existing technical software, equipment, materials, services, or programs that AAMCO may, in its sole discretion, develop from time to time. AAMCO's technical programs and products as of the date of this Agreement include without limitation, the AAMCO Tech Video/DVD Library Program, DirecTech PRO®, and ALLDATA. AAMCO may, without notice, deliver all technical software, equipment, materials,

services, and programs, or upgrades thereto, to Franchisee and charge the expense of these items to Franchisee's AAMCO account. Franchisee must abide by the terms and conditions, if any, that are published by AAMCO for all technical software, equipment, materials, services, and programs. AAMCO may, at AAMCO's sole discretion, enroll Franchisee in, or subscribe Franchisee to, AAMCO's then current third-party provider of automotive service/repair data, and Franchisee must sign any documents and pay all fees required by such third-party provider.

(d) Franchisee agrees that, regarding the hiring of employees for the Center, nothing shall prevent Franchisee from advertising generally for employees to fill vacant positions.

(e) Franchisee agrees to hire only those employees who, upon appropriate screening, demonstrate themselves to be honest and dependable. Franchisee further agrees not to knowingly hire or employ at any point during the term, without AAMCO's prior written consent, any former AAMCO franchisee who has been terminated by AAMCO for cause at any time before or after the Effective Date.

5.3 Security Deposit.

(a) Franchisee agrees to, on the first day of operator's training school, pay a "Security Deposit" to AAMCO in the amount of \$5,000 as security for compliance with all the provisions of this Agreement. This Security Deposit shall be retained by AAMCO and AAMCO shall have the right to reimburse itself or others, including customers of Franchisee's Center, from this Security Deposit for any costs or expenses that may be sustained by AAMCO or others, as a result of failure by Franchisee to comply with any provision of this Agreement. AAMCO has sole and absolute discretion in determining the amount of reimbursement from this Security Deposit, and agrees to act reasonably in making such determinations.

(b) Franchisee acknowledges that the creation and use of this Security Deposit is a condition of the franchise, is intended to maintain a high level of customer satisfaction, and to minimize or resolve customer complaints. It is agreed that AAMCO may use the Security Deposit funds to cure any default by Franchisee under this Agreement and to defray expenses, damages or attorneys' fees of AAMCO or others, reasonably necessary to cure any such default, including refunds to customers of Franchisee as AAMCO may determine. AAMCO may send written notice to Franchisee of defaults calling for action under these provisions; however, Franchisee hereby authorizes AAMCO to apply the Security Deposit or any portion of it for the purposes specified in this provision without prior, actual notice to Franchisee that the money has been applied.

(c) Franchisee agrees that should the amount of the Security Deposit with AAMCO become less than \$5,000 because of any reason whatsoever, then Franchisee, upon notice from AAMCO, shall immediately pay whatever amount is needed so that the amount of the Security Deposit is fully replenished and equals \$5,000.

(d) The Security Deposit shall be reimbursed to Franchisee upon request after ninety (90) days from the date of termination of this Agreement if the Center is sold by Franchisee in accordance with section 18.2 of this Agreement and the new franchisee assumes Franchisee's warranty obligations and pays a new Security Deposit with AAMCO. In all other situations when this Agreement terminates, expires or is rescinded, AAMCO may use the Security Deposit to cover the costs of warranty work arising from warranties issued by the

Center prior to the termination, expiration or rescission of this Agreement; and AAMCO may retain the deposit for a period of three (3) years from the date of termination, at which time any remaining balance will be returned to Franchisee upon request provided Franchisee has complied in full with sections 19 and 20 of this Agreement. All warranty repairs charged under this subsection shall be performed at and in accordance with AAMCO's then current Intershop Warranty rate and policies and procedures.

6. Services Rendered by AAMCO. AAMCO agrees to:

(a) assist Franchisee with the layout of the Center and the Center equipment;

(b) assist Franchisee in finding and evaluating Center personnel;

(c) loan to Franchisee or otherwise allow Franchisee to access, for the term of this Agreement, the Operator's Manual described in Section 7, parts catalogues, and instructional and training materials for the purpose of providing guidance in AAMCO's proprietary methods, procedures, and techniques of operating a Center;

(d) furnish, from time to time, such business information, literature and materials as AAMCO determines may be helpful in improving the operations of the Center;

(e) advise and consult with Franchisee during usual business hours on matters relating to the operation of the Center;

(f) advise Franchisee of any new developments or improvements in the System;

(g) assist Franchisee by providing up-to-date technical support to Franchisee and Franchisee's authorized employees.

(h) provide initial training and on-site training at the Center as specified herein, and other additional training programs, sessions, and meetings as AAMCO may determine;

(i) assist in the design of advertising promoting the business of AAMCO franchisees and the services they sell; and make available to Franchisee its experience, know-how, guidance, and counseling with respect to national, regional, and/or local advertising, and combinations thereof, including the selection of particular media and advertising content, as well as the choice of agencies for the purchase and use of these advertising techniques;

(j) continue to protect the goodwill and reputation associated with the AAMCO name and marks and other distinguishing aspects of the System; and

(k) conduct a marketing study, and to receive and consider input and comments from Franchisee, before granting any additional franchise in the Statistical Area where Franchisee's Center is located.

7. Operator's Manual

7.1 Operator's Manual.

(a) AAMCO shall loan to Franchisee or otherwise allow Franchisee to access, for the term of this Agreement, a manual produced and published by AAMCO (the "Operator's Manual") which: (i) is incorporated by reference into this Agreement; and (ii) includes, in part, the business procedures, technical advice, policies and procedures, and rules and regulations for the operation of the Center. AAMCO may provide the Operator's Manual in any format it deems appropriate (including, without limitation, by paper, electronically, or via an internet website or secured portal).

(b) Franchisee agrees that Franchisee will comply with all of the policies and procedures which AAMCO establishes from time to time including those set forth in AAMCO's Operator's Manual, training manuals as modified and/or updated by AAMCO from time-to-time as determined by AAMCO in its sole discretion.

7.2 Franchisee acknowledges and agrees that:

(a) the Operator's Manual is the property of AAMCO and shall remain its property during the term of this Agreement and during a renewal term of the Center's franchise rights;

(b) the Operator's Manual contains confidential information which Franchisee will protect as a trade secret, and that its loss will cause substantial damage to AAMCO and the System although the amount of such loss would be incalculable with any degree of accuracy. Consequently, in the event of loss of this Operator's Manual, Franchisee agrees to pay to AAMCO such sum as may be agreed upon for its replacement, as liquidated damages and not as a penalty;

(c) Franchisee will not reprint or reproduce any portion of the Operator's Manual for any reason whatsoever; and

(d) upon expiration or termination of this Agreement for any reason, the Operator's Manual will be immediately returned to AAMCO.

8. Certain Obligations of Franchisee. In order to maintain the high quality and uniform standards associated with the System and to protect its good will and reputation, Franchisee agrees to:

(a) deal fairly and honestly with AAMCO and with each customer, and that Franchisee will render prompt, workmanlike, courteous, and willing service in the Center;

(b) operate the Center in such a manner so as to avoid customer complaints, since any customer complaints cause harm to the growth of AAMCO's national identity, reputation in the marketplace and association of its name with quality repairs. Franchisee agrees that any customer complaints generated by the Center, including but not limited to those in which customers allege abuse, fraud, or deceptive or unfair trade practices, cause such harm individually and in the aggregate. Franchisee agrees to handle all customer complaints and adjustments in a uniform manner consistent with the protocols and requirements

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specified by the Operator's Manual whether they arise from the Center or from any other AAMCO center;

(c) honor, comply with the terms of, and pay for all advertising placed by or at the direction of AAMCO or Franchisee, which includes paying all Yellow Page (or similar telephone directory) advertising fees for any advertisement already published that contains a telephone number that is directed to ring into the Center ("Pre-published Ad") provided that Franchisee shall only be responsible to pay a prorated portion of the costs of such Pre-published Ad based on the time Franchisee operates the Center while the telephone number in such Pre-published Ad is directed to the Center;

(d) operate the Center as Franchisee's primary occupation by maintaining a regular and reasonably consistent schedule of managing the day-to-day operations and development of the business of the Center;

(e) operate the Center exclusively as an AAMCO transmission business that offers transmission and general automotive repair, as well as additional products and services as AAMCO may from time to time prescribe, and not engage in any other business at the Center, except as otherwise approved in writing by AAMCO;

(f) keep the Center open for business the minimum number of days per week and hours per day as may be prescribed by AAMCO in the Operator's Manual from time to time;

(g) design, keep, and maintain the Center and its interior and exterior appearance in an attractive, clean, safe, and orderly manner consistent with the operation of a first class automotive business and any directives of AAMCO deemed by it to be necessary to protect the standards of quality and uniformity of all AAMCO centers and the System, including (i) interior and exterior painting and décor, (ii) shop and sales office layout and character of interior furnishings, and (iii) use and display of such signs, emblems, logos, lettering, and pictorial materials as required or approved by AAMCO;

(h) operate the Center in accordance with the methods, policies and procedures, and techniques included in the Operator's Manual and other training manuals and materials, as modified and/or updated from time to time as determined by AAMCO in its sole discretion, or otherwise approved by AAMCO;

(i) refrain from any business practice or conduct that will detract from or bring into disrepute the AAMCO name and marks;

(j) comply at all times with all federal, state, provincial, county, city, municipal, and other local laws, regulations, and ordinances applicable to Franchisee's business;

(k) maintain at all times (except when fire or other casualty so prevents) sufficient supplies and personnel to operate the Center at maximum capacity and efficiency, including a full time Customer Service Manager (other than Franchisee) who is primarily responsible for customer contact within the Center, and who has successfully completed AAMCO's CSM training program, or other such personnel as AAMCO may prescribe from time to time;

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(l) operate the Center under the name AAMCO and under no other name unless directed in writing by AAMCO, and use and display the AAMCO name and marks prominently in such manner as may from time to time be directed in writing by AAMCO and not use or prominently display any other trade name, trademark, service mark or other designation during the term of this Agreement, and refrain from publishing or otherwise advertising the Center address or phone number(s) that ring(s) into the Center under any other name or mark;

(m) permit AAMCO, during business hours, to inspect the premises of the Center, confer with Franchisee and Franchisee's employees and customers, check equipment and inventories, methods, books and records, and perform any other inspection deemed by AAMCO to be necessary to determine the nature, quality, and uniformity of services rendered at the Center in order to protect the System and to determine Franchisee's performance under this Agreement. Franchisee specifically agrees that neither Franchisee's physical presence in the Center nor specific consent to any such inspection shall be necessary, and that failure by Franchisee to fully cooperate with any such inspection makes this Agreement terminable at AAMCO's sole discretion;

(n) submit to AAMCO uniform business and financial reports and financial statements per Section 10 herein and in accordance with any procedures set forth in writing by AAMCO, and, at AAMCO's request, deliver a copy of Franchisee's federal income tax return relating to the operations of the Center;

(o) maintain a system of bookkeeping and recordkeeping as requested by AAMCO, keep the Center's books and records at the Center at all times and make them available during business hours to authorized representatives of AAMCO for the purpose of verifying the accuracy of Franchisee's business and financial reports. Franchisee agrees that failure by Franchisee to fully cooperate with AAMCO's request for bookkeeping/recordkeeping documentation makes this Agreement terminable at AAMCO's sole discretion. If such verification reveals that the Gross Receipts reported by Franchisee to AAMCO are more than two percent (2%) less than Franchisee's actual Gross Receipts, Franchisee agrees to reimburse AAMCO for all expenses connected with such verification, including, but not limited to, reasonable administrative, accounting and legal fees, and without limitation to any other rights and remedies AAMCO in its sole discretion, may elect to pursue. Franchisee shall pay to AAMCO immediately any deficient and delinquent Franchise Fees, together with interest at the rate of eighteen percent (18%) per annum calculated from the date when the Franchise Fees should have been paid to the date of actual payment. Franchisee further acknowledges and agrees that the actual damages sustained by AAMCO in the event of underreporting of Gross Receipts are difficult to ascertain and that in addition to the fees, interest, and expenses stated above, Franchisee shall also pay AAMCO liquidated damages in an amount equal to three times the Franchise Fees due plus interest as calculated above. These liquidated damages shall be in addition to any other remedies AAMCO may have;

(p) use only such forms or methods of recording data as AAMCO specifically prescribes or authorizes including, without limitation, AAMCO software or related computer or electronic programs, AAMCO diagnostic forms, AAMCO warranty cards, AAMCO reporting forms and consecutively numbered AAMCO repair orders for which AAMCO may make a reasonable charge; and maintain copies of such repair orders in sequential order so that an accurate accounting may be made of each repair order;

(q) offer to customers of the Center all services, products, and/or warranties which AAMCO may prescribe, which includes, without limitation, "Total Car Care" services. Franchisee acknowledges that AAMCO retains the exclusive right to make modifications from time to time to such services, products, and/or warranties;

(r) pay the Franchise Fee (as defined in Section 10 herein) and all other fees and/or charges arising under this Agreement and related agreements by electronic funds transfer as described in Section 10(e) below, sign all documents necessary to effect such electronic funds transfer, and at all times keep AAMCO updated with any change in bank information necessary to effectuate such electronic funds transfer and/or provide updated bank information as requested by AAMCO from time to time;

(s) periodically upgrade and/or remodel the Center as AAMCO may, from time to time, require to promote the standards of quality and uniformity of AAMCO centers and the System, including without limitation replacing and/or upgrading exterior and interior signs and décor, provided that no such upgrading or remodeling during the Term will require any increase in the square footage of the Center premises, and further provided that Franchisee shall not be required to spend more than \$15,000 on such image (i.e., non-equipment) upgrading or remodeling with any five (5) year period during the Term nor shall the aggregate cost of all image (i.e., non-equipment) upgrades or remodeling required by AAMCO during the entire Term of this Agreement exceed \$25,000;

(t) require your employees to comply with such dress code or standards as AAMCO may require, which may include use of branded (or other "uniform") apparel, and otherwise identify themselves with the AAMCO Marks at all times in the manner AAMCO specifies (whether in the Operator's Manual or otherwise in writing). AAMCO may also require that Franchisee and its employees comply with personal appearance standards (including but not limited to dress code, shoes, hair color, and sanitation and personal hygiene, etc.); and

(u) participate in and comply with all programs and initiatives as required by AAMCO.

9. Equipment, Inventory, Supplies and Signs.

9.1 Standards and Specifications. AAMCO may fix and determine all standards, specifications, and requirements for all equipment, supplies, parts, and assembly sets used by Franchisee in the Center. AAMCO has the absolute right to limit the suppliers with whom Franchisee may deal. AAMCO may restrict Franchisee's sources of products and services now and in the future in order to protect AAMCO's trade secrets, assure quality, assure a reliable supply of products that meet AAMCO's standards, achieve better purchase terms and delivery service, control usage of AAMCO's trademarks, and monitor the sale of products and services at AAMCO Centers. AAMCO may list all designated and approved suppliers (including AAMCO and its affiliates) in the confidential operations and policy manual(s) or otherwise communicate them to Franchisee in writing. AAMCO may periodically revise this list at its discretion. Franchisee may purchase equipment, supplies, parts, and assembly sets that are not required to be purchased from AAMCO per Section 9.2 below, from any approved supplier, so long as they conform to AAMCO's then established standards, specifications, and requirements. The approved suppliers may include AAMCO and its affiliates, and Franchisee agrees to use commercially reasonable efforts to utilize AAMCO's affiliates as the primary supplier of items where AAMCO's affiliates are competitive in terms of price and service compared with the same or similar items available from

other qualified suppliers. For some items, AAMCO and its affiliates may be the sole supplier so long as such items are competitive in terms of price and service compared with substantially the same items available from other qualified suppliers. AAMCO agrees to furnish current standards, specifications, and requirements to Franchisee or a vendor, upon reasonable request and without charge, in order to facilitate having the vendor approved as a source of such item(s). Franchisee must, at any time during the term of this Agreement, purchase equipment and/or supplies needed to comply with any change or update to the standards, specifications, or requirements that AAMCO, in its sole discretion, may make from time to time.

9.2 Original Equipment, Supplies and Inventory. Prior to the opening of the Center, Franchisee must purchase the equipment, supplies, and inventory ("Items") designated in Appendix 9.2 of this Agreement as "Required – must purchase from AAMCO" and "Required – may purchase from AAMCO." Franchisee may purchase Items designated as "Optional" in Appendix 9.2 at Franchisee's discretion. Except as prohibited by state law, Franchisee must purchase all Items in Appendix 9.2 designated as "Required – must purchase from AAMCO" exclusively from AAMCO. Franchisee must purchase all Items in Appendix 9.2 designated as "Required – may purchase from AAMCO" through either AAMCO or an approved vendor; provided, that if any Item is purchased through any source other than AAMCO, Franchisee must submit to AAMCO, upon request, specifications from the suppliers for any of these Items to verify that the Items comply with AAMCO's standards, specifications, and requirements. All Items purchased from or through AAMCO will be supplied to Franchisee at the price then in effect; provided, that if prior to delivery of such Items, the price to AAMCO increases, then AAMCO may proportionately increase the price to Franchisee. If any Item is not available at the time of request, then AAMCO may substitute merchandise of a similar quality, and adjust the price, after notice to Franchisee. Franchisee acknowledges and agrees that Appendix 9.2 in no way diminishes or limits Franchisee's responsibility to purchase additional Items as AAMCO may require, in its sole discretion, from time to time during the term of this Agreement.

9.3 Operating Inventory. Franchisee acknowledges that consumer acceptance, quality, and standardization of parts and assembly sets used by AAMCO Centers is integral to the System. Franchisee further acknowledges and agrees that the exclusive use of parts and assembly sets that comply with AAMCO's standards, specifications, and requirements is an essential condition of the performance of this Agreement. Accordingly, Franchisee must, at AAMCO's request, submit a certification or other forms of verification that Franchisee uses parts and assembly sets that comply with AAMCO's standards, specifications, and requirements.

9.4 Product Warranties. There are no warranties, express or implied, made by AAMCO under this Agreement for the products purchased by Franchisee, including without limitation the implied warranty of merchantability, and Franchisee hereby waives any such warranty found to exist.

9.5 Signs. Franchisee agrees to erect, outside and inside the Center, signs of such size and construction as pre-approved in writing by AAMCO. No other signs may be erected or used. Franchisee acknowledges and agrees that AAMCO shall have exclusive control of the use and display of all sign faces bearing the AAMCO name or marks.

10. Franchise Fees and Business Reports.

(a) During the term of this Agreement, Franchisee agrees to pay to AAMCO a franchise fee equal to seven and one-half percent (7½%) of the Gross Receipts of all

business transacted by Franchisee (the "Franchise Fee" or "Franchise Fees"). As used herein, "Gross Receipts" means all forms of consideration received by the Center for all work, sale of parts, supplies, accessories, or services sold, completed, and delivered to customers of the Center, exclusive of sales tax. Franchisee agrees to pay to AAMCO each Tuesday by 12:00 noon EST the Franchise Fees due on Gross Receipts earned during the preceding seven (7) day period of Monday through Sunday. The Franchise Fee must be remitted simultaneously with Franchisee's weekly business reported as required by this Section 10. If a Tuesday falls on a federal holiday, as defined by the United States Office of Personnel Management (or any successor or replacement agency or entity), then Franchise Fees and the accompanying weekly business reports must be submitted by 12:00 noon EST the next business day that is not a federal holiday.

(b) Franchisee must at all times utilize, and pay for, AAMCO's then current point-of-service program and equipment in the format prescribed by AAMCO (i.e. software, website-based, etc.), which such program AAMCO may change and/or update at its sole discretion from time to time ("AAMCO POS"). Franchisee further agrees to abide by the terms and conditions published by AAMCO for the AAMCO POS in use at any given time. Franchisee must not utilize any point-of-service program other than that prescribed by AAMCO. Franchisee must take any action reasonably necessary to facilitate the proper usage of the then current AAMCO POS, including without limitation: (i) upgrading, purchasing, and/or installing equipment or accessories (i.e. computers, wires, routers, or other related devices), (ii) purchasing or subscribing to any Internet access, communications plan, or similar data-transfer system/service, or (iii) collecting, inputting, or transmitting any information requested by AAMCO to be collected, inputted, or transmitted. Franchisee must utilize the AAMCO POS to record and submit (either by uploading or having the data downloaded) all Gross Receipts transactions, including without limitation data from repair orders and other information as AAMCO may from time to time require ("Business Reports"). AAMCO may access the Center's AAMCO POS (i) remotely without notice to Franchisee or (ii) via the then current computer, terminal, or system used for such purpose located at the Center during normal business hours, provided such access does not unreasonably interfere with the Center's operations. At AAMCO's request, Franchisee must submit such Business Reports via paper, mail, delivery service, email, facsimile, or other means should circumstances necessitate an alternate form of reporting.

(c) AAMCO may, in its sole discretion, (i) alter the format of, and/or information required on or in, the AAMCO POS, any reports, forms, or repair orders that Franchisee is obligated to utilize under this Agreement or (ii) require Franchisee to utilize any new AAMCO POS, reports, forms, or repair orders at the Center.

(d) Franchisee must retain accurate records of all Business Reports of the Center, as well as any other forms required to be utilized under this Agreement, for the most recent seven (7) year period, and to submit such Business Reports or forms as directed by AAMCO.

(e) Franchisee agrees that the Franchise Fee and all other fees, charges and/or amounts owed by Franchisee under this Agreement, specifically including, but not limited to, any sums due for any advertising, whether national, regional, local and/or national creative, pursuant to Section 11 below, shall be remitted to AAMCO via electronic funds transfer ("EFT") from the designated account(s) of Franchisee's financial institution. Prior to opening the Center, and from time to time thereafter as events may require, Franchisee agrees to provide AAMCO written authorization, and such other information as AAMCO may require, in such form as shall

be approved by AAMCO, which shall authorize and/or enable Franchisee's financial institution to accept debit originations, electronic debit entries, or other EFT from AAMCO and electronically deposit Franchise Fees and other sums owed under this Agreement directly to AAMCO's bank account(s).

(f) Franchisee authorizes AAMCO to withdraw funds by EFT upon or after the funds become due to AAMCO under this Agreement, at such days and times as AAMCO shall determine. Franchisee agrees that it shall be an event of default under Section 19.1 of this Agreement if Franchisee closes or makes Franchisee's designated account(s) inaccessible by AAMCO without completing the following before or promptly after the account is made inaccessible:

- (1) notifying AAMCO in writing of such event;
- (2) establishing another designated account(s) for EFT withdrawals; and
- (3) providing the written authorization and information required in subsection (c) above for such new/replacement account.

(g) Franchisee agrees that if AAMCO has not received from Franchisee, by 12 noon Eastern time on each Tuesday, a report of the Center's Gross Receipts from the preceding week by written statements or Business Reports in the form prescribed by AAMCO under this Section 10 of this Agreement or by electronic polling, then AAMCO shall be entitled to withdraw by EFT from Franchisee's designated account(s) the appropriate Franchise Fee based on an arithmetic average of Franchisee's weekly gross sales reported to AAMCO over a number of previous weeks as determined by AAMCO or based on some other means of estimating Franchisee's gross sales as determined by AAMCO. If a Business Report in the form of a statement required under this Section 10 is subsequently received and reflects (i) that the actual amount of the Franchise Fee due was more than the amount of the EFT by AAMCO, then AAMCO shall be entitled to additional funds by EFT from Franchisee's designated account(s) for the difference or (ii) that the actual amount of the Franchise Fee due was less than the amount of the EFT by AAMCO, then AAMCO shall credit the excess amount to the payment of Franchisee's future Franchise Fee or other fees due under this Agreement.

(h) Franchisee agrees that, upon written notice from AAMCO, he may be required to pay any amount(s) due under this Agreement directly to AAMCO by check or other non-electronic means, instead of by EFT, solely at AAMCO's discretion.

11. Advertising.

11.1 National Creative Advertising Fee. Franchisee agrees to pay a "National Creative Advertising Fee" in accordance with the formulas which will be provided by the National Creative Committee and administered by AAMCO. Payment of this National Creative Advertising Fee shall be made to AAMCO in accordance with its instructions, including compliance with Section 10(e) providing for payment by EFT.

11.2 Local Advertising.

(a) Franchisee acknowledges and agrees that all advertising must be approved by AAMCO in advance of its use and Franchisee agrees not to use any advertising unless and until such has been approved in writing by AAMCO. Franchisee specifically agrees to participate in the national Yellow Pages program of AAMCO, to place and pay for Yellow Pages advertising through this program, and agrees not to place Yellow Pages advertising in any other manner. Franchisee may only advertise RCF Numbers, per Section 15 herein, in Yellow Pages or any other advertisement. Franchisee further agrees to use, display or distribute in or about the Center any advertising, promotional or informational materials that AAMCO may provide from time to time and to follow AAMCO's instructions regarding such materials.

(b) Franchisee acknowledges that, in addition to Yellow Pages advertising, it is mandatory to employ advertising at the local level and to participate in and pay for advertising programs and promotional activities at the local level. Franchisee agrees to share local advertising expenses with other franchisees in the Designated Market Area (DMA) as defined by A.C. Nielsen Company which may change from time-to-time; and, provided that the Center is located within such DMA, Franchisee acknowledges that AAMCO cannot provide Franchisee a discount on the weekly fees due to such local ad pool based on geographic location or any other measurement. Franchisee agrees to execute all local ad pool documents as may be required and approved by AAMCO.

(c) If Franchisee's AAMCO Center is not part of a DMA, is the only AAMCO Center in a DMA, or in the event a majority of the Centers in the DMA vote not to implement a local advertising buy and budget, or not to have a locally administered advertising pool, then, unless Franchisee documents expenditures for local advertising pursuant to this Section, Franchisee shall pay to AAMCO a weekly continuing advertising fee (the "continuing advertising fee") of either (i) for those Centers located in one of the top 20 DMAs based on population as determined by A. C. Nielsen Company, the greater of five percent (5%) of the Gross Receipts of the Center or \$500 or (ii) for Centers located in all other DMAs, the greater of four percent (4%) of the Gross Receipts or \$400, which shall be payable weekly, at the same time and in the same manner as set forth in Section 10 of this Agreement; provided, however, if National or Regional Advertising is implemented pursuant to Section 11.3, AAMCO may proportionally reduce this continuing advertising fee. If the local ad pool assessment is less than the continuing advertising fee, then Franchisee shall remit to AAMCO on a weekly basis the difference between the local ad pool assessment and the continuing advertising fee. If Franchisee documents, at AAMCO's request and in a form directed by AAMCO, expenditures with an approved advertising agency or directly with an advertising vendor or vendors in amounts prescribed by subparagraphs (c)(i) or (c)(ii) above, then payment of the continuing advertising fee shall be waived.

(1) The continuing advertising fee shall not be used for general operating expenses of AAMCO, but shall be used and expended for media costs, commissions, fees, production and development costs not covered by the National Creative Advertising Fee, and other costs of all advertising which is published, broadcast, displayed, or otherwise disseminated, including by any electronic means such as the Internet or telephone, either during the calendar year in which such continuing advertising fee is received by AAMCO or during the immediately succeeding calendar year. AAMCO may, in its sole discretion, suspend the placement of advertising for Franchisee using such continuing

advertising fees if any payments due AAMCO under this Agreement or any other agreement in effect between the parties are not paid as and when due. Any such suspension may continue until Franchisee has paid in full all sums currently owed to AAMCO. Franchisee is not relieved of any obligation to pay such continuing advertising fees during the term of any suspension. During the term of any such suspension, Franchisee shall be prohibited from placing advertising pursuant to section 11.2(g).

(2) All decisions from time to time regarding the selection of the particular media, and the advertising content, for advertising paid with continuing advertising fees shall be within the sole discretion of AAMCO and such agencies or others as it may appoint. AAMCO or its designated agencies may retain commissions or prepaid discounts for the placement of such advertising and, for any non-commissionable media, may charge a fee not to exceed ten percent (10%) for the administration and placement of such advertising.

(d) Franchisee acknowledges that AAMCO has the right to approve an advertising agency, which approval shall not be unreasonably withheld, and Franchisee agrees to place advertising only with an agency approved by AAMCO; Franchisee agrees to pay promptly fees which become due to any such agency.

(e) Franchisee agrees that, if Franchisee fails to pay promptly an amount due his advertising agency or his local advertising group or pool, then either AAMCO, or other AAMCO franchisees in the local advertising group or pool of which Franchisee is a member, or the local advertising group or pool itself shall be entitled to recover the amount due from Franchisee. Franchisee acknowledges that all local advertising benefits him and the other franchisees in the local advertising group or pool. Franchisee acknowledges that despite failure to contribute to Franchisee's local AAMCO advertising group or pool, local advertising expenditures by such group or pool confer substantial benefits on Franchisee, and further acknowledges Franchisee's responsibility for payment therefor. AAMCO specifically reserves the right to have or allow the local AAMCO advertising group or pool to seek enforcement of this obligation.

(f) Franchisee may engage in any advertising or promotion of the Center or business, in addition to the advertising or promotion set forth in this section 11, provided that such advertising or promotion shall be at the sole cost of Franchisee and without deduction or credit against any fees or other sums owed by Franchisee under this section 11.

(g) Franchisee agrees not to create, maintain or use an Online Site or other form of electronic media not paid for or approved in writing by AAMCO for the purpose of advertising or promoting the Center or business; not to create or adopt, use or register any domain name that uses in any manner, the AAMCO Marks; and, not to establish any HTML or other link between any web site created, maintained or used by Franchisee and AAMCO's home page(s) or other part of its Online Site(s), without AAMCO's prior written approval. The term "**Online Site**" means one or more related documents, designs, pages, or other communications that can be accessed through electronic means, including, but not limited to, the Internet, World Wide Web, webpages, microsites, social networking sites (e.g., Facebook, Twitter, LinkedIn, You Tube, Google Plus, Pinterest, etc.), blogs, vlogs, applications to be installed on mobile devices (e.g., iPad or Droid apps), and other applications, etc.

11.3 National or Regional Advertising.

(a) Franchisee agrees to participate in advertising programs at the national and/or regional levels if and when established or directed by AAMCO by paying to AAMCO a National or Regional Advertising Fee. Franchisee agrees to pay this National or Regional Advertising Fee in accordance with reasonable formulas provided by AAMCO. Payment of such National or Regional Advertising Fee shall be made in accordance with AAMCO's instructions.

(b) Franchisee agrees that AAMCO may, from time to time, designate an AAMCO web site for the purpose of advertising the AAMCO Marks and services associated with the System as well as individual Centers. Franchisee acknowledges and agrees that all parts of the designated web site, including any web page(s) dedicated to the Center, are the property of AAMCO and that AAMCO has sole and exclusive right and authority to change or terminate the web site in total or in part, as AAMCO deems appropriate.

12. Insurance

12.1 Insurance.

(a) Franchisee agrees to purchase and, at all times during the term of this Agreement, maintain in full force and effect policies of insurance as follows: (i) Worker's Compensation insurance, in amounts prescribed by law; (ii) insurance against all types of public liability including employer's liability insurance, liability insurance under a comprehensive general liability policy, with bodily injury and property damage liability insurance, garage liability, garage keeper's legal liability and direct primary coverage, products liability or completed operations liability insurance, automobile liability insurance, including owned and non-owned hired motor vehicles, and customer automobile liability insurance; and (iii) such additional insurance as may be required by the terms of any lease for the premises of the Center.

(b) Franchisee agrees that all policies of insurance required under this section shall be in form with companies reasonably satisfactory to AAMCO and in such amounts as AAMCO shall reasonably determine, which amounts, in no event, shall be less than \$1,000,000 per occurrence, bodily injury and property damage combined. Franchisee acknowledges and agrees that AAMCO reserves the right to increase the amounts of insurance required by this section and further agrees to comply with such increased amounts after notice from AAMCO. AAMCO agrees to act reasonably in determining such increased amounts. Franchisee agrees that such policies shall protect, as named insureds, Franchisee, AAMCO and any other party designated by AAMCO and that 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 a corporation, shall constitute knowledge of the insured. Franchisee agrees to furnish to AAMCO, any other named insured, and all other persons designated by AAMCO, certificates issued by each of Franchisee's insurers 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 from the insurer to each certificate holder. New certificates evidencing renewal of such insurance shall be furnished at least thirty (30) days prior to the date of expiration of each such policy, copies of which Franchisee must timely deliver to AAMCO upon renewal on at least an annual basis. Within five (5) days of any request by AAMCO, Franchisee agrees to deliver the original of all such insurance policies to AAMCO for examination.

(c) If Franchisee fails to obtain or maintain any insurance policy containing all the coverages, clauses, and provisions required under this section, AAMCO may, at its election, obtain and maintain such insurance for and in the name of Franchisee. Within fifteen (15) days of any written request of AAMCO, Franchisee agrees to furnish all information necessary to obtain and maintain such insurance and to pay all costs thereof.

12.2 Indemnity Agreement. Franchisee agrees to protect, defend and to hold harmless and indemnify AAMCO from any and all claims, demands, losses, damages, costs, suits, judgments, penalties, expenses and liabilities of any kind or nature (collectively "Claims"), and to pay to AAMCO all costs, expenses and liabilities which may be associated with such Claims, which are based on or arise out of or relate in any way to the operation or the condition of Franchisee's Center or this Agreement. This agreement to indemnify AAMCO set forth in this section shall be given effect whether the Claim arises indirectly or directly out of the Center's operation, Franchisee's conduct of his business there, the ownership or possession of real or personal property there or from or by any act of negligence, omission or willful conduct by Franchisee or by any of his employees, servants or agents. The minimum amounts of insurance outlined in section 12.1 shall not be construed to limit liability under this section of the Agreement. Franchisee also agrees by this Agreement to pay on behalf of AAMCO any and all fees, costs, or other expenses which AAMCO reasonably incurs as a result of any investigation or defense of any such claim, including reasonable attorneys' fees.

12.3 Independent Contractor and Relationship of the Parties.

(a) Franchisee acknowledges and agrees that the relationship between AAMCO and Franchisee is strictly that of a franchisor and a franchisee and Franchisee is an independent contractor and not an agent, employee, partner or joint venturer of AAMCO for any purpose whatsoever. This Agreement does not create a joint venture, partnership, or agency and any act or omission of either party shall not bind nor obligate the other, except as expressly set forth in this Agreement. Franchisee agrees that he is not authorized in any way to make a contract, agreement or promise, or to create any implied obligation on behalf of AAMCO and agrees not to do so.

(b) Franchisee agrees that, in all public records and in relationships and dealings with third parties, as well as on stationery, letterheads and business forms, to indicate Franchisee's independent ownership of the Center and that Franchisee is a franchisee of AAMCO. Franchisee agrees to conspicuously display both inside and outside the Center a notification that the Center is independently owned and operated.

(c) Franchisee recognizes that AAMCO has entered into this Agreement in reliance upon and in recognition of the fact that Franchisee does and will have full responsibility and authority for the management and operation of the Center; and that Franchisee's success, and that of all Centers, depends on adherence to the highest standards of business practice and on the maintenance of prompt, efficient, courteous, workmanlike and satisfactory service to the public.

13. AAMCO Names, Marks and Trade Secrets; Protection of the System

13.1 AAMCO Names, Marks and Trade Secrets; Protection of the System.

(a) Franchisee hereby acknowledges the validity of the AAMCO Marks and that AAMCO is the owner of all right, title and interest in such names and marks.

Franchisee agrees that he will use the AAMCO Marks only in full compliance with specifications prescribed from time to time by AAMCO and that all such usage and the goodwill established thereby shall inure to the exclusive benefit of AAMCO. Except as expressly granted in this Agreement, Franchisee acknowledges and agrees that nothing contained in this Agreement shall be construed as giving to Franchisee or to any other person or entity, any right or interest in the AAMCO Marks, trade secrets, methods, procedures or techniques developed by AAMCO and used in the System. Further, except as provided for herein, nothing contained herein shall be construed as limiting AAMCO's right, title or interest in the AAMCO Marks, trade secrets, methods, procedures and techniques which are a part of the System or AAMCO's sole and exclusive right to register, to use and to license others to use such names and marks, trade secrets, methods, procedures and techniques.

(b) Franchisee represents, warrants, and agrees that:

(1) Franchisee will not contest, directly or indirectly, AAMCO's ownership, title, right or interest in the AAMCO Marks, trade secrets, methods, procedures and techniques which are a part of the System or contest AAMCO's sole right to register, to use, and to license others to use such AAMCO Marks, trade secrets, methods, procedures and techniques and any other mark or name which incorporates the word "AAMCO"; and

(2) with the exception of the use of the names and marks in the manner expressly specified and authorized under this Agreement and the registration of a fictitious name solely in connection with the operation of the Center, Franchisee will not use or register or attempt to use or register in Franchisee's name or in the name of any other person or entity any name or mark, corporate name or any designation of any kind using the AAMCO Marks, or as part of any e-mail address, domain name, social networking site page, or other identification of Franchisee in any electronic medium.

13.2 Confidential Information.

(a) Franchisee shall not, during the term of this Agreement or at any time thereafter, communicate, divulge, or use for the benefit of any other person, persons, partnership, entity, association, or corporation any Confidential Information that may be communicated to Franchisee or of which Franchisee may be apprised by virtue of Franchisee's operation under the terms of this Agreement. Franchisee may divulge AAMCO's Confidential Information only to those of Franchisee's employees as must have access to it in order to operate the Center.

(b) Franchisee acknowledges and agrees that AAMCO is the sole owner of all rights to Confidential Information. Any and all information, knowledge, know-how, and techniques that AAMCO designates as confidential shall be deemed Confidential Information for purposes of this Agreement, except information that Franchisee can demonstrate came to its attention before disclosure of that information by AAMCO; or which, at or after the time of AAMCO's disclosure to Franchisee, had become or later becomes a part of the public domain, through publication or communication by others.

(c) Any employee who may have access to any Confidential Information regarding the Center shall execute a covenant that s/he will maintain the confidentiality of information they receive in connection with their association with Franchisee. Such covenants shall be on a form that AAMCO provides, which form shall, among other things, designate

AAMCO as a third party beneficiary of such covenants with the independent right to enforce them.

(d) As used in this Agreement, the term "**Confidential Information**" includes, without limitation, any information or data concerning AAMCO's service program, training, diagnostic and technical materials, operations techniques, advertising or promotion ideas, financial information, equipment, business concepts and plans, vendor information, results of operations and quality control information, demographic and trade area information, prospective site locations, market penetration techniques, plans, or schedules, the Operator's Manuals, customer profiles, preferences, or statistics, franchisee composition, territories, and development plans, and all related trade secrets or other confidential or proprietary information treated as such by AAMCO, whether by course of conduct, by letter or report, or by the use of any appropriate proprietary stamp or legend designating such information or item to be confidential or proprietary, by any communication to such effect made prior to or at the time any Confidential Information is disclosed to Franchisee.

(e) Franchisee acknowledges that any failure to comply with the requirements of this Section 13 will cause AAMCO irreparable injury, and Franchisee agrees to pay all costs (including, without limitation, reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that AAMCO incurs in obtaining specific performance of, or an injunction against violation of, the requirements of this Section 13.

13.3 Protection of System. If Franchisee learns of any actual or threatened infringement or piracy of the AAMCO Marks, trade secrets, methods, procedures or techniques used in the System (the "Infringement") or of any infringement or piracy claim made against Franchisee by a party other than AAMCO ("Third Party Claim"), Franchisee agrees to immediately notify AAMCO in writing of the Infringement or Third Party Claim. AAMCO shall have the right to determine what action, if any, to take with respect to such Infringement or Third Party Claim and shall bear the expense of any such action. Franchisee agrees to give its full cooperation in such action if so requested by AAMCO. If Franchisee is named as a party in any legal proceeding brought by a party other than AAMCO for infringement of trade names, trademarks, service marks, copyrights or trade secrets based upon Franchisee's use of the AAMCO Marks, any such proceeding shall be defended and held harmless in the name of Franchisee, by and at the expense and direction of AAMCO.

14. Warranty

14.1 Warranty Program. Franchisee agrees to honor each warranty presented by an AAMCO customer in accordance with its terms, regardless of whether the service was rendered at the Center or at some other authorized AAMCO center. Franchisee agrees to honor all AAMCO warranties that originated from work performed by previous AAMCO franchisees at the Center, if any, as if this original work had been performed by Franchisee at this same location. Franchisee agrees to comply at all times with AAMCO's policies concerning the AAMCO warranty program.

14.2 Warranty Payment Rates. Franchisee shall be entitled under this Agreement to receive from another AAMCO Center the costs of supplies, accessories and parts which Franchisee uses in honoring the warranty, plus a sum of money based on either an hourly rate for labor or a flat fee, depending on the extent of repairs required. The payment rate used in making payments under this section will be determined by AAMCO and published to all

franchisees. Franchisee agrees to immediately pay to any other AAMCO Center the amount due to such other Center for honoring of a warranty issued to a customer of Franchisee. If Franchisee fails to pay promptly any amount due under this section, AAMCO shall be entitled to recover such amount from Franchisee for the benefit of the other AAMCO Center, or to credit such other Center for money which may be due and owing to Franchisee for such payments.

14.3 Prohibition Against Other Warranties. Franchisee agrees to make no warranties or guarantees other than those contained in the printed forms of warranty issued or approved by AAMCO. Franchisee acknowledges and agrees such warranties and guarantees are made by Franchisee to the customer and that there are no warranties expressed or implied made by AAMCO to the customer or to Franchisee in connection with any product or service furnished under this Agreement.

15. Telephone Service.

(a) Franchisee acknowledges and agrees that all published telephone numbers and directory listings for the Center are the property of AAMCO. AAMCO may obtain up to five (5) remote call forwarding telephone numbers (individually, "RCF Number" and collectively, "RCF Numbers") to be forwarded to the Center and used by Franchisee as the exclusive telephone numbers for the Center. Franchisee must, install or have installed in the Center the "physical" telephone lines necessary to receive the RCF Numbers; however, Franchisee must not advertise or otherwise distribute any telephone number other than the RCF Numbers owned by AAMCO. Franchisee must, at AAMCO request and in AAMCO's sole discretion, publish or otherwise utilize the RCF numbers in specific advertisements or specific forms of advertisements so the effectiveness of such advertisement(s) may be measured. Franchisee acknowledges and agrees that AAMCO may collect and maintain records of call volume and other related data for the RCF Numbers. Franchisee must pay all costs associated with the RCF Numbers, including without limitation the annual costs and usage fees for each line, which such costs may be billed by, and payable to, AAMCO. Franchisee must not make any changes to any telephone number, line, service, or account without the prior written authorization of AAMCO. If AAMCO takes any action pursuant to this Section 15, the telephone company and all listing agencies, without liability to Franchisee, may accept this Agreement and the directions by or on behalf of AAMCO as conclusive of the exclusive rights of AAMCO in such telephone numbers and directory listings and its authority to direct their amendment, termination, or transfer. Franchisee must, at AAMCO's request, sign any paperwork to transfer ownership or control to AAMCO, or further effectuate or acknowledge AAMCO's ownership or control, of any telephone number, line, service, or account associated in any manner with the Center. Franchisee agrees that AAMCO may automatically charge Franchisee's AAMCO account, as liquidated damages and not a penalty, the amount of two hundred fifty dollars (\$250.00) per day for (i) each day that a published telephone number for the Center is converted from the control of AAMCO by Franchisee or Franchisee's agent or (ii) each day exceeding three (3) business days from the receipt of written request from AAMCO that Franchisee fails to sign and return all paperwork required by this Section 15. This remedy is in addition to, and not in place of, other remedies that may be available to AAMCO at law or in equity.

(b) AAMCO may transfer, suspend or remove Franchisee's telephone service for any RCF Number or other published telephone number(s) appearing under the AAMCO trade name or trademarks in directory listings, advertising or Yellow Pages advertising in the event of (i) termination, rejection, expiration, or rescission of this Agreement, (ii) an

uncured breach of Section 8(a), 8(b), 8(i), 8(j), 8(l), or 8(o) of this Agreement that has not been timely cured, or (iii) a breach of AAMCO's credit policy, as established by AAMCO, that has not been timely cured.

16. National Fleet Accounts Program.

AAMCO, as part of the System, maintains a national fleet accounts program by which transmissions and other automotive repairs are provided to national or regional fleet accounts at designated AAMCO Centers, at agreed prices and processed through a centralized billing system ("national fleet accounts program"). If Franchisee decides to participate in AAMCO's national fleet accounts program, then Franchisee specifically agrees to accept and perform any automotive repair work that the vehicle may require in accordance with AAMCO's service standards, offer and honor such warranties as are required under AAMCO's agreement with the fleet account, charge and accept payment for all repairs in accordance with the price agreed between AAMCO and the fleet account for the particular type of repair, complete and provide such data, reports and/or documentation as AAMCO may require in administering the national fleet accounts program, and purchase and/or subscribe to any necessary hardware or software to interface with AAMCO's centralized billing system. Franchisee agrees that AAMCO retains all rights to the software used in connection with the national fleet accounts program.

17. Defaults in Payment and Expenses.

(a) Franchisee agrees to pay all third party costs (including in-house attorneys' fees if a legal proceeding is instituted) incurred by AAMCO in collecting Franchise Fees, advertising fees and all other payments due under this Agreement and in enforcing the provisions of this Agreement.

(b) Franchisee agrees to pay AAMCO a late charge upon all amounts due and owing to AAMCO in an amount equal to one and one-half percent (1-1/2%) of the average unpaid balance per month. If a court of competent jurisdiction determines that the late charge violates any usury or similar law, then the late charge will, instead, be the maximum amount allowed under applicable law. In addition, for each gross weekly business report not received by AAMCO within two (2) weeks from the date on which it was due, Franchisee agrees to pay AAMCO a late charge of ten dollars (\$10.00) per report, per week. The payment of any such late charge will not be deemed to allow or excuse delay in the timely submission of reports or in payment of sums due.

(c) Franchisee is solely responsible for paying all service charges and other fees resulting from Franchisee's financial institution in connection with EFT including, without limitation, any and all service charges and other fees arising in connection with any EFT by AAMCO that is not honored or processed by Franchisee's financial institution for any reason. Further, Franchisee shall pay AAMCO a fifty dollar (\$50.00) charge for reprocessing any EFT not originally honored or processed by Franchisee's financial institution.

(d) If a local advertising group or pool becomes entitled to recover amounts from Franchisee by virtue of such an action pursuant to section 11 of this Agreement, then Franchisee acknowledges that such group or pool shall be entitled to recover, in addition to any judgment or award, an amount equal to the costs and reasonable attorneys' fees therefor.

(e) If Franchisee fails to pay the National Creative Advertising Fee and/or for Yellow Pages advertising, then Franchisee acknowledges and agrees that AAMCO has the

right (i) to direct any publisher of a Yellow Pages advertising directory to omit Franchisee's listing from such directory and (ii) to withhold all television and radio tapes from Franchisee, until all sums owed plus interest and any costs of collection, including attorneys' fees, have been paid in full.

18. Restrictions on Change of Ownership.

18.1 Restrictions on Change of Ownership.

(a) Franchisee agrees that all rights, interests, and obligations of Franchisee arising from or under this Agreement are personal to Franchisee and, except as otherwise provided in this Section 18, Franchisee shall not, without AAMCO's prior written consent, voluntarily or involuntarily, by operation of law or otherwise, sell, assign, transfer, or encumber Franchisee's interest in this Agreement, and/or in the franchise granted hereby, or in the lease for the premises at which the Center is located.

(b) If Franchisee, as an individual, desires to form a corporation, partnership or a limited liability company or other legal entity ("Entity") for the operation of the AAMCO Center and to have rights under this Agreement, he may do so only upon the following terms and conditions:

(1) The Entity becomes the "Franchisee" under the Agreement, and replaces the individual, and, if permitted and required by AAMCO, all of the equity owners of the Entity must sign AAMCO's form of personal guaranty of the Entity's obligations owed as Franchisee to AAMCO under this Agreement.

(2) The Entity is newly organized and its activities are confined exclusively to acting as an AAMCO franchisee under this Agreement.

(3) Franchisee continues to adhere to Section 8(d) herein.

(4) Franchisee is the owner of the majority of the stock, partnership interests, or membership units of the Entity, is the principal executive officer of the Entity and has full and complete authority to act for the Entity. In the event of the death of Franchisee who is the majority shareholder, partner or member of such Entity, then the provisions of Section 18.2 below will apply, except that such heir or next of kin must hold a majority interest in the Entity, be a principal executive officer of the Entity and must have full and complete authority to act for the Entity.

(5) All money obligations of Franchisee under this Agreement must be satisfied.

(6) The Entity executes a document with AAMCO in such form as shall be approved by AAMCO in which it agrees to be a party to, be bound by all the provisions of this Agreement.

(7) The individual formerly known as the Franchisee remains personally liable in all respects under this Agreement and Franchisee and all officers, directors, shareholders, partners, and/or members of the Entity with at least a twenty-five percent (25%) interest execute in form approved by AAMCO a personal guaranty and

agreement not to further transfer the stock, partnership interests or membership units, except as otherwise provided for herein.

(8) The Entity shall disclose in writing the names and addresses of all of its officers and directors, partners or members and, whenever there is a change in any such officer, director, partner or member, shall immediately notify AAMCO of such change. Franchisee acknowledges that AAMCO has the right to approve the officers, directors, partners and members, which approval shall not be unreasonably withheld, and agrees that any such individual not approved by AAMCO will be immediately removed from such position and shall not be permitted to have any involvement in the operation of the Entity or the AAMCO Center.

(c) If Franchisee organizes or has organized a corporation, partnership or limited liability company in connection with the operation of the Center, the shares of stock, partnership interests or membership units shall not be sold, assigned, pledged, mortgaged or transferred without the prior written consent of AAMCO. There may be a sale of all of the shares of stock, partnership interests or membership units of the Entity subject to the same conditions listed in subparagraph (b) above to a purchaser, as though the person acquiring were a purchaser under Section 18.2 of this Agreement. All ownership certificates shall have endorsed upon them the following:

The transfer of this stock (or membership unit) is subject to the terms and conditions of a Franchise Agreement dated _____ [insert the same date as this Agreement] between AAMCO Transmissions, LLC and _____ [insert Franchisee's name(s)].

(d) Franchisee agrees that this Agreement may not be transferred by a corporation, partnership, or limited liability company by transfer of stock, partnership interests, membership units or by any other means.

18.2 Sale, Assignment or Transfer.

(a) If Franchisee, or Franchisee's personal representative in case of Franchisee's death or incapacity, desires to sell the Center and receives from a third-party a bona fide written offer to purchase the Center, and obtain a transfer of the franchise under this Agreement, or if Franchisee desires to sell the stock, interests or units of any entity to which the Center has been transferred pursuant to this Agreement, Franchisee agrees to give AAMCO written notice and a copy of such offer and AAMCO shall have the option, exercisable within thirty (30) days after receipt of such notice, to purchase such Center, or stock, interests or units, including the lease, on the same terms and conditions as offered by the third party provided that AAMCO may substitute equivalent cash for any form of payment offered by the third party; provided, however, that this option shall not be available to AAMCO if the offer to purchase is from Franchisee's partner or immediate family member, or a Center employee. If AAMCO does not exercise its option and if such third party is of good character, reputation and financial condition and acceptable to AAMCO, Franchisee shall have the right for a period of ninety (90) days after the expiration of AAMCO's option period to accept the offer and to sell the Center to such third party, subject to the provisions of section 18.2(c) below;

(b) If Franchisee dies and his personal representative does not desire to sell the Center, and if under controlling local law, the deceased Franchisee's interests in the

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Center, and this Agreement are distributable to heirs or legatees who are members of his immediate family and who otherwise would qualify as assignees under the terms of this section, then such attempted assignment by operation of law shall not be deemed in violation of this Agreement, provided that such heirs or legatees accept and fulfill the conditions imposed in section 18.2(c).

(c) If Franchisee desires to sell the Center, Franchisee may do so provided that the purchaser is first approved by AAMCO. AAMCO agrees to approve such prospective purchaser if the purchaser has satisfactory credit ratings, has good moral character and has a reputation and business qualifications satisfactory to AAMCO, and provided further that:

(1) all prior, ascertained or liquidated debts of Franchisee owed to AAMCO, including all sums due under any Franchise Agreement between Franchisee and AAMCO, specifically without limitation sums owed for Franchise Fees, local, regional, national, national creative or yellow page advertising, sums owed to an advertising agency, sums due other AAMCO Centers and any amounts due because of a default of any provision of this Agreement are paid concurrently with the assignment, sale, or transfer;

(2) all warranty, intershop and customer service obligations of Franchisee in connection with the Center are assumed by assignee, buyer or transferee;

(3) Franchisee is not subject to an uncured notice of default under this Agreement and all monetary obligations to AAMCO or the applicable advertising pool are satisfied prior to or upon a sale, assignment or transfer;

(4) the assignee, buyer or transferee, prior to the effective date of the assignment, sale, or transfer, satisfactorily completes the AAMCO training program required of new franchisees;

(5) the assignee, buyer, or transferee executes AAMCO's then current standard franchise agreement for a full fifteen-year term;

(6) Franchisee, assignee, buyer, or transferee, prior to the assignment, sale or transfer, pays to AAMCO its then current training fee and Franchisee, prior to the assignment, sale or transfer, pays to AAMCO a transfer fee of six thousand dollars (\$6,000) in connection with the administration and approval of such assignment, sale, and issuance of a franchise to such assignee, buyer, or transferee; and

(7) Franchisee and all shareholders, partners, members or other person or persons having control of a corporate or similar entity shall execute a general release under seal of all Claims in favor of AAMCO and a termination of franchise.

(d) If Franchisee sells his AAMCO Center, the purchaser must sign a then-current form of franchise agreement with a fifteen year term. The purchaser's Franchise Fee percentage for the first portion of the term will equal Franchisee's rate(s) for the time Franchisee has remaining on the term of this Agreement, and the second portion of the term will be for the remainder of the fifteen (15) year term at the Franchise Fee being charged by AAMCO for new franchises as of the time of the purchase; by way of example, if Franchisee is currently paying 7.5% fees and has five years remaining on the Agreement, the purchaser will

get a 15 year agreement with the first five years at 7.5% and the remaining 10 years at the Franchise Fee percentage being offered to new franchisees at the time of sale.

(e) If Franchisee's purchaser/transferee has received a presentation from AAMCO's franchise sales department within the 12 months preceding the agreement to sell the Center then Franchisee must pay to AAMCO 12% of the purchase price or \$10,000, whichever is less, at the time of sale/transfer.

18.3 Attempted Sale, Assignment or Transfer. If Franchisee attempts to sell, assign, or transfer his AAMCO Center without following the procedures required by this Agreement, then any such attempted sale, assignment or transfer is void. In the event that such attempted assignment or transfer is to an entity wholly or partially owned or controlled by Franchisee, then, at AAMCO's option, Franchisee agrees on behalf of the entity that the attempted assignment or transfer shall subject the entity to all the terms and conditions of this Agreement. Franchisee shall remain jointly and severally liable for all obligations and responsibilities of this Agreement, including money owed, despite any such attempted and/or unauthorized sale, assignment or transfer of Franchisee's AAMCO Center.

18.4 Transfers by AAMCO. AAMCO will have the right to transfer or assign this Agreement and all or any part of AAMCO's rights or obligations under this Agreement to any person or legal entity, and any assignee of AAMCO, which assignee will become solely responsible for all of AAMCO's obligations under this Agreement from the date of assignment.

19. Termination

19.1 Termination.

(a) AAMCO, at its option, and without prejudice to any other rights or remedies which it may have under this Agreement, at law or in equity, may terminate this Agreement immediately by giving written notice to Franchisee upon the occurrence of any of the following:

(1) if Franchisee fails to complete the initial training program to AAMCO's satisfaction;

(2) if Franchisee sells or attempts to sell, transfer, or assign rights in the Center and/or under this Agreement without the approval of AAMCO as required by this Agreement;

(3) if Franchisee terminates or attempts to terminate or rescind this Agreement for any reason;

(4) if Franchisee abandons the Center's franchise. For purposes of this provision, "abandon" means: (i) Franchisee's ceasing to operate the Center for a period of five (5) consecutive business days; or (ii) Franchisee's failure to keep the Center open and operating for any period after which it is not unreasonable under the facts and circumstances for AAMCO to conclude that Franchisee does not intend to continue to operate the Center, unless such failure to operate is due to fire, flood, earthquake or similar causes beyond Franchisee's control; or (iii) the withdrawal of permission from Franchisee's landlord that results in Franchisee's inability to continue operating the Center; or (iv) any act or

statement by Franchisee from which AAMCO reasonably concludes that Franchisee intends to relinquish Franchisee's rights to the Center;

(5) if, within twelve (12) months immediately preceding the occurrence of such default, Franchisee has been given notice of the same default under Section 8(a); 8(b); 8(i); 8(j); 8(l) or 8(o) of this Agreement or notice of failure to pay any sum under this Agreement when due on three (3) prior occasions, whether or not such default has been cured;

(6) if at any time Franchisee acts fraudulently, is convicted of a felony or another crime involving moral turpitude (regardless of when the crime occurred), or otherwise fails to deal honestly and fairly with AAMCO or with any customer of the Center, or upon a breach of section 8.(a) or 8(i) above;

(b) If any one or more of the following events take place, then Franchisee will be deemed to be in default under this Agreement, and all rights granted in this Agreement shall automatically terminate without notice to Franchisee: (i) if Franchisee becomes insolvent or makes a general assignment for the benefit of creditors; (ii) if Franchisee is dissolved; or if execution is levied against Franchisee's business or property; and/or (iii) if the real or personal property of the Center shall be sold after levy thereupon by any sheriff, marshal, or constable.

(c) Except as otherwise provided above in Sections 19.1(a) and 19.1(b) above, if Franchisee is in default of its obligations under this Agreement, or the lease for the Approved Center Location, AAMCO may only terminate this Agreement by giving Franchisee written notice of termination (in the manner set forth under Section 23 below) stating the nature of the default at least thirty (30) days before the effective date of termination; provided, however, that Franchisee may avoid termination by immediately initiating a remedy to cure such default, curing it to AAMCO's satisfaction, and by promptly providing proof of the cure to AAMCO, all within the thirty (30) day period. If any such default is not cured within the specified time (or such longer period as applicable law may require), then this Agreement shall terminate without further notice to Franchisee effective immediately upon the expiration of the thirty (30) day period or such longer period as applicable law may require.

(d) If there are now, or hereafter shall be, other franchise agreements and/or notes, security agreements, other debt instruments, or other agreements in effect between AAMCO and Franchisee, a default by Franchisee under the terms and conditions of this Agreement or any other of such agreements shall, at the option of AAMCO, constitute a default under all such agreements.

(e) In addition to and without limiting AAMCO's other rights and remedies under this Agreement, other contracts or applicable law, upon any event giving rise to AAMCO's right to terminate this Agreement pursuant to the entirety of this Section 19, AAMCO may instead elect, at its sole option and after providing written notice to Franchisee, to take actions to temporarily and conditionally restrict services to the Center, including but not limited to as described under Sections 11 and 15 above.

19.2 Effect of and Procedures after Termination.

(a) Franchisee agrees that upon the termination or expiration of this Agreement for any reason, including, without limitation, termination upon the expiration of its current term by virtue of Franchisee's failure to renew as provided in Section 3 (sometimes

herein "expiration") or a termination resulting from Franchisee's sale of the Center assets to a new operator, then Franchisee shall cease to be an AAMCO franchisee and shall:

(1) promptly pay AAMCO all amounts due and owing under this Agreement;

(2) immediately and permanently discontinue the use of all AAMCO Marks, signs, structures, all forms of advertising, telephone listings and services, manuals, software, and all materials and products of any kind which are identified or associated with the Center, System, or AAMCO and return all such materials and products, including without limitation, the Operator's Manual, to AAMCO;

(3) thereafter make no representations or statements for commercial benefit that Franchisee is or ever was in any way approved, endorsed, associated or identified with AAMCO or the System in any manner whatsoever or that Franchisee is a former AAMCO franchisee; provided, however, Franchisee shall reimburse AAMCO for all customer warranty repairs made within an applicable warranty period arising from work performed at the Center;

(4) immediately take all steps necessary to amend or terminate any registration or filing of any fictitious name or any other registration or filing containing the AAMCO Marks in order to effectuate the removal of the AAMCO Marks from such registration or filing; and

(5) thereafter refrain from establishing any HTML or other link between any web site created, maintained or used by Franchisee and AAMCO's home pages(s) or other part of its web site(s).

(b) Upon termination or expiration, AAMCO shall have the option to purchase all of Franchisee's right, title and interest in the Center and/or all equipment contained therein. If AAMCO intends to exercise its option, AAMCO shall notify Franchisee of such intention within twenty (20) days of the time of termination or in the case of expiration, within twenty (20) days prior to the expiration of the current term of this Agreement. The full purchase price of the Center shall be:

(1) in the case of expiration, the fair market value of the equipment and parts then located at the Center less all outstanding liabilities of the Center;

(2) in the case of all other terminations, the lesser of the fair market value of the equipment and parts then located at the Center or Franchisee's cost, less depreciation on the equipment computed on a fifteen (15) year straight line basis, less all outstanding liabilities of the Center. AAMCO shall have the right to withhold from the purchase price funds sufficient to pay all outstanding debts and liabilities of the Center and to pay such debts and liabilities from such funds. If such liabilities exceed the purchase price of the equipment and parts, AAMCO shall apply the purchase price in such manner as AAMCO, in its sole discretion, shall determine. In no event, however, shall AAMCO become liable for any of the debts and liabilities of Franchisee or the Center and Franchisee shall remain responsible for all outstanding debts and liabilities of the Center which remain unsatisfied subsequent to the distribution by AAMCO of the purchase price funds;

(3) "Fair Market Value" as used in this Section 19.2, shall be determined by an appraisal from an independent third party acceptable to both AAMCO and Franchisee, the costs of which shall be borne equally by AAMCO and Franchisee.

(c) If, within five (5) days after termination or expiration, Franchisee fails to remove all displays of the AAMCO Marks and any other materials of any kind from the Center which are identified or associated with the System or AAMCO, AAMCO may enter the Center or premises to effect such removal. In such event, AAMCO shall have no liability to Franchisee therefor, nor shall AAMCO be accountable or required to pay for such displays or materials.

(d) If, within three (3) days after termination or expiration, Franchisee has not taken all steps necessary to amend, transfer or terminate telephone listings and service, any registration or filing of any fictitious name or any other registration or filing containing the AAMCO Marks, Franchisee hereby irrevocably nominates, constitutes and appoints AAMCO or any prothonotary, clerk of court, or attorney of any court of record as his true and lawful attorney for him and in his name and on his behalf to take all such action as may be necessary to amend, transfer or terminate all such telephone listings and service, registrations and filings of such fictitious name or any other registration or filing containing the AAMCO Marks, without liability to Franchisee for so doing. If any action is required to be taken by or on behalf of AAMCO pursuant to this subsection 19.2(d), the telephone company and all listing agencies and publishers, without liability to Franchisee, may accept this Agreement and the directions by or on behalf of AAMCO as conclusive of the exclusive rights of AAMCO in such telephone numbers and directory listings and its authority to direct their amendment, termination or transfer and Franchisee hereby releases and waives any claim of any kind that he may have against any telephone company, publisher or listing agency as a result of their implementing the transfer, amendment or termination set forth herein.

(e) Termination or expiration of this Agreement shall not affect, modify or discharge any claims, rights, causes of action or remedies, which AAMCO may have against Franchisee, whether under this Agreement or otherwise, for any reason whatsoever, whether such claims or rights arise before or after termination or expiration.

(f) Franchisee hereby irrevocably authorizes AAMCO to enter upon and take possession of the Center and to take, in the name of Franchisee, all other actions necessary to effect the provisions of this Agreement, and any such entry or other action shall not be deemed a trespass or other illegal act, and AAMCO shall not be liable in any manner to Franchisee for so doing.

20. Covenant Not-to-Compete.

Franchisee acknowledges that as a franchisee of AAMCO and a participant in the System, Franchisee will receive or have access to confidential information and materials, trade secrets, and the unique methods, procedures and techniques developed by AAMCO. Franchisee further acknowledges that the development of the marketplace in which Franchisee's Center is located is solely as a result of the AAMCO name and marks. Therefore, to protect the System, the AAMCO name and marks, and AAMCO, and to induce AAMCO to grant Franchisee the franchise set forth in this Agreement, Franchisee represents and warrants:

(a) Except for the business contemplated by this Agreement or except as approved by AAMCO pursuant to Section 8(e) above, during the term of this Agreement,

Franchisee shall not engage in any business the same as, similar to, or in competition with any AAMCO center, AAMCO, or the System.

(b) For a period of two (2) years after the termination or expiration of this Agreement for any reason, which two-year period shall not begin to run until Franchisee commences to comply with all obligations stated in this Section 20, Franchisee shall not:

(1) within a radius of ten (10) miles of Franchisee's former Center and ten (10) miles of any other AAMCO center in operation at the time of termination or expiration, or any AAMCO center that has commenced operation during the two-year period referenced in this Section 20, begin or engage in any business the same as, similar to or in competition with such AAMCO center, except for a business previously approved in writing by AAMCO pursuant to Section 8(e); or

(2) within the territorial boundaries of the United States, Canada, Mexico, Puerto Rico, Australia, and the Virgin Islands, as a licensor, franchisor, or similar organization, engage in any business, the same, similar to, or in competition with, AAMCO or the System, except for a business previously approved in writing by AAMCO pursuant to Section 8(e) above.

(c) As used in subsections 20(a) and 20(b) above:

(1) "engage in" shall include, but not be limited to, activities, whether direct or indirect, as an individual proprietor, partner, shareholder, director, officer, principal, broker, agent, employee, consultant, lender, unless such activities are directly as a result of the sale of the AAMCO Center pursuant to this Agreement; and

(2) "in competition with" shall include, but not be limited to:

(i) the request of any present or future supplier, customer, or operator of an AAMCO center to curtail or cancel its business relationship with any AAMCO center, AAMCO, or the System, (ii) the disclosure of the identity of any past, present, or future customer, supplier, or operator of any AAMCO center, and (iii) the solicitation, canvassing, or the authorization of any other person to solicit or canvass any past, present, or future customer, supplier, or operator of an AAMCO center. As used in this Section 20(c)(2), "future supplier, customer or operator" shall mean a supplier, customer, or operator who will have had a business relationship with an AAMCO center, AAMCO, or the System during the term of this Agreement or during a period of one (1) year following the termination of this Agreement.

(d) Franchisee acknowledges that, in view of the nature of the System, the business of AAMCO, and the strength of the AAMCO Marks, the restrictions contained in this Section 20 are reasonable and necessary to protect the legitimate interests of the System and AAMCO and that any violation of such restrictions will result in irreparable injury to the System or AAMCO. Therefore, Franchisee acknowledges that, in the event of such violation, AAMCO shall be entitled to preliminary and permanent injunctive relief and damages as well as an equitable accounting of all earnings, profits, and other benefits arising from such violation, which remedies shall be cumulative and in addition to any other rights or remedies to which AAMCO shall be entitled, and the arbitration provision of Section 28 shall not apply to any equitable proceeding seeking enforcement of the provisions of this Section 20. If Franchisee violates any restriction contained in this Section 20, and it is necessary for AAMCO to seek

equitable relief, the restrictions contained herein shall remain in effect until two (2) years after such relief is granted.

(e) Franchisee agrees that the provisions of this covenant not-to-compete are reasonable. If, however, any court should hold that the duration or geographical limits of any restriction contained in this Section 20 are unreasonable, the parties agree that such determination shall not render the restriction invalid or unenforceable, but that such restriction shall remain in full force and effect for such duration and within such geographical limits as the court shall consider reasonable.

21. No Waiver.

Waiver by AAMCO or Franchisee of any violation or default under this Agreement shall not alter or impair either party's right with respect to any subsequent violation or default nor shall any delay or omission on the part of either party to exercise any right arising from such violation or default alter or impair such party's rights as to the same or any future violation or default. An acceptance by AAMCO of any payment from Franchisee after the date on which such payment is due shall not operate as a waiver of Franchisee's default or violation hereunder nor alter or impair AAMCO's rights with respect to such violation or default.

22. Successors.

Except as otherwise specifically set forth in this Agreement, this Agreement shall inure to and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and assigns. AAMCO shall have the right to assign its rights, interests and obligations under this Agreement, provided that the assignee shall agree in writing to assume all obligations undertaken by AAMCO under this Agreement.

23. Notices.

Whenever this Agreement requires notice, it shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, or by a recognized overnight carrier addressed to the party to whom it is directed at the address set forth above or at such other address as one party shall provide to the other in writing. All notices shall be effective three (3) business days after being deposited, postage prepaid, or upon the date of actual receipt or rejection, whichever shall occur first.

24. Risk of Operations.

Franchisee acknowledges that there are uncertainties inherent in all business ventures. Franchisee acknowledges that Franchisee has conducted a thorough and independent investigation and, based on that investigation, desires to enter into this Agreement and undertake the business of owning and operating an AAMCO center. Franchisee agrees and acknowledges that, except as specifically set forth in this Agreement, no representations or warranties, express or implied, have been made to Franchisee, either by AAMCO or anyone acting on its behalf or purporting to represent it, including, without limitation any such representations or warranties relating to the prospects for successful operations, the level of business, sales, or profits that Franchisee might reasonably expect, the desirability, profitability, or expected traffic volume or profit of the Center (whether or not AAMCO assisted Franchisee in the selection of the location of the Center), the costs of equipping or the amount or type of equipment necessary or appropriate to the operation of the Center or as to the quality of any

products or services to be sold by Franchisee to its customers. Franchisee acknowledges that all such factors are necessarily dependent upon variables beyond AAMCO's control, including without limitation, the ability, motivation, and amount and quality of effort expended by Franchisee.

25. Severability.

If any portion, term, or provision of any section of this Agreement shall be decided by any court to be in conflict with the law of any state or jurisdiction, the conflicting term or provision shall be construed in accordance with the specific provisions of the applicable law, and the remaining portions, terms or provisions of the section, as well as the remainder of this Agreement, shall remain in full force and effect.

26. Controlling Law and Dispute Resolution.

26.1 This Agreement takes effect when AAMCO accepts and signs this document. This Agreement shall be interpreted and construed exclusively under the laws of the Commonwealth of Pennsylvania, which laws shall prevail in the event of any conflict of law (without regard to, and without giving effect to, the application of Pennsylvania choice-of-law rules). Nothing in this Section 26.1 is intended by the parties to subject this Agreement to any franchise or similar law, rule, or regulation of the Commonwealth of Pennsylvania to which this Agreement would not otherwise be subject.

26.2 Before any party can bring an action in court against the other, the parties agree that they must first meet to mediate the dispute (except as otherwise provided in Section 26.4 below). Any such mediation shall be non-binding and shall be conducted in accordance with the then-current rules for mediation of commercial disputes of JAMS (formerly, the Judicial Arbitration and Mediation Services, Inc.) at its location nearest to AAMCO's principal place of business.

26.3 Unless resolved by mediation under Section 26.2 above, and except for AAMCO's right to obtain injunctive relief pursuant to Section 26.4 below, any claim arising out of or related to this Agreement or the making, performance, breach, or interpretation of this Agreement, shall be finally settled by arbitration conducted in accordance with the then-current JAMS rules for arbitration of disputes, by one arbitrator appointed in accordance with such rules, shall be further subject to Section 26.6 below, and:

(a) All arbitration proceedings shall be conducted in the English language and shall take place at the JAMS office in Philadelphia, Pennsylvania or at such other location as may be mutually-agreed upon by the parties, in writing. The seat, and legal place, of arbitration shall be Philadelphia, Pennsylvania.

(b) The arbitrator must enforce the terms of this Agreement according to applicable law, and the arbitrator's award shall be the exclusive remedy between the parties regarding any claims, counterclaims, issues, or accountings presented or pled to the arbitrator; will be promptly paid free of any tax, deduction, or offset; and any costs, fees, or taxes incident to enforcing the award will, to the maximum extent permitted by law, be charged against the party resisting such enforcement.

(c) The award issued by the arbitrators shall be in writing and shall be final and binding upon the parties and judgment upon the award of the arbitration may be

entered in the court having jurisdiction thereof, or application may be made to such court for a judicial acceptance of the award or an order of enforcement, and the parties submit themselves to the jurisdiction of any such competent jurisdiction for the entry and enforcement of the award.

(d) Each party shall be responsible for the payment of its legal expenses and the fees and expenses of arbitration except that the fee of the arbitrator shall be paid by the non-prevailing party.

(e) All issues relating to arbitrability or the enforcement or interpretation of the agreement to arbitrate set forth in this Section 26.3 shall be governed by the United States Federal Arbitration Act (9 U.S.C. Sections 1 et seq.) and the U.S. federal common law relating to arbitration.

26.4 Nothing contained in this Agreement shall bar AAMCO's right to obtain injunctive relief in any court against threatened conduct that will cause AAMCO loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions (but without the need to post a bond).

26.5 Subject to Section 26.3 above, the parties agree that any action that Franchisee brings against AAMCO, in any court, whether federal or state, must be brought only within such state and in the judicial district in which AAMCO has its principal place of business. Any action brought by AAMCO against Franchisee in any court, whether federal or state, may be brought within the state and judicial district in which AAMCO maintains its principal place of business, shall be further subject to Section 26.6 below, and:

(a) The parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.

(b) Any such action shall be conducted on an individual basis, and not as part of a consolidated, common, multiparty or class action.

(c) In any court proceeding brought by either party arising out of or based upon this Agreement or its performance, the prevailing party shall recover all court costs, attorneys' fees, and other expenses relating to such proceeding from the non-prevailing party.

26.6 Notwithstanding anything to the contrary in this Agreement, the parties specifically acknowledge and agree that neither shall bring, directly or indirectly or permit to be brought on its behalf, a class action, collective, or multiparty claim or proceeding against the other, whether in arbitration (for arbitrable claims) or in any court (for non-arbitrable claims), and neither party shall participate in any such class, collective or multiparty proceeding. Rather, any such action shall be conducted on an individual basis, and not as part of a consolidated, common, multiparty or class action.

26.7 No right or remedy conferred upon or reserved to AAMCO 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.

27. WAIVERS.

27.1 FRANCHISEE AND AAMCO HEREBY WAIVE TRIAL BY JURY, TO THE FULLEST EXTENT PERMITTED BY LAW, IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM, OR IN ANY MATTER WHATSOEVER THAT ARISES OUT OF (OR THAT IS CONNECTED IN ANY WAY WITH) THIS AGREEMENT OR ITS PERFORMANCE.

27.2 FRANCHISEE AND AAMCO HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER, AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM EACH SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES IT HAS SUSTAINED.

28. Entire Agreement.

This Agreement contains the entire agreement of the parties, and supersedes, cancels, and revokes any and all other agreements between the parties relating to the subject matter of this Agreement. There are no representations, warranties, promises or inducements, either oral or written, except those contained in this Agreement. However, nothing in this Agreement, the exhibits or any related agreement or document is intended to disclaim representations which AAMCO has made in AAMCO's Franchise Disclosure Document which Franchisee acknowledges has been furnished to Franchisee.

Franchisee acknowledges that Franchisee is entering into this Agreement as a result of its independent investigation of the franchise opportunity and not as a result of any representations about AAMCO made by any person speaking on AAMCO's behalf (including for example AAMCO's officers, directors, shareholders, employees, agents, representatives, or independent contractors) that are contrary to the terms set forth in this Agreement or in any disclosure document, prospectus, or other similar document required or permitted to be given to Franchisee under applicable law. This Agreement may be executed in multiple counterparts, including by electronically-transmitted signatures, which taken together shall constitute one and the same original instrument. This Agreement may be modified only by an agreement in writing signed by the party against whom enforcement of such modification is sought.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date of counter-execution by AAMCO's authorized signing officer as follows:

"FRANCHISEE"

If the "Franchisee" is a legal entity (corporation, limited liability company, partnership, etc.), then: (1) insert the name of such legal entity in the following space: _____ (the "Entity"); and (2) next to the name of the person(s) that is/are signing this agreement as authorized representative(s) of the Entity, insert their title within the Entity (president, member, partner, etc.). If the "Franchisee" is not a legal entity, but rather an individual, then (1) please insert an "X" in the following space: _____; and (2) do not fill in the title line(s) below.

Signature of Franchisee (or of equity owner of Franchisee, if Franchisee is a legal entity)

Signature date: _____, 201____

Printed name of person that signed above:

Title: _____

"AAMCO"

AAMCO TRANSMISSIONS, LLC, a Pennsylvania Limited Liability Company

By: _____

Printed name of authorized signing officer: _____

Title: _____

*Date of AAMCO's Counter-Signature: _____, 201____

*(Effective Date of this Franchise Agreement)

STATISTICAL AREA

The "Statistical Area" referenced in this Agreement is located within the _____ Core Based Statistical Area as defined by the U.S. Office of Management and Budget as of the Effective Date.

OWNERSHIP INFORMATION FORM

INSTRUCTIONS: Please carefully read and complete each section of this form.

1. FULL NAME(S) OF FRANCHISEE [If this franchise is owned by a legal entity, **only** insert the name of the legal entity; if this franchise is owned by one or more persons, **only** insert the name(s) of such person(s)]:

2. THIS FRANCHISE WILL BE OWNED BY: (check which one applies)

a. Sole Proprietor (i.e., individual person or persons) _____

b. Legal Entity

(i) Corporation _____ Federal Tax ID #: _____

(ii) Limited Liability Company _____ Federal Tax ID #: _____

(iii) Partnership _____ Federal Tax ID #: _____

3. Print full name(s) of all person(s) that either directly {i.e., as sole proprietor(s)} or indirectly (i.e., as shareholder of corporation, member of LLC, etc.) own an equity interest in the franchise rights. Next to each person's name, list their ownership percentage. **ALL PERCENT NUMBER(S) MUST TOTAL 100 PERCENT.**

Name	Percent of Ownership	Social Security Number

4. Primary Contact Person: (please print the name of one person who is listed in paragraph 3 above and their cell phone number): _____

Appendix 9.2

Builder-less Equipment List

Required – May Purchase from AAMCO

ITEM	Qty
SHOP EQUIPMENT	
Fuel Induction & Injector cleaning System.	1
A/C - Refrigerant Identifier System - Pass/Fail	1
A/C Recycling System Hybrid Approved & Supplies Pkg	1
Air Compressor - 7 1/2 hp/ 80 gal/ 23.1 cfm@175psi	1
Air Stations - Shop Air/Elect on lifts	3
Battery - Portable Jump Pack Power Supply	1
Battery Charger/Power Supply	1
Battery Testers with Integrated Printer	1
Bench Grinder	1
Bench Vise - Steel - 6" jaw	1
Brake bleeder Unit w/ Attachments	1
Cleaner - Parts Cleaner / Recycler large	1
Engine - Van/FWD Engine Hanger	1
Engine -HD Engine Hanger	1
Flush - Radiator Flush Unit (# 75700 / NTX)	1
Flush - Trans Flush Exchanger (#400-80008-00/NTX)	1
Flush - Transmission Cooling Line Flush Machine	1
Grinder Stand	1
Jack - Floor Jack 2 1/2 ton	1
Jack - High Stands 74" 1 ton capacity each	4
Jack - Hi-Rise Transmission Jack 1/2 Ton (1,000-lb) capacity	2
Jack Adaptor for Trans Jack	1
Jack Stands 6 ton Pair	1
Lift - Truck lift adapter set	5
Lift Four Post Automotive Lift As Per Vendor Specs	1
Lift Twin Post Automotive Lift As Per Vendor Specs	5
Lift - Install For lifts four post	1
Lift - Install For lifts twin post	5
Press - Hydraulic Press w/ Separator -20 ton	1
Lift Dayton Hydraulic Lift Gate (GPS)	1
DIAGNOSTIC EQUIPMENT	
Scanner AUTEL MaxiSys Mini	1
Scanner - Smoke machine Emiss/ Evap System Kit w/ Adapters	1

ITEM	Qty
FLUID EQUIPMENT & SUPPLIES	
Oil - 6 Qt Oil Dispenser	2
Oil - Drain Pan	1
Oil - High Rise Drain - self Evac w/square funnel - 24gal	1
Oil - High Rise Drain Can Funnel	1
Oil- High Rise Drain Can	1
Oil- Tank Funnel	1
Oil- Drum Dolly - 55gal	1
Oil- Fluid Evacuator and Refill Unit	
Oil - Waste Oil Storage Tank 275g single wall - Check With Local Oil Company	1
Oil Storage Tank 275gal ATF single wall - Check With Local Oil Company	1
SHOP TOOLS & SUPPLIES	
Safety Deluxe Wall Mounted First Aid Kit	1
Trans Work Benches - Metal 72Lx36Dx34H	1
Bench - Mech Work Benches - welded steel 72Lx36Dx34H	2
Safety - Dirty Rag Receptacle	1
Safety -Eye Wash Station - OSHA	1
Safety -First Aid Safety Kit - OSHA	1
Safety -Safety Goggles	4
Safety -Spill Response Kit - EPA	1
Safety -Spill Response Pads 200 - EPA	1
Air - Portable air tank	1
Air - Tire Inflator w/ Gauge	1
Air Coupler Package	1
Air Hoses / Coiled Builders Room	2
Air Hoses 3/8x25'	6
Air Operated Grease Gun	1
Cooling system pressure test kit	1
Fuel Injection test kit	1
Light - Drop Lights - Fluorescent on 40' reel	5
Press - Front Axle Tool	1
Safety - Torque sticks for lug nuts	1
Trans Cart / w parts basket - 30Lx22Dx34H	2
Suspension Strut Compressor	1
Torch Set - Oxy/Acet Kit	1
Digital Pressure Gauge (vacuum/temp)	1

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ITEM	Qty
OFFICE SUPPLIES & EQUIPMENT	
Cleaning - Floor brooms	2
Cleaning -Floor - Mop and Bucket	1
Cleaning -Floor Squeegee	1
Cleaning -Towel Dispenser	2
Furniture - AAMCO Chair, Black Arm Upholstered	6
Furniture -AAMCO CSM Office Desk	1
Furniture -AAMCO Cube End Table	1
Furniture -CSM Office Chair	1
Furniture -File Cabinet - 4 drawer - w/ Lock - Legal	1
Furniture -File Cabinet - 4 drawer w/ Lock - Letter	1

Required – Must Purchase from AAMCO

ITEM	Qty
AAMCO REQUIRED ITEMS	
AAMCO MANAGEMENT SYSTEM (AMS) W/ ALLDATA	1
AAMCO Customer Reception Pads	
AAMCO TCC – VCC(IVC CALIF) Form Pk100	
AAMCO TCC - MPI Brochure Pk50	
AAMCO TCC - Warranty Books/Envelopes Pk50	1
AAMCO TCC - IVC/VCC Trifold Brochure (Pk 50) - Customized with Center info	1
AAMCO TCC - Oil Change Stickers RI100	1
AAMCO TCC - Key Tags Pk500	1
AAMCO Telephone Procedure Binder w/Inserts	1
AAMCO Floor mats Pk250	1
AAMCO Hang tags Pk1000	1
AAMCO R/O Racks	1
AAMCO Logo Patches	20
AAMCO Waiting Room Posters (Select 4 of 21 options)	4
AAMCO Poster Frames	4
AAMCO Office and Shop Material Shipping	1
AAMCO Signs (sign survey required)	1
AAMCO Advertising for opening PKG 3	1

ITEM	Qty
Furniture -Locking Storage Cabinet	1
Furniture -Office Waste Containers	3
Furniture -Owners Office Chair	1
Furniture -Owners Office Desk	1
Furniture -Shop Tech Desk	1
Furniture -Shop Tech Office Chair	1
AAMCO Counter Pod - Triangular	1
IT - AAMCO IT Package - PC/Printer/Fax etc. - EST	1
IT -Cordless Phone 3 line	1
IT -Phone System 3 line 3 station	1
Digital On Hold Message System	1

Optional Items

ITEM	Qty
Flush Trans Flush - Dual Mode System	1
Dolly - UNI-Dolly - Car Mover	1
Dolly - Wheel Dolly - hydraulic each	4
High Voltage Insulated Glove Set w/ Storage Hybrid	1
Jack Gas Tank Adapter for High Rise Jack	1
Lift Air Operated Rolling Jacks for 4 post	2
Lift Portable Engine Crane	1
Lighting Complete Lighting & Power Pkg Portable & Wired	1
Multi Meter CATIII Hybrid Approved	1
Press - Axle puller slide hammer	1
Press- Drill press	1
Oil - Bulk aerosol sprayers	3
Customer AAMCO Coffee Bar	1
Phone - Additional Phone Handsets	1
Oil Storage Tank 275gal ATF double wall - Check Req	1
Oil Waste Oil Storage Tank 275g double wall - Check Req	1
Pressure washer	1
Lift - Power Pusher	1
Oil Waste Oil Heater - 300,000 BTU	1
Oil Waste Oil Install Acc. - tank/stand/chimney	1

Builder Equipment List

Required – May Purchase from AAMCO

ITEM	Qty
SHOP EQUIPMENT	
Fuel Induction & Injector cleaning System.	1
A/C - Refrigerant Identifier System - Pass/Fail	1
A/C Recycling System Hybrid Approved & Supplies Pkg	1
Air Compressor - 7 1/2 hp/ 80 gal/ 23.1 cfm@175psi	1
Air Stations - Shop Air/Elect on lifts	3
Battery - Portable Jump Pack Power Supply	1
Battery Charger/Power Supply	1
Battery Testers with Integrated Printer	1
Bench Grinder	1
Bench Vise - Steel - 6" jaw	1
Brake bleeder Unit w/ Attachments	1
Cleaner - Parts Cleaner / Recycler large	1
Engine - Van/FWD Engine Hanger	1
Engine -HD Engine Hanger	1
Flush - Radiator Flush Unit (# 75700 / NTX)	1
Flush - Trans Flush Exchanger (#400-80008-00/NTX)	1
Flush - Transmission Cooling Line Flush Machine	1
Grinder Stand	1
Jack - Floor Jack 2 1/2 ton	1
Jack - High Stands 74" 1 ton capacity each	4
Jack - Hi-Rise Transmission Jack 1/2 Ton (1,000-lb) capacity	2
Jack Adaptor for Trans Jack	1
Jack Stands 6 ton Pair	1
Lift - Truck lift adapter set	5
Lift Four Post Automotive Lift As Per Vendor Specs	1
Lift Twin Post Automotive Lift As Per Vendor Specs	5
Lift - Install For lifts four post	1
Lift - Install For lifts twin post	5
Press - Hydraulic Press w/ Separator -20 ton	1
Lift Dayton Hydraulic Lift Gate (GPS)	1
DIAGNOSTIC EQUIPMENT	
Scanner AUTEL MaxiSys Mini	1
Scanner - Smoke machine Emiss/ Evap System Kit w/ Adapters	1

ITEM	Qty
BUILDER TOOLS & EQUIPMENT	
Furniture -HD Storage System 60x20 9 trans / unit	2
Parts Shelves 36x12 Closed 400lb	4
Parts Shelves 36x18 Closed 400lb	2
Press - Arbor Press 3 ton	1
Press - Bushing Drivers - Master Set 26pc	1
Press- Arbor Press Stand	1
Press - Foot Press Adapter - Adjustable	1
Puller - Hub Bearing Puller Kit	1
Trans Holding Fixtures - GM	1
Trans Holding Fixtures - UNIV Front Whl Drive	1
Trans Holding Fixtures - UNIV Rear Whl Drive	1
Trans Snap Ring Remover (foot press)	1
Trans Work Benches - Metal 72Lx36Dx34H	4
FLUID EQUIPMENT & SUPPLIES	
Oil - 6 Qt Oil Dispenser	2
Oil - Drain Pan	1
Oil - High Rise Drain - self Evac w/square funnel - 24gal	1
Oil - High Rise Drain Can Funnel	1
Oil- High Rise Drain Can	1
Oil- Tank Funnel	1
Oil- Drum Dolly - 55gal	1
Oil- Fluid Evacuator and Refill Unit	
Oil - Waste Oil Storage Tank 275g single wall - Check With Local Oil Company	1
Oil Storage Tank 275gal ATF single wall - Check With Local Oil Company	1
SHOP TOOLS & SUPPLIES	
Safety Deluxe Wall Mounted First Aid Kit	1
Trans Work Benches - Metal 72Lx36Dx34H	1
Bench - Mech Work Benches - welded steel 72Lx36Dx34H	2
Safety - Dirty Rag Receptacle	1
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Safety -Spill Response Kit - EPA	1
Safety -Spill Response Pads 200 - EPA	1
Air - Portable air tank	1
Air - Tire Inflator w/ Gauge	1

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ITEM	Qty
Air Coupler Package	1
Air Hoses / Coiled Builders Room	2
Air Hoses 3/8x25'	6
Air Operated Grease Gun	1
Cooling system pressure test kit	1
Fuel Injection test kit	1
Light - Drop Lights - Fluorescent on 40' reel	5
Press - Front Axle Tool	1
Safety - Torque sticks for lug nuts	1
Trans Cart / w parts basket - 30Lx22Dx34H	2
Suspension Strut Compressor	1
Torch Set - Oxy/Acet Kit	1
Digital Pressure Gauge (vacuum/temp)	1
Cleaning - Floor brooms	2
Cleaning -Floor - Mop and Bucket	1
Cleaning -Floor Squeegee	1
Cleaning -Towel Dispenser	2
Furniture - AAMCO Chair, Black Arm Upholstered	6

ITEM	Qty
Furniture -AAMCO CSM Office Desk	1
Furniture -AAMCO Cube End Table	1
Furniture -CSM Office Chair	1
Furniture -File Cabinet - 4 drawer - w/ Lock - Legal	1
Furniture -File Cabinet - 4 drawer w/ Lock - Letter	1
Furniture -Locking Storage Cabinet	1
Furniture -Office Waste Containers	3
Furniture -Owners Office Chair	1
Furniture -Owners Office Desk	1
Furniture -Shop Tech Desk	1
Furniture -Shop Tech Office Chair	1
AAMCO Counter Pod - Triangular	1
IT - AAMCO IT Package - PC/Printer/Fax etc.	1
IT -Cordless Phone 3 line	1
IT -Phone System 3 line 3 station	1
Digital On Hold Message System	1

Required – Must Purchase from AAMCO

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AAMCO REQUIRED ITEMS	
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AAMCO TCC - IVC/VCC Trifold Brochure (Pk 50) - Customized with Center info	1
AAMCO TCC - Oil Change Stickers RI100	1
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AAMCO Floor mats Pk250	1
AAMCO Hang tags Pk1000	1
AAMCO R/O Racks	1
AAMCO Logo Patches	20
AAMCO Waiting Room Posters (Select 4 of 21 options)	4
AAMCO Poster Frames	4
AAMCO Office and Shop Material Shipping	1
AAMCO Signs (sign survey required)	1
AAMCO Advertising for opening PKG 3	1

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Optional Items

ITEM	Qty
Flush Trans Flush - Dual Mode System	1
Dolly - UNI-Dolly - Car Mover	1
Dolly - Wheel Dolly - hydraulic each	4
High Voltage Insulated Glove Set w/ Storage Hybrid	1
Jack Gas Tank Adapter for High Rise Jack	1
Lift Air Operated Rolling Jacks for 4 post	2
Lift Portable Engine Crane	1
Lighting Complete Lighting & Power Pkg Portable & Wired	1
Multi Meter CATIII Hybrid Approved	1
Press - Axle puller slide hammer	1
Press- Drill press	1
Oil - Bulk aerosol sprayers	3
Parts Boxes 4.25h x 2.25w x 11d	25
Parts Boxes 4.25h x 4.25w x 11d	25
Parts Boxes 4.25h x 6.25w x 11d	25
Parts Boxes 4.25h x 8.25w x 11d	25
Parts Extra shelves 36x12 3pk 400lb	1
Parts Extra shelves 36x18 3pk 400lb	1
Customer AAMCO Coffee Bar	1
Phone - Additional Phone Handsets	1
Oil Storage Tank 275gal ATF double wall - Check Req	1
Oil Waste Oil Storage Tank 275g double wall - Check Req	1
Pressure washer	1
Lift - Power Pusher	1
Oil Waste Oil Heater - 300,000 BTU	1
Oil Waste Oil Install Acc. - tank/stand/chimney	1



FRANCHISE AGREEMENT

AAMCO TRANSMISSIONS, LLC
A Pennsylvania Limited Liability Company
201 Gibraltar Road
Horsham, Pennsylvania 19044

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FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("AGREEMENT") IS ENTERED INTO BY AND BETWEEN:

(1) AAMCO TRANSMISSIONS, LLC, A PENNSYLVANIA LIMITED LIABILITY COMPANY LOCATED AT 201 GIBRALTAR ROAD, HORSHAM, PENNSYLVANIA 19044 ("AAMCO"); AND (2) THE PERSON OR PERSONS OR LEGAL ENTITY LISTED BELOW AS "FRANCHISEE." THIS AGREEMENT BECOMES EFFECTIVE ON THE DATE COUNTER-SIGNED BELOW BY AAMCO (THE "EFFECTIVE DATE").

FRANCHISEE: FULL LEGAL NAME (See Attached Ownership Information Form)

LOCATION OF FRANCHISEE'S AAMCO® CENTER (the "Approved Center Location"):

Street Address:

City/State/Zip Code:

AAMCO Center Number: _____

As a result of extensive experience in the transmission and general automotive repair business, AAMCO has developed methods, procedures and techniques for the operation of AAMCO centers devoted to such repair business and AAMCO has built up substantial business and valuable good will by the establishment of such centers throughout the United States and Canada and

AAMCO has developed, and continues to develop, a comprehensive system for conducting operations in the transmission and general automotive repair business which consists, in part, of the use of the AAMCO Marks (defined below), AAMCO's methods, procedures and techniques, and a network of centers devoted to the transmission and general automotive repair business (the "System"); and

AAMCO identifies the System by means of certain trade names (for example, the "AAMCO" mark and logo), service marks, trademarks, logos, emblems, and indicia of origin, as well as other trade names, service marks, and

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trademarks that AAMCO may periodically specify in writing for use in connection with the System (all of these are referred to as the "AAMCO Marks"); and

AAMCO has created a substantial demand for its products and services by maintaining high standards of quality in its operation and in the operation of its franchised centers and by extensive advertising; and

AAMCO makes its experience and proprietary know-how available to all its franchisees in order to assist them in opening and developing an AAMCO center. AAMCO makes this and other means at its disposal available to aid Franchisee in Franchisee's management and operation of Franchisee's AAMCO center.

In recognition of the value of participating in the System, Franchisee desires to acquire from AAMCO, and AAMCO is willing to grant to Franchisee, a franchise upon the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, THE MUTUAL COVENANTS CONTAINED IN THIS AGREEMENT AND FOR OTHER VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, AAMCO AND FRANCHISEE, INTENDING TO BE LEGALLY BOUND, AGREE AS FOLLOWS:

1. Grant of Franchise.

1.1 In consideration of the payment of the Initial License Fee identified in this Agreement, Franchisee shall have the right, subject to compliance with the terms and conditions of this Agreement, and accepts the obligation, to operate an AAMCO transmission and automotive repair center ("Center") at the address identified above in this Agreement (the "Approved Center Location"), under the AAMCO Marks and System.

1.2 Franchisee's Center must be located solely at the Approved Center Location, which is incorporated by reference into this Section 1.2. Franchisee agrees to operate the Center at no other address other than the Approved Center Location. Franchisee also agrees not to, under any circumstance, move or relocate the Center without the express prior written approval of AAMCO, which approval shall only be in the form of a fully executed amendment to this Agreement that changes the Center's address and replaces the Approved Center Location. AAMCO agrees not to unreasonably withhold such relocation approval, but may refuse to grant such approval for so long as Franchisee remains in default of any provision of this Agreement. Nothing in this Agreement shall grant Franchisee any options, rights of first refusal or similar rights to acquire additional franchises from AAMCO. AAMCO expressly reserves the right to grant additional franchises or establish other Centers in the same Statistical Area (as that term is defined on the signature page of this Agreement). The number of Centers will be based upon then current motor vehicle registrations and the marketing program of AAMCO, and shall be limited to a maximum of one Center for each 100,000 motor vehicle registrations. Franchisee agrees that

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Franchisee does not have and is not being granted a protected trading area, specifically without limitation, in regard to the placement of other AAMCO Centers.

2. Initial License Fee.

(a) Franchisee agrees to pay to AAMCO, prior to or upon the execution of this Agreement, an "Initial License Fee." The amount of the Initial License Fee is \$17,500. This license fee does not permit Franchisee to use the AAMCO Marks or to operate the Center, without compliance with other provisions of this Agreement.

(b) Franchisee acknowledges that AAMCO shall incur expenses upon execution of this Agreement. In the event of any termination, cancellation or rescission of this Agreement for any reason whatsoever, AAMCO will suffer damages not able to be determined; therefore, AAMCO, in addition to any other rights or remedies it may have, shall be entitled to retain the Initial License Fee as liquidated damages.

3. Term and Renewal.

This Agreement shall begin as of the date set forth above and shall continue for a term of fifteen (15) years. Unless either party gives written notice of its intention not to renew at least 180 days prior to the expiration of the fifteen-year term, Franchisee shall have the right to renew this franchise at the end of the initial term for one (1) additional fifteen-year term, provided Franchisee is not then in default under the Agreement. In connection with any renewal, Franchisee agrees to execute a franchise agreement of the type then currently being used by AAMCO, at least ninety (90) days, but not more than one (1) year, prior to the expiration of the term. If, at least ninety (90) days prior to the expiration of the term of this franchise, Franchisee has not executed AAMCO's then current franchise agreement, this Agreement shall automatically terminate at the end of the term without further action by any party and Franchisee shall comply in full with section 19.2, "Effect of and Procedures after Termination." AAMCO expressly reserves the right to increase the franchise fee upon renewal in accordance with its then current policy. Notwithstanding anything in this Section 3 to the contrary, any non-renewal of the franchise shall be subject to the other provisions of this Agreement regarding termination.

4. Approved Center Location and Lease.

(a) In the event Franchisee fails to open the Center for business at the Approved Center Location within one year from the date of execution of this Agreement, AAMCO may, absent any extension of time agreed to in writing by AAMCO, immediately and without prior notice, cancel and terminate this Agreement.

(b) Franchisee agrees not to execute any documents of purchase or lease for the Center's location without the prior written approval of AAMCO as to location, and terms of sale or lease, whichever is applicable.

(c) If Franchisee purchases the Center location at any time during the term of this Agreement, or is the owner of the Center location prior to

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the execution of this Agreement, Franchisee hereby grants to AAMCO the option to lease the location on substantially the same terms and conditions contained in any lease under which Franchisee occupied the location as lessee, or if no such lease existed, then on terms and conditions that are commercially reasonable. This option granted may be exercised by AAMCO for a period of thirty (30) days following the termination, rejection or rescission of this Agreement for any reason whatsoever.

(d) If Franchisee purchases the Approved Center Location at any time during the term of this Agreement, or is the owner of the Approved Center Location prior to the execution of this Agreement, Franchisee hereby grants to AAMCO, upon expiration or non-renewal, a right of first refusal to purchase or lease the Approved Center Location on terms and conditions that are commercially reasonable or on substantially the same financial terms and conditions of any binding third-party offer. This right of first refusal may be exercised by AAMCO for a period of thirty (30) days following such expiration or non-renewal; provided, however, this right of first refusal shall not apply if Franchisee himself is using the location so long as such use is in compliance with Section 20(b) of this Agreement.

(e) If Franchisee is leasing the Center location, then Franchisee shall execute the lease and agrees to deliver a copy of the fully executed lease to AAMCO. Franchisee agrees that the lease shall contain a conditional assignment clause which shall provide that, upon the termination or expiration of this Agreement for any reason whatsoever, AAMCO or its designee shall have the option for thirty (30) days to assume the obligations of and to replace Franchisee as the lessee under the lease and at any time thereafter reassign the lease to a new franchisee. Franchisee agrees not to terminate, renew or in any way alter or amend the Center's lease during the Term or any renewal term of this franchise without AAMCO's prior written consent, and any attempted termination, renewal, alteration or amendment shall be null and void and have no effect as to AAMCO or AAMCO's interests.

(f) Except as otherwise provided in this Agreement, Franchisee agrees not to assign its Center lease or sublet the Center, or any portion of the premises containing the Center.

(g) If Franchisee chooses to design and construct his Center, Franchisee agrees to engage AAMCO's designated design and construction professional or, alternatively, to procure design and construction services from another source approved by AAMCO in writing.

(h) Franchisee agrees not to make any material change to the Center premises or adjacent areas without the prior written consent of AAMCO.

(i) Franchisee agrees to use the Center's premises solely and exclusively for the operation of an AAMCO franchised business.

5.

5.1 Training, Security Deposit and Commencement of Business.

(a) Prior to opening the Center for business, Franchisee must attend and successfully complete, to AAMCO's satisfaction, AAMCO's operator's training school, which includes instruction, training and education in the operation of the Center. If Franchisee fails to complete training to AAMCO's satisfaction, AAMCO, in its sole discretion, may terminate this Agreement immediately, and this Agreement shall be of no further force and effect, and neither AAMCO nor Franchisee shall have any further liability or obligation to the other; provided, however, that the provisions of section 20 (titled "Covenant Not-to-Compete") shall survive any such termination.

(b) Franchisee agrees to attend such additional training or meetings at such locations as AAMCO may, from time to time, direct. All expenses incurred in connection with such attendance at training sessions or meetings shall be borne solely by Franchisee.

5.2

(a) Franchisee agrees to maintain at all times during the term of this Agreement a staff of trained employees sufficient to operate the Center in accordance with this Agreement. Franchisee agrees that all personnel whom Franchisee employs shall conform to the experience or skill standards which AAMCO may prescribe. Franchisee agrees to direct any of its employees to attend such meetings and training sessions as AAMCO may require, including directing the Center's technicians to obtain technical certification, as AAMCO may require, pursuant to AAMCO's technical certification program or a comparable technical certification program approved by AAMCO. All expenses of travel, lodging, meals and any other expenses shall be borne and paid by Franchisee or the Center's employees. Franchisee agrees not to employ any person who may be required by AAMCO to complete a training program or otherwise meet training requirements, but who fails to do so for any reason whatsoever.

(b) Franchisee acknowledges and agrees that the training of the Center's technical employees is essential to the successful operation of the Center. Franchisee, therefore, agrees to participate in, pay for and buy all materials for the AAMCO Tech Video/DVD Library Program, DirecTech PRO®, ALLDATA, and any other technical training programs as and when directed by AAMCO according to the terms and conditions as determined by AAMCO, or to participate in a comparable technical training program which complies with AAMCO's specifications. Franchisee further agrees that, at the request of AAMCO, Franchisee will submit information about its participation in a comparable technical training program, including without limitation, invoices, lists of vendors from which Franchisee purchases such technical training programs and actual copies of such training. AAMCO's Technical Services Department shall determine if any such technical training program is comparable.

(c) Franchisee agrees that, regarding the hiring of employees for the Center, nothing shall prevent Franchisee from advertising generally for employees to fill vacant positions. Franchisee agrees to hire only

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those employees who, upon appropriate screening, demonstrate themselves to be honest and dependable.

5.3

(a) Franchisee acknowledges that it has deposited with AAMCO the sum of \$5,000 as a "Security Deposit" as security for compliance with all the provisions of this Agreement. The Security Deposit shall be retained by AAMCO, and AAMCO shall have the right to reimburse itself or others, including customers of the Center, from this Security Deposit for any costs or expenses that may be sustained by AAMCO or others, as a result of failure by Franchisee to comply with any provision of this Agreement. AAMCO has sole and absolute discretion in determining the amount of reimbursement from this Security Deposit, and agrees to act reasonably in making such determinations.

(b) Franchisee acknowledges that the creation and use of this Security Deposit is a condition of the franchise, is intended to maintain a high level of customer satisfaction, and to minimize or resolve customer complaints. It is agreed that AAMCO may use the Security Deposit funds to cure any default by Franchisee under this Agreement and to defray expenses, damages or attorneys' fees of AAMCO or others, reasonably necessary to cure any such default, including refunds to customers of Franchisee as AAMCO may determine. AAMCO may send written notice to Franchisee of defaults calling for action under these provisions; however, Franchisee hereby authorizes AAMCO to apply the money in this Security Deposit for the purposes specified in this provision without prior, actual notice to Franchisee that the money has been applied.

(c) Franchisee agrees that should the amount of the Security Deposit with AAMCO become less than \$5,000 because of any reason whatsoever, then Franchisee, upon notice from AAMCO, shall pay whatever amount is needed so that the amount of the Security Deposit is fully replenished and equals \$5,000.

(d) AAMCO agrees to pay interest on the Security Deposit at the rate of 3% less than prime rate as established by a leading bank as determined by AAMCO averaged over the preceding twelve months to a maximum of six percent (6%) per year, provided that Franchisee is, at all times, in full compliance with the provisions of this section. AAMCO shall have no obligation to establish a separate bank account for such funds.

(e) The Security Deposit shall be reimbursed to Franchisee upon termination of this Agreement if the Center is sold by Franchisee in accordance with section 18.2 of this Agreement and the new franchisee assumes Franchisee's warranty obligations and pays a new Security Deposit with AAMCO. In all other situations when this Agreement terminates, expires or is rescinded, AAMCO may use the Security Deposit to cover the costs of warranty work arising from warranties issued by the Center prior to the termination, expiration or rescission of this Agreement; and AAMCO may retain the deposit for a period of three (3) years from the date of termination, at which time any remaining balance will be returned to Franchisee provided Franchisee has complied in full with sections 19 and 20 of this Agreement. All warranty repairs charged under this

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subsection shall be performed at and in accordance with AAMCO's then current Intershop Warranty rate and policies and procedures.

6

6.1 Services Rendered by AAMCO. AAMCO agrees to:

(a) assist Franchisee with the layout of the Center and the installation of equipment;

(b) assist Franchisee in finding and evaluating Center personnel;

(c) loan to Franchisee, for the term of this Agreement, the Operator's Manual described in Section 7, parts catalogues, and instructional and training materials for the purpose of providing guidance in AAMCO's proprietary methods, procedures and techniques of operating a Center;

(d) furnish, from time to time, such business information, literature and materials as AAMCO determines may be helpful in improving the operations of the Center;

(e) advise and consult with Franchisee during usual business hours on matters relating to the operation of the Center;

(f) advise Franchisee of any new developments or improvements in the System;

(g) assist Franchisee by providing Technical Consulting services for use by all franchisees. These services will include Technical Hot Line Department, Publication of Technical Advisory bulletins, Publication of Technical Bench tips, Publication of Technical Bench notes, Publication of Technical columns in the Twin Post, Production of video training films, the availability of the Rebuilders Academy and additional in-house only training seminars. AAMCO further agrees that the ratio of the Technical Department's expenditures to franchise fee revenue for the provision of these services will be the minimum ratio maintained for the provision of these services.

(h) provide initial training and other additional training programs, sessions and meetings as AAMCO may determine;

(i) assist in the design of advertising promoting the business of AAMCO franchisees and the services they sell; and make available to Franchisee its experience, know-how, guidance, and counseling with respect to national, regional, and/or local advertising, and combinations thereof, including the selection of particular media and advertising content, as well as the choice of agencies for the purchase and use of these advertising techniques; and

(j) continue to protect the good will and reputation associated with the AAMCO name and marks and other distinguishing aspects of the System.

6.2 AAMCO agrees that, before AAMCO grants any additional franchise in the Statistical Area in which Franchisee's Center is located, it will conduct a marketing study and will receive and consider input and comments from Franchisee.

7. Operator's Manual

7.1 Operator's Manual.

(a) AAMCO shall loan to Franchisee, for the term of this Agreement, a manual produced and published by AAMCO (the "Operator's Manual") which: (i) is incorporated by reference into this Agreement, and (ii) includes, in part, the business procedures, technical advice, policies and procedures, and rules and regulations for the operation of the Center.

(b) Franchisee agrees that Franchisee will comply with all of the policies and procedures which AAMCO establishes from time to time including those set forth in AAMCO's Operator's Manual, training manuals as modified and/or updated by AAMCO from time-to-time as determined by AAMCO in its sole discretion.

7.2 Franchisee acknowledges and agrees that:

(a) the Operator's Manual is the property of AAMCO and shall remain its property during the term of this Agreement and during a renewal term of the Center's franchise rights;

(b) the Operator's Manual contains confidential information which Franchisee will protect as a trade secret, and that its loss will cause substantial damage to AAMCO and the System although the amount of such loss would be incalculable with any degree of accuracy. Consequently, in the event of loss of this Operator's Manual, Franchisee agrees to pay to AAMCO such sum as may be agreed upon for its replacement, as liquidated damages and not as a penalty;

(c) Franchisee will not reprint or reproduce any portion of the Operator's Manual for any reason whatsoever;

(d) upon expiration or termination of this Agreement for any reason, the Operator's Manual will be immediately returned to AAMCO.

8. Certain Obligations of Franchisee. In order to maintain the high quality and uniform standards associated with the System and to protect its good will and reputation, Franchisee agrees to:

(a) deal fairly and honestly with AAMCO and with each customer, and that Franchisee will render prompt, workmanlike, courteous and willing service in the Center

(b) operate the Center in such a manner so as to avoid customer complaints, since any customer complaints cause harm to the growth of AAMCO's national identity, reputation in the marketplace and association of its

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name with quality repairs. Franchisee agrees that any customer complaints generated by the Center, including but not limited to those in which customers allege abuse, fraud, or deceptive or unfair trade practices, cause such harm individually and in the aggregate. Franchisee agrees to handle all customer complaints and adjustments in a uniform manner consistent with the protocols and requirements specified by the Operator's Manual whether they arise from the Center or from any other AAMCO center.

(c) honor and comply with the terms of all advertising placed by or at the direction of AAMCO or Franchisee;

(d) devote his/her best efforts to the day-to-day operations and development of the business of the Center;

(e) operate the Center exclusively as an automotive repair and servicing business and not engage in any other business at the Center, except as otherwise approved in writing by AAMCO;

(f) design, keep and maintain the Center and its appearance in an attractive, clean, safe and orderly manner consistent with the operation of a first class automotive business and any directives of AAMCO deemed by it to be necessary to protect the standards of quality and uniformity of the Centers and the System, including (i) interior and exterior painting and décor, (ii) shop and sales office layout and character of interior furnishings, and (iii) use and display of such signs, emblems, logos, lettering and pictorial materials as required or approved by AAMCO;

(g) operate the Center in accordance with the methods, policies and procedures, and techniques included in the Operator's Manual and other training manuals and materials, as modified and/or updated from time to time as determined by AAMCO in its sole discretion, or otherwise approved by AAMCO;

(h) conduct business at the Center in a manner so that it will not detract from nor bring into disrepute the AAMCO name and marks;

(i) comply at all times with all federal, state, provincial, county, city, municipal and other local laws, regulations and ordinances applicable to Franchisee's business;

(j) employ center personnel who conform to the experience or skill standards that AAMCO may prescribe;

(k) operate the Center under the name AAMCO and under no other name unless directed in writing by AAMCO, and use and display the AAMCO name and marks prominently in such manner as may from time to time be directed in writing by AAMCO and not use or prominently display any other trade name, trademark, service mark or other designation during the term of this Agreement;

(l) permit AAMCO during business hours to inspect the premises of the Center, confer with Franchisee and Franchisee's employees and

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customers, check equipment and inventories, methods, books and records, and perform any other inspection deemed by AAMCO to be necessary to determine the nature, quality and uniformity of service rendered at the Center in order to protect the System and to determine Franchisee's performance under this Agreement. Franchisee specifically agrees that neither Franchisee's physical presence in the Center nor specific consent to any such inspection shall be necessary;

(m) submit to AAMCO uniform business and financial reports and financial statements in accordance with the procedure set forth in the Operator's Manual, and deliver a copy of Franchisee's federal income tax return relating to the operations of the Center within thirty (30) days after such return is filed. If AAMCO adopts as part of the System a format of reporting via electronic polling, Franchisee agrees to submit uniform financial reports for the Center through the Internet or other electronic means which is compatible with software used by AAMCO for such purpose;

(n) maintain a system of bookkeeping and recordkeeping as requested by AAMCO, keep the Center's books and records at the Center at all times and make them available during business hours to authorized representatives of AAMCO for the purpose of verifying the accuracy of Franchisee's business and financial reports. If such verification reveals that the Gross Receipts reported by Franchisee to AAMCO are more than two percent (2%) less than Franchisee's actual Gross Receipts, Franchisee agrees to reimburse AAMCO for all expenses connected with such verification, including, but not limited to, reasonable administrative, accounting and legal fees, and without limitation to any other rights and remedies AAMCO in its sole discretion, may elect to pursue. Franchisee shall pay to AAMCO immediately any deficient and delinquent franchise fees, together with interest at the rate of eighteen percent (18%) per annum calculated from the date when franchise fees should have been paid to the date of actual payment. Franchisee further acknowledges and agrees that the actual damages sustained by AAMCO in the event of underreporting of Gross Receipts are difficult to ascertain and that in addition to the fees, interest and expenses stated above, Franchisee shall also pay AAMCO liquidated damages in an amount equal to three times franchise fees due plus interest as calculated above. These liquidated damages shall be in addition to any other remedies AAMCO may have.

(o) use only such forms as AAMCO specifically prescribes or authorizes including, without limitation, AAMCO diagnostic forms, AAMCO warranty cards, AAMCO reporting forms and consecutively numbered AAMCO repair orders for which AAMCO may make a reasonable charge.

(p) offer to customers of the Center all services, products and/or warranties which AAMCO may prescribe. Franchisee acknowledges that AAMCO retains the exclusive right to make modifications from time-to-time to such services, products and/or warranties.

(q) require your employees to comply with such dress code or standards as AAMCO may require, which may include use of branded (or other "uniform") apparel, and otherwise identify themselves with the AAMCO Marks at

all times in the manner AAMCO specifies (whether in the Operator's Manual or otherwise in writing). AAMCO may also require that Franchisee and its employees comply with personal appearance standards (including but not limited to dress code, shoes, hair color, and sanitation and personal hygiene, etc.).

9. Equipment, Inventory, Supplies and Signs.

9.1 Standards and Specifications. AAMCO shall fix and determine all standards, specifications and requirements for the equipment, including diagnostic and technical equipment, supplies, parts, and assembly sets used by Franchisee in the Center. Franchisee may purchase these items from any source, so long as they conform to these standards and specifications. AAMCO agrees to furnish these standards and specifications to Franchisee, or to a vendor or manufacturer, without charge. Franchisee acknowledges that AAMCO may change such standards, specifications and requirements from time-to-time, and agrees to make any additional purchases of equipment and/or supplies needed to comply with such updated requirements.

9.2 Original Equipment, Supplies and Inventory. Prior to the opening of the Center, Franchisee must purchase the equipment, supplies, and inventory ("Items") designated in Appendix 9.2 of this Agreement as "Required – must purchase from AAMCO" and "Required – may purchase from AAMCO." Franchisee may purchase Items designated as "Optional" in Appendix 9.2 at Franchisee's discretion. Except as prohibited by state law, Franchisee must purchase all Items in Appendix 9.2 designated as "Required – must purchase from AAMCO" exclusively from AAMCO. Franchisee must purchase all Items in Appendix 9.2 designated as "Required – may purchase from AAMCO" through either AAMCO or an approved vendor; provided, that if any Item is purchased through any source other than AAMCO, Franchisee must submit to AAMCO, upon request, specifications from the suppliers for any of these Items to verify that the Items comply with AAMCO's standards, specifications, and requirements. If Franchisee requests to purchase equipment and supplies from or through AAMCO, AAMCO agrees to supply them at the price then in effect; provided, that if prior to delivery the price to AAMCO shall increase, then AAMCO may proportionately increase the price to Franchisee. If any item is not available at the time of request, then AAMCO may substitute merchandise of a similar quality, and adjust the price, after notice to Franchisee.

9.3 Operating Inventory. Franchisee acknowledges that consumer acceptance, quality, and standardization of parts and assembly sets used by AAMCO Centers is integral to the System. Franchisee further acknowledges and agrees that the exclusive use of parts and assembly sets that comply with AAMCO's standards, specifications, and requirements is an essential condition of the performance of this Agreement. Accordingly, Franchisee must, at AAMCO's request, submit a certification or other forms of verification that Franchisee uses parts and assembly sets that comply with AAMCO's standards, specifications, and requirements.

9.4 Product Warranties. There are no warranties, express or implied, made by AAMCO under this Agreement for the products purchased by Franchisee, including the implied warranty of MERCHANTABILITY.

9.5 Signs. Franchisee agrees to erect outside and inside the Center signs of such size and construction as pre-approved in writing by AAMCO. No other signs may be erected or used. Franchisee acknowledges and agrees that AAMCO shall have exclusive control of the use and display of all sign faces bearing the AAMCO name or marks.

10. Franchise Fees and Business Reports.

(a) During the term of this Agreement, Franchisee agrees to pay to AAMCO a franchise fee (the "franchise fee") equal to seven and one half percent (7.5%) of the Gross Receipts of all business transacted by Franchisee. "Gross Receipts" shall mean all forms of consideration received by the Center for all work, sale of parts, supplies or accessories or services, sold, completed and delivered to customers of the Center, exclusive of sales tax. Franchisee agrees that the franchise fee shall be paid weekly on each Tuesday based upon Gross Receipts during the preceding calendar week. The franchise fee shall be remitted simultaneously with a report showing its computation upon the forms or reports or in a format provided, required or approved by AAMCO. Franchisee agrees that AAMCO may, require Franchisee to submit the reports via electronic polling from Franchisee to AAMCO through the Internet or other electronic means which is compatible with software used by AAMCO for such purpose.

(b) Franchisee acknowledges and agrees that failure to furnish complete and accurate reports of business on a timely basis deprives AAMCO of the means to control and supervise the use of its marks or to communicate with members of the motoring public who are customers of AAMCO Centers. In addition to an accurate report of Gross Receipts in the manner or on the forms prescribed by AAMCO, Franchisee agrees to submit such copies of customer repair orders as directed by AAMCO.

(c) Franchisee agrees that the franchise fee and all other fees, charges and/or amounts owed by Franchisee under this Agreement, specifically including, but not limited to, any sums due for any advertising, whether national, regional, local and/or national creative, pursuant to section 11 below, shall be remitted to AAMCO via electronic funds transfer ("EFT") from the designated account(s) of Franchisee's financial institution. Prior to opening his/her Center, and from time to time thereafter as events may require, Franchisee agrees to provide AAMCO written authorization, and such other information as AAMCO may require, in such form as shall be approved by AAMCO, which shall authorize and/or enable Franchisee's financial institution to accept debit originations, electronic debit entries, or other EFT, and electronically deposit franchise fees and other sums owed under this Agreement directly to AAMCO's bank account(s).

(d) Franchisee agrees to authorize AAMCO to withdraw funds by EFT upon or after the funds become due to AAMCO under this Agreement, at such days and times as AAMCO shall determine. Franchisee agrees that it shall be an event of default under section 19.1 of this Agreement if Franchisee closes or otherwise makes Franchisee's designated account(s) inaccessible by AAMCO without completing the following before or promptly after the account is made inaccessible:

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- (1) notifying AAMCO in writing of such event;
- (2) establishing another designated account(s) for EFT withdrawals; and
- (3) providing the written authorization and information required in subsection (c) above.

(e) Franchisee agrees that if AAMCO has not received from Franchisee, by 12 noon Eastern time on each Tuesday, a report of Gross Receipts from the Center's sales for the preceding week by written statements or business reports in the form prescribed by AAMCO under section 10 of this Agreement or by electronic polling, then AAMCO shall be entitled to withdraw by EFT from Franchisee's designated account(s) the appropriate franchise fee based on an arithmetic average of Franchisee's weekly gross sales reported to AAMCO over a number of previous weeks as determined by AAMCO or based on some other means of estimating Franchisee's gross sales as determined by AAMCO. If a business report in the form of a statement required under this section 10 is subsequently received and reflects (i) that the actual amount of the franchise fee due was more than the amount of the EFT by AAMCO, then AAMCO shall be entitled to additional funds by EFT from Franchisee's designated account(s) for the difference, or (ii) that the actual amount of the franchise fee due was less than the amount of the EFT by AAMCO, then AAMCO shall credit the excess amount to the payment of Franchisee's future franchise fee.

(f) Franchisee agrees that, upon written notice from AAMCO, Franchisee may be required to pay any amount(s) due under this Agreement directly to AAMCO by check or other non-electronic means, instead of by EFT, solely at AAMCO's discretion.

11. Advertising.

11.1 National Creative Advertising Fee. Franchisee agrees to pay a "National Creative Advertising Fee" in accordance with the formulas which will be provided by the National Creative Committee and administered by AAMCO. Payment of this National Creative Advertising Fee shall be made to AAMCO in accordance with its instructions, including compliance with section 10(c) providing for payment by EFT.

11.2 Local Advertising.

(a) Franchisee acknowledges and agrees that all advertising must be approved by AAMCO in advance of its use and Franchisee agrees not to use any advertising unless and until such has been approved in writing by AAMCO. Franchisee specifically agrees to participate in for the national Yellow Pages program of AAMCO, to place and pay for Yellow Pages advertising through this program and agrees not to place Yellow Pages advertising in any other manner. Franchisee further agrees to use, display or distribute in or about the Center any advertising, promotional or informational materials that AAMCO may provide from time to time and to follow AAMCO's instructions regarding such materials.

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(b) Franchisee acknowledges that, in addition to Yellow Pages advertising, it is mandatory to employ advertising at the local level and to participate in and pay for advertising programs and promotional activities at the local level. Franchisee agrees to share local advertising expenses with other franchisees in the Designated Market Area (DMA) as defined by A.C. Nielsen Company which may change from time-to-time and to execute all local ad pool documents as may be required and approved by AAMCO.

(c) Franchisee acknowledges that AAMCO has the right to approve an advertising agency, which approval shall not be unreasonably withheld, and Franchisee agrees to place advertising only with an agency approved by AAMCO; Franchisee agrees to pay promptly fees which become due to any such agency.

(d) Franchisee agrees that if Franchisee fails to pay promptly an amount due his advertising agency or his local advertising group or pool, then either AAMCO, or other AAMCO franchisees in the local advertising group or pool of which Franchisee is a member, or the local advertising group or pool itself shall be entitled to recover the amount due from Franchisee. Franchisee acknowledges that all local advertising benefits him and the other franchisees in the local advertising group or pool. Franchisee acknowledges that despite failure to contribute to Franchisee's local AAMCO advertising group or pool, local advertising expenditures by such group or pool confer substantial benefits on Franchisee, and further acknowledges Franchisee's responsibility for payment therefor. AAMCO specifically reserves the right to have or allow the local AAMCO advertising group or pool to seek enforcement of this obligation.

(e) Franchisee may engage in any advertising or promotion of the Center or business, in addition to the advertising or promotion set forth in this section 11, provided that such advertising or promotion shall be at the sole cost of Franchisee.

(f) Franchisee agrees not to create, maintain or use an Online Site or other form of electronic media not paid for or approved in writing by AAMCO for the purpose of advertising or promoting the Center or business; not to create or adopt, use or register any domain name that uses in any manner, the AAMCO Marks; and, not to establish any HTML or other link between any web site created, maintained or used by Franchisee and AAMCO's home page(s) or other part of its Online Site(s) without AAMCO's prior written approval. The term "**Online Site**" means one or more related documents, designs, pages, or other communications that can be accessed through electronic means, including, but not limited to, the Internet, World Wide Web, webpages, microsites, social networking sites (e.g., Facebook, Twitter, LinkedIn, You Tube, Google Plus, Pinterest, etc.), blogs, vlogs, applications to be installed on mobile devices (e.g., iPad or Droid apps), and other applications, etc.

11.3 National or Regional Advertising.

(a) Franchisee agrees to participate in advertising programs at the national and/or regional levels if and when established or directed by AAMCO by paying to AAMCO a National or Regional Advertising Fee. Franchisee agrees to pay this National or Regional Advertising Fee in accordance

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with reasonable formulas provided by AAMCO. Payment of such National or Regional Advertising Fee shall be made in accordance with AAMCO's instructions.

(b) Franchisee agrees that AAMCO may, from time to time, designate an AAMCO web site for the purpose of advertising the AAMCO Marks and services associated with the System as well as individual Centers. Franchisee acknowledges and agrees that all parts of the designated web site, including any web page(s) dedicated to the Center, are the property of AAMCO and that AAMCO has sole and exclusive right and authority to change or terminate the web site in total or in part, as AAMCO deems appropriate.

12.

12.1 Insurance.

(a) Franchisee agrees to purchase and, at all times during the term of this Agreement, maintain in full force and effect policies of insurance as follows: (i) Worker's Compensation insurance, in amounts prescribed by law; (ii) insurance against all types of public liability including employer's liability insurance, liability insurance under a comprehensive general liability policy, with bodily injury and property damage liability insurance, garage liability, garage keeper's legal liability and direct primary coverage, products liability or completed operations liability insurance, automobile liability insurance, including owned and non-owned hired motor vehicles, and customer automobile liability insurance; and (iii) such additional insurance as may be required by the terms of any lease for the premises of the Center.

(b) Franchisee agrees that all policies of insurance required under this section shall be in form with companies reasonably satisfactory to AAMCO and in such amounts as AAMCO shall reasonably determine, which amounts, in no event, shall be less than \$1,000,000 per occurrence, bodily injury and property damage combined. Franchisee acknowledges and agrees that AAMCO reserves the right to increase the amounts of insurance required by this section and further agrees to comply with such increased amounts after notice from AAMCO. AAMCO agrees to act reasonably in determining such increased amounts. Franchisee agrees that such policies shall protect, as named insureds, Franchisee, AAMCO and any other party designated by AAMCO and that 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 a corporation, shall constitute knowledge of the insured. Franchisee agrees to furnish to AAMCO, any other named insured, and all other persons designated by AAMCO, certificates issued by each of Franchisee's insurers 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 from the insurer to each certificate holder. New certificates evidencing renewal of such insurance shall be furnished at least thirty (30) days prior to the date of expiration of each such policy. Within five (5) days of any request by AAMCO, Franchisee agrees to deliver the original of all such insurance policies to AAMCO for examination.

(c) If Franchisee fails to obtain or maintain any insurance policy containing all the coverages, clauses and provisions required under this

section, AAMCO may, at its election, obtain and maintain such insurance for and in the name of Franchisee. Within fifteen (15) days of any written request of AAMCO, Franchisee agrees to furnish all information necessary to obtain and maintain such insurance and to pay all costs thereof.

12.2 Indemnity Agreement. Franchisee agrees to protect, defend and to hold harmless and indemnify AAMCO from any and all claims, demands, losses, damages, costs, suits, judgments, penalties, expenses and liabilities of any kind or nature (collectively "Claims"), and to pay to AAMCO all costs, expenses and liabilities which may be associated with such Claims, which are based on or arise out of or relate in any way to the operation or the condition of Franchisee's Center or this Agreement. This agreement to indemnify AAMCO set forth in this section shall be given effect whether the Claim arises indirectly or directly out of the Center's operation, Franchisee's conduct of his business there, the ownership or possession of real or personal property there or from or by any act of negligence, omission or willful conduct by Franchisee or by any of his employees, servants or agents. The minimum amounts of insurance outlined in section 12.1 shall not be construed to limit liability under this section of the Agreement. Franchisee also agrees by this Agreement to pay on behalf of AAMCO any and all fees, costs, or other expenses which AAMCO reasonably incurs as a result of any investigation or defense of any such claim, including reasonable attorneys' fees.

12.3 Independent Contractor and Relationship of the Parties.

(a) Franchisee acknowledges and agrees that the relationship between AAMCO and Franchisee is strictly that of a franchisor and a franchisee and Franchisee is an independent contractor and not an agent, employee, partner or joint venturer of AAMCO for any purpose whatsoever. This Agreement does not create a joint venture, partnership, or agency and any act or omission of either party shall not bind nor obligate the other, except as expressly set forth in this Agreement. Franchisee agrees that he is not authorized in any way to make a contract, agreement or promise, or to create any implied obligation on behalf of AAMCO and agrees not to do so.

(b) Franchisee agrees that, in all public records and in relationships and dealings with third parties, as well as on stationery, letterheads and business forms, to indicate Franchisee's independent ownership of the Center and that Franchisee is a franchisee of AAMCO. Franchisee agrees to conspicuously display both inside and outside the Center a notification that the Center is independently owned and operated.

(c) Franchisee recognizes that AAMCO has entered into this Agreement in reliance upon and in recognition of the fact that Franchisee does and will have full responsibility and authority for the management and operation of the Center; and that Franchisee's success, and that of all Centers, depends on adherence to the highest standards of business practice and on the maintenance of prompt, efficient, courteous, workmanlike and satisfactory service to the public.

13.

13.1 AAMCO Names, Marks and Trade Secrets; Protection of the System.

(a) Franchisee hereby acknowledges the validity of the AAMCO Marks and that AAMCO is the owner of all right, title and interest in such names and marks. Franchisee agrees that Franchisee will use the AAMCO Marks only in full compliance with specifications prescribed from time to time by AAMCO and that all such usage and the goodwill established thereby shall inure to the exclusive benefit of AAMCO. Except as expressly granted in this Agreement, Franchisee acknowledges and agrees that nothing contained in this Agreement shall be construed as giving to Franchisee or to any other person or entity, any right or interest in the AAMCO Marks, trade secrets, methods, procedures or techniques developed by AAMCO and used in the System. Further, except as provided for herein, nothing contained herein shall be construed as limiting AAMCO's right, title or interest in the AAMCO Marks, trade secrets, methods, procedures and techniques which are a part of the System or AAMCO's sole and exclusive right to register, to use and to license others to use such names and marks, trade secrets, methods, procedures and techniques.

(b) Franchisee represents, warrants and agrees that:

(1) Franchisee will not contest, directly or indirectly, AAMCO's ownership, title, right or interest in the AAMCO Marks, trade secrets, methods, procedures and techniques which are a part of the System or contest AAMCO's sole right to register, to use, and to license others to use such AAMCO Marks, trade secrets, methods, procedures and techniques and any other mark or name which incorporates the word "AAMCO"; and

(2) with the exception of the use of the names and marks in the manner expressly specified and authorized under this Agreement and the registration of a fictitious name solely in connection with the operation of the Center, Franchisee will not use or register or attempt to use or register in Franchisee's name or in the name of any other person or entity any name or mark, corporate name or any designation of any kind using the AAMCO Marks, or as part of any e-mail address, domain name, social networking site page, or other identification of Franchisee in any electronic medium.

13.2 Confidential Information.

(a) Franchisee shall not, during the term of this Agreement or at any time thereafter, communicate, divulge, or use for the benefit of any other person, persons, partnership, entity, association, or corporation any Confidential Information that may be communicated to Franchisee or of which Franchisee may be apprised by virtue of Franchisee's operation under the terms of this Agreement. Franchisee may divulge AAMCO's Confidential Information only to those of Franchisee's employees as must have access to it in order to operate the Center.

(b) Franchisee acknowledges and agrees that AAMCO is the sole owner of all rights to Confidential Information. Any and all information, knowledge, know-how, and techniques that AAMCO designates as confidential shall be deemed Confidential Information for purposes of this Agreement, except

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information that Franchisee can demonstrate came to its attention before disclosure of that information by AAMCO; or which, at or after the time of AAMCO's disclosure to Franchisee, had become or later becomes a part of the public domain, through publication or communication by others.

(c) Any employee who may have access to any Confidential Information regarding the Center shall execute a covenant that s/he will maintain the confidentiality of information they receive in connection with their association with Franchisee. Such covenants shall be on a form that AAMCO provides, which form shall, among other things, designate AAMCO as a third party beneficiary of such covenants with the independent right to enforce them.

(d) As used in this Agreement, the term "**Confidential Information**" includes, without limitation, any information or data concerning AAMCO's service program, training, diagnostic and technical materials, operations techniques, advertising or promotion ideas, financial information, equipment, business concepts and plans, vendor information, results of operations and quality control information, demographic and trade area information, prospective site locations, market penetration techniques, plans, or schedules, the Operator's Manuals, customer profiles, preferences, or statistics, franchisee composition, territories, and development plans, and all related trade secrets or other confidential or proprietary information treated as such by AAMCO, whether by course of conduct, by letter or report, or by the use of any appropriate proprietary stamp or legend designating such information or item to be confidential or proprietary, by any communication to such effect made prior to or at the time any Confidential Information is disclosed to Franchisee.

(e) Franchisee acknowledges that any failure to comply with the requirements of this Section 13 will cause AAMCO irreparable injury, and Franchisee agrees to pay all costs (including, without limitation, reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that AAMCO incurs in obtaining specific performance of, or an injunction against violation of, the requirements of this Section 13.

13.3 Protection of System. If Franchisee learns of any actual or threatened infringement or piracy of the AAMCO Marks, trade secrets, methods, procedures or techniques used in the System (the "Infringement") or of any infringement or piracy claim made against Franchisee by a party other than AAMCO ("Third Party Claim"), Franchisee agrees to immediately notify AAMCO in writing of the Infringement or Third Party Claim. AAMCO shall have the right to determine what action, if any, to take with respect to such Infringement or Third Party Claim and shall bear the expense of any such action. Franchisee agrees to give its full cooperation in such action if so requested by AAMCO. If Franchisee is named as a party in any legal proceeding brought by a party other than AAMCO for infringement of trade names, trademarks, service marks, copyrights or trade secrets based upon Franchisee's use of the AAMCO Marks, any such proceeding shall be defended and held harmless in the name of Franchisee, by and at the expense and direction of AAMCO.

14.

14.1 Warranty Program. Franchisee agrees to honor each warranty presented by an AAMCO customer in accordance with its terms, regardless of whether the service was rendered at the Center or at some other authorized AAMCO center. Franchisee agrees to comply at all times with AAMCO's policies concerning the AAMCO warranty program.

14.2 Warranty Payment Rates. Franchisee shall be entitled under this Agreement to receive from another AAMCO Center the costs of supplies, accessories and parts which Franchisee uses in honoring the warranty, plus a sum of money based on either an hourly rate for labor or a flat fee, depending on the extent of repairs required. The payment rate used in making payments under this section will be determined by AAMCO and published to all franchisees. Franchisee agrees to immediately pay to any other AAMCO Center the amount due to such other Center for honoring of a warranty issued to a customer of Franchisee. If Franchisee fails to pay promptly any amount due under this section, AAMCO shall be entitled to recover such amount from Franchisee for the benefit of the other AAMCO Center, or to credit such other Center for money which may be due and owing to Franchisee for such payments.

14.3 Prohibition Against Other Warranties. Franchisee agrees to make no warranties or guarantees other than those contained in the printed forms of warranty issued or approved by AAMCO. Franchisee acknowledges and agrees such warranties and guarantees are made by Franchisee to the customer and that there are no warranties expressed or implied made by AAMCO to the customer or to Franchisee in connection with any product or service furnished under this Agreement.

15. Telephone Service.

(a) Franchisee acknowledges and agrees that all published telephone numbers and directory listings for the Center are the property of AAMCO. Franchisee may not make any changes to the local carrier, service or account name without the prior written authorization of AAMCO. If AAMCO takes any action pursuant to this section 15, the telephone company and all listing agencies, without liability to Franchisee, may accept this Agreement and the directions by or on behalf of AAMCO as conclusive of the exclusive rights of AAMCO in such telephone numbers and directory listings and its authority to direct their amendment, termination or transfer.

(b) AAMCO may transfer, suspend or remove Franchisee's telephone service for any published telephone numbers appearing under the AAMCO trade name or trademarks in directory listings, advertising and yellow pages advertising in the event of termination, rejection, expiration or rescission of this Agreement.

16. National Fleet Accounts Program.

AAMCO, as part of the System, maintains a national fleet accounts program by which transmissions and other automotive repairs are provided to national or regional fleet accounts at designated AAMCO Centers, at agreed prices and processed through a centralized billing system ("national fleet accounts program"). If Franchisee decides to participate in AAMCO's national

fleet accounts program, then Franchisee specifically agrees to accept and perform any automotive repair work that the vehicle may require in accordance with AAMCO's service standards, offer and honor such warranties as are required under AAMCO's agreement with the fleet account, charge and accept payment for all repairs in accordance with the price agreed between AAMCO and the fleet account for the particular type of repair, complete and provide such data, reports and/or documentation as AAMCO may require in administering the national fleet accounts program, and purchase and/or subscribe to any necessary hardware or software to interface with AAMCO's centralized billing system. Franchisee agrees that AAMCO retains all rights to the software used in connection with the national fleet accounts program.

17. Defaults in Payment and Expenses.

(a) Franchisee agrees to pay all third party costs (including in-house attorneys' fees if a legal proceeding is instituted) incurred by AAMCO in collecting franchise fees, advertising fees and all other payments due under this Agreement and in enforcing the provisions of this Agreement.

(b) Franchisee agrees to pay AAMCO a late charge upon all amounts due and owing to AAMCO in an amount equal to one and one-half percent (1-1/2%) of the average unpaid balance per month. If a court of competent jurisdiction determines that the late charge violates any usury or similar law, then the late charge will, instead, be the maximum amount allowed under applicable law. In addition, for each gross weekly business report not received by AAMCO within two (2) weeks from the date on which it was due, Franchisee agrees to pay AAMCO a late charge of ten dollars (\$10.00) per report, per week. The payment of any such late charge will not be deemed to allow or excuse delay in the timely submission of reports or in the payment of sums due.

(c) Franchisee is solely responsible for paying all service charges and other fees resulting from Franchisee's financial institution in connection with EFT including, without limitation, any and all service charges and other fees arising in connection with any EFT by AAMCO that is not honored or processed by Franchisee's financial institution for any reason. Further, Franchisee shall pay AAMCO a fifty dollar (\$50.00) charge for reprocessing any EFT not originally honored or processed by Franchisee's financial institution.

(d) If a local advertising group or pool becomes entitled to recover amounts from Franchisee, by virtue of such an action pursuant to section 11 of this Agreement, then Franchisee acknowledges that such group or pool shall be entitled to recover, in addition to any judgment, an amount equal to the costs and reasonable attorneys' fees therefor.

(e) If Franchisee fails to pay for National Creative Advertising and/or Yellow Pages advertising, then Franchisee acknowledges and agrees that AAMCO has the right (i) to direct any publisher of a Yellow Pages advertising directory to omit Franchisee's listing from such directory and (ii) to withhold all television and radio tapes from Franchisee, until all sums owed plus interest and any costs of collection, including attorneys' fees, have been paid in full.

18. Restrictions on Change of Ownership.

18.1 Restrictions on Change of Ownership.

(a) Franchisee agrees that all rights, interests and obligations of Franchisee arising from or under this Agreement are personal to Franchisee and, except as otherwise provided in this section 18, Franchisee shall not, without AAMCO's prior written consent, voluntarily or involuntarily, by operation of law or otherwise, sell, assign, transfer or encumber Franchisee's interest in this Agreement, and/or in the franchise granted hereby, or in the lease for the premises at which the Center is located.

(b) If Franchisee, as an individual, desires to form a corporation, partnership or a limited liability company or other legal entity ("Entity") for the operation of the AAMCO Center and to have rights under this Agreement, Franchisee may do so only upon the following terms and conditions:

(1) The Entity becomes the "Franchisee" under the Agreement, and replaces the individual, and, if permitted and required by AAMCO, all of the equity owners of the Entity must sign AAMCO's form of personal guaranty of the Entity's obligations owed as Franchisee to AAMCO under this Agreement.

(2) The Entity is newly organized and its activities are confined exclusively to acting as an AAMCO franchisee under this Agreement.

(3) Franchisee continues to devote his best efforts to the day-to-day operation and development of the franchise and the business of the Center.

(4) Franchisee is the owner of the majority of the stock, partnership interests or membership units of the Entity, is the principal executive officer of the Entity and has full and complete authority to act for the Entity. In the event of the death of Franchisee who is the majority shareholder, partner or member of such Entity, then the provisions of section 18.2 below will apply, except that such heir or next of kin must hold a majority interest in the Entity, be a principal executive officer of the Entity and must have full and complete authority to act for the Entity.

(5) All money obligations of Franchisee under this Agreement must be satisfied.

(6) The Entity executes a document with AAMCO in such form as shall be approved by AAMCO in which it agrees to be a party to, be bound by all the provisions of this Agreement.

(7) The individual formerly known as the Franchisee remains personally liable in all respects under this Agreement and Franchisee and all officers, directors, shareholders, partners, and/or members of the entity with at least a twenty-five percent (25%) interest execute in form approved by AAMCO a personal guaranty and agreement not to further transfer

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the stock, partnership interests or membership units, except as otherwise provided for herein.

(8) The Entity shall disclose in writing the names and addresses of all of its officers and directors, partners or members and, whenever there is a change in any such officer, director, partner or member, shall immediately notify AAMCO of such change. Franchisee acknowledges that AAMCO has the right to approve the officers, directors, partners and members, which approval shall not be unreasonably withheld, and agrees that any such individual not approved by AAMCO will be immediately removed from such position and shall not be permitted to have any involvement in the operation of the Entity or the AAMCO Center.

(c) If Franchisee organizes or has organized a corporation, partnership or limited liability company in connection with the operation of the Center, the shares of stock, partnership interests or membership units shall not be sold, assigned, pledged, mortgaged or transferred without the prior written consent of AAMCO. There may be a sale of all of the shares of stock, partnership interests or membership units of the Entity subject to the same conditions listed in subparagraph (b) above to a purchaser, as though the person acquiring were a purchaser under section 18.2 of this Agreement. All ownership certificates shall have endorsed upon them the following:

The transfer of this stock (or membership unit) is subject to the terms and conditions of a Franchise Agreement dated _____ [insert the same date as this Agreement] between AAMCO Transmissions, LLC and _____ [insert Franchisee's name(s)].

(d) Franchisee agrees that this Agreement may not be transferred by a corporation, partnership or limited liability company by transfer of stock, partnership interests, membership units or by any other means.

18.2 Sale, Assignment or Transfer.

(a) Franchisee agrees to submit to AAMCO a copy of any written offer received to purchase the Center or a statement from Franchisee of the terms of the proposed sale and the identity of any proposed purchaser before execution of an agreement of sale.

(b) If Franchisee dies and his personal representative does not desire to sell the Center, and if under controlling local law, the deceased Franchisee's interests in the Center, and this Agreement are distributable to heirs or legatees who are members of his immediate family and who otherwise would qualify as assignees under the terms of this section, then such attempted assignment by operation of law shall not be deemed in violation of this Agreement, provided that such heirs or legatees accept and fulfill the conditions imposed in section 18.2(c).

(c) If Franchisee desires to sell the AAMCO Center, Franchisee may do so provided that the purchaser is first approved by AAMCO. AAMCO agrees to approve such prospective purchaser if the purchaser has

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satisfactory credit ratings, has good moral character and has a reputation and business qualifications satisfactory to AAMCO, and provided further that:

(1) all prior, ascertained or liquidated debts of Franchisee in connection with the Center, including all sums due under the Franchise Agreement, specifically without limitation sums owed for franchise fees, local, regional, national, national creative or yellow page advertising, sums owed to an advertising agency, sums due other AAMCO Centers and any amounts due because of a default of any provision of this Agreement are paid concurrently with the assignment, sale or transfer;

(2) all warranty, intershop and customer service obligations of Franchisee in connection with the Center are assumed by assignee, buyer or transferee;

(3) Franchisee is not subject to an uncured notice of default under this Agreement and all monetary obligations to AAMCO or the applicable advertising pool are satisfied prior to or upon a sale, assignment or transfer;

(4) the assignee, buyer or transferee, prior to the effective date of the assignment, sale, or transfer, satisfactorily completes the AAMCO training program required of new franchisees;

(5) the assignee, buyer or transferee executes AAMCO's then current standard franchise agreement for a full fifteen-year term;

(6) Franchisee, assignee, buyer or transferee, prior to the assignment, sale or transfer, pays to AAMCO its then current training fee and franchise issuance fee of six thousand dollars (\$6,000) in connection with the administration and approval of such assignment, sale and issuance of a franchise to such assignee, buyer or transferee; and

(7) Franchisee and all shareholders, partners, members or other person or persons having control of a corporate or similar entity shall execute a general release under seal of all Claims in favor of AAMCO and a termination of franchise.

(d) If Franchisee sells his AAMCO Center without the aid or assistance of AAMCO then the purchaser must sign a then-current form of franchise agreement. The purchaser has the option of signing an agreement for only the balance of Franchisee's term at the franchise fee being paid by Franchisee, or, of signing an agreement for a fifteen (15) year term, the first portion of the term will be for the balance of Franchisee's term at the franchise fee being paid by Franchisee, and the second portion of the term will be for the remainder of the fifteen (15) year term at the franchise fee being charged by AAMCO for new franchises as of the time of the purchase.

(e) If Franchisee has listed his Center with AAMCO or the purchaser has received a presentation from AAMCO's franchise sales department within the past 12 months, then the purchaser must sign a current form of

franchise agreement for a fifteen (15) year term at the franchise fee being charged by AAMCO for new franchises as of the time of the purchase.

18.3 Attempted Sale, Assignment or Transfer. If Franchisee attempts to sell, assign or transfer his AAMCO Center without following the procedures required by this Agreement, then any such attempted sale, assignment or transfer is void. In the event that such attempted assignment or transfer is to an entity wholly or partially owned or controlled by Franchisee, then, at AAMCO's option, Franchisee agrees on behalf of the entity that the attempted assignment or transfer shall subject the entity to all the terms and conditions of this Agreement. Franchisee shall remain jointly and severally liable for all obligations and responsibilities of this Agreement, including money owed, despite any such attempted and/or unauthorized sale, assignment or transfer of Franchisee's AAMCO Center.

18.4 Transfers by AAMCO. AAMCO will have the right to transfer or assign this Agreement and all or any part of AAMCO's rights or obligations under this Agreement to any person or legal entity, and any assignee of AAMCO, which assignee will become solely responsible for all of AAMCO's obligations under this Agreement from the date of assignment.

19.

19.1 Termination.

(a) AAMCO, at its option, and without prejudice to any other rights or remedies which it may have under this Agreement, at law or in equity, may terminate this Agreement immediately by giving written notice to Franchisee upon the occurrence of any of the following:

(1) if Franchisee fails to complete the initial training program to AAMCO's satisfaction;

(2) if Franchisee sells or attempts to sell, transfer, or assign rights in the Center and/or under this Agreement without the approval of AAMCO as required by this Agreement;

(3) if Franchisee terminates or attempts to terminate or rescind this Agreement for any reason;

(4) if Franchisee abandons the Center's franchise. For purposes of this provision, "abandon" means: (i) Franchisee's ceasing to operate the Center for a period of five (5) consecutive business days; or (ii) Franchisee's failure to keep the Center open and operating for any period after which it is not unreasonable under the facts and circumstances for AAMCO to conclude that Franchisee does not intend to continue to operate the Center, unless such failure to operate is due to fire, flood, earthquake or similar causes beyond Franchisee's control; or (iii) the withdrawal of permission from Franchisee's landlord that results in Franchisee's inability to continue operating the Center; or (iv) any act or statement by Franchisee from which AAMCO

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reasonably concludes that Franchisee intends to relinquish Franchisee's rights to the Center;

(5) if, within twelve (12) months immediately preceding the occurrence of such default, Franchisee has been given notice of the same default under Section 8(a); 8(b); 8(i); 8(j); 8(l) or 8(o) of this Agreement or notice of failure to pay any sum under this Agreement when due on three (3) prior occasions, whether or not such default has been cured;

(6) if at any time Franchisee acts fraudulently or fails to deal honestly and fairly with AAMCO or with any customer of the Center, or upon a breach of section 8.1(a) or (c) above;

(b) If any one or more of the following events take place, then Franchisee will be deemed to be in default under this Agreement, and all rights granted in this Agreement shall automatically terminate without notice to Franchisee: **(a)** if Franchisee becomes insolvent or makes a general assignment for the benefit of creditors; **(b)** if Franchisee is dissolved; or if execution is levied against Franchisee's business or property; and/or **(c)** if the real or personal property of the Center shall be sold after levy thereupon by any sheriff, marshal, or constable.

(c) Except as otherwise provided above in Sections 19.1(a) and 19.1(b) above, if Franchisee is in default of its obligations under this Agreement, or the lease for the Approved Center Location, AAMCO may only terminate this Agreement by giving Franchisee written notice of termination (in the manner set forth under Section 23 below) stating the nature of the default at least thirty (30) days before the effective date of termination; provided, however, that Franchisee may avoid termination by immediately initiating a remedy to cure such default, curing it to AAMCO's satisfaction, and by promptly providing proof of the cure to AAMCO, all within the thirty (30) day period. If any such default is not cured within the specified time (or such longer period as applicable law may require), then this Agreement shall terminate without further notice to Franchisee effective immediately upon the expiration of the thirty (30) day period or such longer period as applicable law may require.

(d) If there are now, or hereafter shall be, other franchise agreements and/or notes, security agreements, other debt instruments, or other agreements in effect between AAMCO and Franchisee, a default by Franchisee under the terms and conditions of this Agreement or any other of such agreements shall, at the option of AAMCO, constitute a default under all such agreements.

19.2 Effect of and Procedures after Termination.

(a) Franchisee agrees that upon the termination or expiration of this Agreement for any reason, including, without limitation, termination upon the expiration of its current term by virtue of Franchisee's failure to renew as provided in section 3 (sometimes herein "expiration"), Franchisee shall cease to be an AAMCO franchisee and shall:

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(1) promptly pay AAMCO all amounts due and owing under this Agreement;

(2) immediately and permanently discontinue the use of all AAMCO Marks, signs, structures, all forms of advertising, telephone listings and service, manuals, software and all materials and products of any kind which are identified or associated with the System or AAMCO and return all such materials and products, including without limitation, the Operator's Manual, to AAMCO;

(3) thereafter make no representations or statements for commercial benefit that Franchisee is or ever was in any way approved, endorsed, associated or identified with AAMCO or the System in any manner whatsoever or that Franchisee is a former AAMCO franchisee; provided, however, Franchisee shall reimburse AAMCO for all customer warranty repairs made within an applicable warranty period arising from work performed at the Center;

(4) immediately take all steps necessary to amend or terminate any registration or filing of any fictitious name or any other registration or filing containing the AAMCO Marks in order to effectuate the removal of the AAMCO Marks from such registration or filing; and

(5) thereafter refrain from establishing any HTML or other link between any web site created, maintained or used by Franchisee and AAMCO's home pages(s) or other part of its web site(s).

(b) Upon termination or expiration, AAMCO shall have the option to purchase all of Franchisee's right, title and interest in the Center and all equipment contained therein. If AAMCO intends to exercise its option, AAMCO shall notify Franchisee of such intention within ten (10) days of the time of termination or in the case of expiration, within ten (10) days prior to the expiration of the current term of this Agreement. The full purchase price of the Center shall be:

(1) in the case of expiration, the fair market value of the equipment and parts then located at the Center less all outstanding liabilities of the Center;

(2) in the case of all other terminations, the lesser of the fair market value of the equipment and parts then located at the Center or Franchisee's cost, less depreciation on the equipment computed on a fifteen (15) year straight line basis, less all outstanding liabilities of the Center. AAMCO shall have the right to withhold from the purchase price funds sufficient to pay all outstanding debts and liabilities of the Center and to pay such debts and liabilities from such funds. If such liabilities exceed the purchase price of the equipment and parts, AAMCO shall apply the purchase price in such manner as AAMCO, in its sole discretion, shall determine. In no event, however, shall AAMCO become liable for any of the debts and liabilities of Franchisee or the Center and Franchisee shall remain responsible for all outstanding debts and liabilities of the Center which remain unsatisfied subsequent to the distribution by AAMCO of the purchase price funds;

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(3) "Fair Market Value" as used in this section 19.2, shall be determined by an appraisal from an independent third party acceptable to both AAMCO and Franchisee, the costs of which shall be borne equally by AAMCO and Franchisee.

(c) If, within five (5) days after termination or expiration, Franchisee fails to remove all displays of the AAMCO Marks and any other materials of any kind from the Center which are identified or associated with the System or AAMCO, AAMCO may enter the Center or premises to effect such removal. In such event, AAMCO shall have no liability to Franchisee therefor, nor shall AAMCO be accountable or required to pay for such displays or materials.

(d) If, within three (3) days after termination or expiration, Franchisee has not taken all steps necessary to amend, transfer or terminate telephone listings and service, any registration or filing of any fictitious name or any other registration or filing containing the AAMCO Marks, Franchisee hereby irrevocably nominates, constitutes and appoints AAMCO or any prothonotary, clerk of court, or attorney of any court of record as his true and lawful attorney for him and in his name and on his behalf to take all such action as may be necessary to amend, transfer or terminate all such telephone listings and service, registrations and filings of such fictitious name or any other registration or filing containing the AAMCO Marks, without liability to Franchisee for so doing. If any action is required to be taken by or on behalf of AAMCO pursuant to this subsection 19.2(d), the telephone company and all listing agencies and publishers, without liability to Franchisee, may accept this Agreement and the directions by or on behalf of AAMCO as conclusive of the exclusive rights of AAMCO in such telephone numbers and directory listings and its authority to direct their amendment, termination or transfer and Franchisee hereby releases and waives any claim of any kind that Franchisee may have against any telephone company, publisher or listing agency as a result of their implementing the transfer, amendment or termination set forth herein.

(e) Termination or expiration of this Agreement shall not affect, modify or discharge any claims, rights, causes of action or remedies, which AAMCO may have against Franchisee, whether under this Agreement or otherwise, for any reason whatsoever, whether such claims or rights arise before or after termination or expiration.

(f) Franchisee hereby irrevocably authorizes AAMCO to enter upon and take possession of the Center and to take, in the name of Franchisee, all other actions necessary to effect the provisions of this section, and any such entry or other action shall not be deemed a trespass or other illegal act, and AAMCO shall not be liable in any manner to Franchisee for so doing.

20. Covenant Not-to-Compete. Franchisee acknowledges that as a franchisee of AAMCO and a participant in the System, Franchisee will receive or have access to confidential information and materials, trade secrets, and the unique methods, procedures and techniques developed by AAMCO. Franchisee further acknowledges that the development of the marketplace in which his Center is located is solely as a result of the AAMCO name and marks. Therefore, to protect the System, the AAMCO name and marks and AAMCO, and to induce

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AAMCO to grant Franchisee the franchise set forth in this Agreement, Franchisee represents and warrants:

(a) Except for the business contemplated by this Agreement or except as approved by AAMCO pursuant to section 8(e) above, during the term of this Agreement, Franchisee shall not engage in any business the same as, similar to, or in competition with any Center, AAMCO or the System.

(b) For a period of two (2) years after the termination or expiration of this Agreement for any reason, which two-year period shall not begin to run until Franchisee commences to comply with all obligations stated in this section 20, Franchisee shall not:

(1) within a radius of ten (10) miles of Franchisee's former Center and ten (10) miles of any other Center in operation at the time of termination or any Center that has commenced operation during the two-year period, begin or engage in any business the same as, similar to or in competition with such Center, except for a business previously approved by AAMCO pursuant to section 8(e); or

(2) within the territorial boundaries of the United States, Canada, Mexico, Puerto Rico, Australia, and the Virgin Islands, as a licensor, franchisor, or similar organization, engage in any business, the same, similar to, or in competition with, AAMCO or the System, except for a business previously approved by AAMCO pursuant to section 8(e) above.

(c) As used in subsections 20(a) and 20(b) above:

(1) "engage in" shall include, but not be limited to, activities, whether direct or indirect, as an individual proprietor, partner, shareholder, director, officer, principal, broker, agent, employee, consultant, lender, unless such activities are directly as a result of the sale of the AAMCO Center pursuant to this Agreement; and

(2) "in competition with" shall include, but not be limited to:

(i) the request of any present or future supplier, customer or operator of a Center to curtail or cancel its business relationship with any Center, AAMCO or the System, (ii) the disclosure of the identity of any past, present or future customer, supplier or operator of any Center, and (iii) the solicitation, canvassing or the authorization of any other person to solicit or canvass any past, present or future customer, supplier or operator of a Center. As used in this section 20(c)(2), "future supplier, customer or operator" shall mean a supplier, customer, or operator who will have had a business relationship with a Center, AAMCO or the System during the term of this Agreement or during a period of one (1) year following the termination of this Agreement.

(d) Franchisee acknowledges that, in view of the nature of the System, the business of AAMCO, and the strength of the AAMCO Marks, the restrictions contained in this section 20 are reasonable and necessary to protect

the legitimate interests of the System and AAMCO and that any violation of such restrictions will result in irreparable injury to the System or AAMCO. Therefore, Franchisee acknowledges that, in the event of such violation, AAMCO shall be entitled to preliminary and permanent injunctive relief and damages as well as an equitable accounting of all earnings, profits, and other benefits arising from such violation, which remedies shall be cumulative and in addition to any other rights or remedies to which AAMCO shall be entitled, and the arbitration provision of section 28 shall not apply to any equitable proceeding seeking enforcement of the provisions of this section 20. If Franchisee violates any restriction contained in this section 20, and it is necessary for AAMCO to seek equitable relief, the restrictions contained herein shall remain in effect until two (2) years after such relief is granted.

(e) Franchisee agrees that the provisions of this covenant not-to-compete are reasonable. If, however, any court should hold that the duration or geographical limits of any restriction contained in this section 20 are unreasonable, the parties agree that such determination shall not render the restriction invalid or unenforceable, but that such restriction shall remain in full force and effect for such duration and within such geographical limits as the court shall consider reasonable.

21. No Waiver.

Waiver by AAMCO or Franchisee of any violation or default under this Agreement shall not alter or impair either party's right with respect to any subsequent violation or default nor shall any delay or omission on the part of either party to exercise any right arising from such violation or default alter or impair such party's rights as to the same or any future violation or default. An acceptance by AAMCO of any payment from Franchisee after the date on which such payment is due shall not operate as a waiver of Franchisee's default or violation hereunder nor alter or impair AAMCO's rights with respect to such violation or default.

22. Successors.

Except as otherwise specifically set forth in this Agreement, this Agreement shall inure to and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and assigns. AAMCO shall have the right to assign its rights, interests and obligations under this Agreement, provided that the assignee shall agree in writing to assume all obligations undertaken by AAMCO under this Agreement.

23. Notices.

Whenever this Agreement requires notice, it shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, or by a recognized overnight carrier addressed to the party to whom it is directed at the address set forth above or at such other address as one party shall provide to the other in writing. All notices shall be effective three (3) business days after being deposited, postage prepaid, or upon the date of actual receipt or rejection, whichever shall occur first.

24. Risk of Operations.

Franchisee acknowledges that there are uncertainties inherent in all business ventures. Franchisee acknowledges that Franchisee has conducted a thorough and independent investigation and, based on that investigation, desires to enter into this Agreement and undertake the business of owning and operating an AAMCO Center. Franchisee agrees and acknowledges that, except as specifically set forth in this Agreement, no representations or warranties, express or implied have been made to Franchisee, either by AAMCO or anyone acting on its behalf or purporting to represent it, including, without limitation any such representations or warranties relating to the prospects for successful operations, the level of business, sales or profits that Franchisee might reasonably expect, the desirability, profitability or expected traffic volume or profit of the Center (whether or not AAMCO assisted Franchisee in the selection of the location of the Center), the costs of equipping or the amount or type of equipment necessary or appropriate to the operation of the Center or as to the quality of any products or services to be sold by Franchisee to its customers. Franchisee acknowledges that all such factors are necessarily dependent upon variables beyond AAMCO's control, including without limitation, the ability, motivation and amount and quality of effort expended by Franchisee.

25. Severability.

If any portion, term or provision of any section of this Agreement shall be decided by any court to be in conflict with the law of any state or jurisdiction, the conflicting term or provision shall be construed in accordance with the specific provisions of the applicable law, and the remaining portions, terms or provisions of the section, as well as the remainder of this Agreement, shall remain in full force and effect.

26. Controlling Law and Dispute Resolution.

26.1 This Agreement takes effect when AAMCO accepts and signs this document. This Agreement shall be interpreted and construed exclusively under the laws of the Commonwealth of Pennsylvania, which laws shall prevail in the event of any conflict of law (without regard to, and without giving effect to, the application of Pennsylvania choice-of-law rules). Nothing in this Section 26.1 is intended by the parties to subject this Agreement to any franchise or similar law, rule, or regulation of the Commonwealth of Pennsylvania to which this Agreement would not otherwise be subject.

26.2 Before any party can bring an action in court against the other, the parties agree that they must first meet to mediate the dispute (except as otherwise provided in Section 26.4 below). Any such mediation shall be non-binding and shall be conducted in accordance with the then-current rules for mediation of commercial disputes of JAMS (formerly, the Judicial Arbitration and Mediation Services, Inc.) at its location nearest to AAMCO's principal place of business.

26.3 Unless resolved by mediation under Section 26.2 above, and except for AAMCO's right to obtain injunctive relief pursuant to Section 26.4 below, any claim arising out of or related to this Agreement or the making,

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performance, breach, or interpretation of this Agreement, shall be finally settled by arbitration conducted in accordance with the then-current JAMS rules for arbitration of disputes, by one arbitrator appointed in accordance with such rules:

(a) All arbitration proceedings shall be conducted in the English language and shall take place at the JAMS office in Philadelphia, Pennsylvania or at such other location as may be mutually-agreed upon by the parties, in writing. The seat, and legal place, of arbitration shall be Philadelphia, Pennsylvania.

(b) The parties specifically acknowledge and agree that neither shall bring, directly or indirectly or permit to be brought on its behalf, a class action, collective or multiparty claim or proceeding against the other, whether in arbitration (for arbitrable claims) or in any court (for non-arbitrable claims), and neither party shall participate in any such class, collective or multiparty proceeding.

(c) The arbitrator must enforce the terms of this Agreement according to applicable law, and the arbitrator's award shall be the exclusive remedy between the parties regarding any claims, counterclaims, issues, or accountings presented or pled to the arbitrator; will be promptly paid free of any tax, deduction, or offset; and any costs, fees, or taxes incident to enforcing the award will, to the maximum extent permitted by law, be charged against the party resisting such enforcement.

(d) The award issued by the arbitrators shall be in writing and shall be final and binding upon the parties and judgment upon the award of the arbitration may be entered in the court having jurisdiction thereof, or application may be made to such court for a judicial acceptance of the award or an order of enforcement, and the parties submit themselves to the jurisdiction of any such competent jurisdiction for the entry and enforcement of the award.

(e) Each party shall be responsible for the payment of its legal expenses and the fees and expenses of arbitration except that the fee of the arbitrator shall be paid by the non-prevailing party.

(f) All issues relating to arbitrability or the enforcement or interpretation of the agreement to arbitrate set forth in this Section 26.3 shall be governed by the United States Federal Arbitration Act (9 U.S.C. Sections 1 et seq.) and the U.S. federal common law relating to arbitration.

26.4 Nothing contained in this Agreement shall bar AAMCO's right to obtain injunctive relief in any court against threatened conduct that will cause AAMCO loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions (but without the need to post a bond).

26.5 Subject to Section 26.3 above, the parties agree that any action that Franchisee brings against AAMCO, in any court, whether federal or state, must be brought only within such state and in the judicial district in which AAMCO has its principal place of business. Any action brought by AAMCO against Franchisee in any court, whether federal or state, may be brought within

Exhibit A-2
EDAC Franchise Agreement

the state and judicial district in which AAMCO maintains its principal place of business.

(a) The parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.

(b) Any such action shall be conducted on an individual basis, and not as part of a consolidated, common, multiparty or class action.

(c) In any court proceeding brought by either party arising out of or based upon this Agreement or its performance, the prevailing party shall recover all court costs, attorneys' fees, and other expenses relating to such proceeding from the non-prevailing party.

26.6 The parties specifically acknowledge and agree that neither shall bring, directly or indirectly or permit to be brought on its behalf, a class action, collective or multiparty claim or proceeding against the other, whether in arbitration (for arbitrable claims) or in any court (for non-arbitrable claims), and neither party shall participate in any such class, collective or multiparty proceeding.

26.7 No right or remedy conferred upon or reserved to AAMCO 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.

27. WAIVERS.

27.1 FRANCHISEE AND AAMCO HEREBY WAIVE TRIAL BY JURY, TO THE FULLEST EXTENT PERMITTED BY LAW, IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM, OR IN ANY MATTER WHATSOEVER THAT ARISES OUT OF (OR THAT IS CONNECTED IN ANY WAY WITH) THIS AGREEMENT OR ITS PERFORMANCE.

27.2 FRANCHISEE AND AAMCO HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER, AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM EACH SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES IT HAS SUSTAINED.

28. Entire Agreement.

This Agreement contains the entire agreement of the parties, and supersedes, cancels, and revokes any and all other agreements between the parties relating to the subject matter of this Agreement. There are no representations, warranties, promises or inducements, either oral or written, except those contained in this Agreement. However, nothing in this Agreement, the exhibits or any related agreement or document is intended to disclaim representations which AAMCO has made in AAMCO's Franchise Disclosure Document which Franchisee acknowledges has been furnished to Franchisee.

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EDAC Franchise Agreement

Franchisee acknowledges that Franchisee is entering into this Agreement as a result of its independent investigation of the franchise opportunity and not as a result of any representations about AAMCO made by any person speaking on AAMCO'S behalf (including for example AAMCO's officers, directors, shareholders, employees, agents, representatives, or independent contractors) that are contrary to the terms set forth in this Agreement or in any disclosure document, prospectus, or other similar document required or permitted to be given to Franchisee under applicable law. This Agreement may be modified only by an agreement in writing signed by the party against whom enforcement of such modification is sought.

Exhibit A-2
EDAC Franchise Agreement

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date of counter-execution by AAMCO's authorized signing officer as follows:

"FRANCHISEE"

If the "Franchisee" is a legal entity (corporation, limited liability company, partnership, etc.), then: (1) insert the name of such legal entity in the following space: _____ (the "Entity"); and (2) next to the name of the person(s) that is/are signing this agreement as authorized representative(s) of the Entity, insert their title within the Entity (president, member, partner, etc.). If the "Franchisee" is not a legal entity, but rather an individual, then (1) please insert an "X" in the following space: _____; and (2) do not fill in the title line(s) below.

Signature of Franchisee (or of equity owner of Franchisee, if Franchisee is a legal entity)

Signature date: _____, 201____

Printed name of person that signed above:

Title:

"AAMCO"

AAMCO TRANSMISSIONS, LLC, a Pennsylvania Limited Liability Company

By: _____

Printed name of authorized signing officer:

Title: _____

*Date of AAMCO's Counter-Signature: _____,
201____

*(Effective Date of this Franchise Agreement)

STATISTICAL AREA

The "Statistical Area" referenced in this Agreement is located within the _____ Core Based Statistical Area as defined by the U.S. Office of Management and Budget as of the Effective Date.

OWNERSHIP INFORMATION FORM

INSTRUCTIONS: Please carefully read and complete each section of this form.

1. FULL NAME(S) OF FRANCHISEE [If this franchise is owned by a legal entity, **only** insert the name of the legal entity; if this franchise is owned by one or more persons, **only** insert the name(s) of such person(s)]:

2. THIS FRANCHISE WILL BE OWNED BY: (check which one applies)

a. Sole Proprietor (i.e., individual person or persons) _____

b. Legal Entity

(i) Corporation _____ Federal Tax ID #: _____

(ii) Limited Liability Company _____ Federal Tax ID #: _____

(iii) Partnership _____ Federal Tax ID #: _____

3. Print full name(s) of all person(s) that either directly {i.e., as sole proprietor(s)} or indirectly (i.e., as shareholder of corporation, member of LLC, etc.) own an equity interest in the franchise rights. Next to each person's name, list their ownership percentage. **ALL PERCENT NUMBER(S) MUST TOTAL 100 PERCENT.**

Name	Percent of Ownership	Social Security Number

4. Primary Contact Person: (please print the name of one person who is listed in paragraph 3 above and their cell phone number):

Exhibit A-2
EDAC Franchise Agreement

Appendix 9.2

Builder-less Equipment List

Required – May Purchase from AAMCO

ITEM	Qty
SHOP EQUIPMENT	
Fuel Induction & Injector cleaning System.	1
A/C - Refrigerant Identifier System - Pass/Fail	1
A/C Recycling System Hybrid Approved & Supplies Pkg	1
Air Compressor - 7 1/2 hp/ 80 gal/ 23.1 cfm@175psi	1
Air Stations - Shop Air/Elect on lifts	3
Battery - Portable Jump Pack Power Supply	1
Battery Charger/Power Supply	1
Battery Testers with Integrated Printer	1
Bench Grinder	1
Bench Vise - Steel - 6" jaw	1
Brake bleeder Unit w/ Attachments	1
Cleaner - Parts Cleaner / Recycler large	1
Engine - Van/FWD Engine Hanger	1
Engine -HD Engine Hanger	1
Flush - Radiator Flush Unit (# 75700 / NTX)	1
Flush - Trans Flush Exchanger (#400-80008-00/NTX)	1
Flush - Transmission Cooling Line Flush Machine	1
Grinder Stand	1
Jack - Floor Jack 2 1/2 ton	1
Jack - High Stands 74" 1 ton capacity each	4
Jack - Hi-Rise Transmission Jack 1/2 Ton (1,000-lb) capacity	2
Jack Adaptor for Trans Jack	1
Jack Stands 6 ton Pair	1
Lift - Truck lift adapter set	5
Lift Four Post Automotive Lift As Per Vendor Specs	1
Lift Twin Post Automotive Lift As Per Vendor Specs	5
Lift - Install For lifts four post	1
Lift - Install For lifts twin post	5
Press - Hydraulic Press w/ Separator -20 ton	1
Lift Dayton Hydraulic Lift Gate (GPS)	1
DIAGNOSTIC EQUIPMENT	
Scanner AUTEL MaxiSys Mini	1
Scanner - Smoke machine Emiss/ Evap System Kit w/ Adapters	1

ITEM	Qty
FLUID EQUIPMENT & SUPPLIES	
Oil - 6 Qt Oil Dispenser	2
Oil - Drain Pan	1
Oil - High Rise Drain - self Evac w/square funnel - 24gal	1
Oil - High Rise Drain Can Funnel	1
Oil- High Rise Drain Can	1
Oil- Tank Funnel	1
Oil- Drum Dolly - 55gal	1
Oil- Fluid Evacuator and Refill Unit	
Oil - Waste Oil Storage Tank 275g single wall - Check With Local Oil Company	1
Oil Storage Tank 275gal ATF single wall - Check With Local Oil Company	1
SHOP TOOLS & SUPPLIES	
Safety Deluxe Wall Mounted First Aid Kit	1
Trans Work Benches - Metal 72Lx36Dx34H	1
Bench - Mech Work Benches - welded steel 72Lx36Dx34H	2
Safety - Dirty Rag Receptacle	1
Safety -Eye Wash Station - OSHA	1
Safety -First Aid Safety Kit - OSHA	1
Safety -Safety Goggles	4
Safety -Spill Response Kit - EPA	1
Safety -Spill Response Pads 200 - EPA	1
Air - Portable air tank	1
Air - Tire Inflator w/ Gauge	1
Air Coupler Package	1
Air Hoses / Coiled Builders Room	2
Air Hoses 3/8x25'	6
Air Operated Grease Gun	1
Cooling system pressure test kit	1
Fuel Injection test kit	1
Light - Drop Lights - Fluorescent on 40' reel	5
Press - Front Axle Tool	1
Safety - Torque sticks for lug nuts	1
Trans Cart / w parts basket - 30Lx22Dx34H	2
Suspension Strut Compressor	1
Torch Set - Oxy/Acet Kit	1
Digital Pressure Gauge (vacuum/temp)	1

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ITEM	Qty
OFFICE SUPPLIES & EQUIPMENT	
Cleaning - Floor brooms	2
Cleaning -Floor - Mop and Bucket	1
Cleaning -Floor Squeegee	1
Cleaning -Towel Dispenser	2
Furniture - AAMCO Chair, Black Arm Upholstered	6
Furniture -AAMCO CSM Office Desk	1
Furniture -AAMCO Cube End Table	1
Furniture -CSM Office Chair	1
Furniture -File Cabinet - 4 drawer - w/ Lock - Legal	1
Furniture -File Cabinet - 4 drawer w/ Lock - Letter	1
Furniture -Locking Storage Cabinet	1

Required – Must Purchase from AAMCO

ITEM	Qty
AAMCO REQUIRED ITEMS	
AAMCO MANAGEMENT SYSTEM (AMS) W/ ALLDATA	1
AAMCO Customer Reception Pads	
AAMCO TCC – VCC(IVC CALIF) Form Pk100	
AAMCO TCC - MPI Brochure Pk50	
AAMCO TCC - Warranty Books/Envelopes Pk50	1
AAMCO TCC - IVC/VCC Trifold Brochure (Pk 50) - Customized with Center info	1
AAMCO TCC - Oil Change Stickers R1100	1
AAMCO TCC - Key Tags Pk500	1
AAMCO Telephone Procedure Binder w/Inserts	1
AAMCO Floor mats Pk250	1
AAMCO Hang tags Pk1000	1
AAMCO R/O Racks	1
AAMCO Logo Patches	20
AAMCO Waiting Room Posters (Select 4 of 21 options)	4
AAMCO Poster Frames	4
AAMCO Office and Shop Material Shipping	1
AAMCO Signs (sign survey required)	1
AAMCO Advertising for opening PKG 3	1

ITEM	Qty
Furniture -Office Waste Containers	3
Furniture -Owners Office Chair	1
Furniture -Owners Office Desk	1
Furniture -Shop Tech Desk	1
Furniture -Shop Tech Office Chair	1
AAMCO Counter Pod - Triangular	1
IT - AAMCO IT Package - PC/Printer/Fax etc. - EST	1
IT -Cordless Phone 3 line	1
IT -Phone System 3 line 3 station	1
Digital On Hold Message System	1

Optional Items

ITEM	Qty
Flush Trans Flush - Dual Mode System	1
Dolly - UNI-Dolly - Car Mover	1
Dolly - Wheel Dolly - hydraulic each	4
High Voltage Insulated Glove Set w/ Storage Hybrid	1
Jack Gas Tank Adapter for High Rise Jack	1
Lift Air Operated Rolling Jacks for 4 post	2
Lift Portable Engine Crane	1
Lighting Complete Lighting & Power Pkg Portable & Wired	1
Multi Meter CATIII Hybrid Approved	1
Press - Axle puller slide hammer	1
Press- Drill press	1
Oil - Bulk aerosol sprayers	3
Customer AAMCO Coffee Bar	1
Phone - Additional Phone Handsets	1
Oil Storage Tank 275gal ATF double wall - Check Req	1
Oil Waste Oil Storage Tank 275g double wall - Check Req	1
Pressure washer	1
Lift - Power Pusher	1
Oil Waste Oil Heater - 300,000 BTU	1
Oil Waste Oil Install Acc. - tank/stand/chimney	1

Exhibit A-2
EDAC Franchise Agreement

Builder Equipment List

Required – May Purchase from AAMCO

ITEM	Qty
SHOP EQUIPMENT	
Fuel Induction & Injector cleaning System.	1
A/C - Refrigerant Identifier System - Pass/Fail	1
A/C Recycling System Hybrid Approved & Supplies Pkg	1
Air Compressor - 7 1/2 hp/ 80 gal/ 23.1 cfm@175psi	1
Air Stations - Shop Air/Elect on lifts	3
Battery - Portable Jump Pack Power Supply	1
Battery Charger/Power Supply	1
Battery Testers with Integrated Printer	1
Bench Grinder	1
Bench Vise - Steel - 6" jaw	1
Brake bleeder Unit w/ Attachments	1
Cleaner - Parts Cleaner / Recycler large	1
Engine - Van/FWD Engine Hanger	1
Engine -HD Engine Hanger	1
Flush - Radiator Flush Unit (# 75700 / NTX)	1
Flush - Trans Flush Exchanger (#400-80008-00/NTX)	1
Flush - Transmission Cooling Line Flush Machine	1
Grinder Stand	1
Jack - Floor Jack 2 1/2 ton	1
Jack - High Stands 74" 1 ton capacity each	4
Jack - Hi-Rise Transmission Jack 1/2 Ton (1,000-lb) capacity	2
Jack Adaptor for Trans Jack	1
Jack Stands 6 ton Pair	1
Lift - Truck lift adapter set	5
Lift Four Post Automotive Lift As Per Vendor Specs	1
Lift Twin Post Automotive Lift As Per Vendor Specs	5
Lift - Install For lifts four post	1
Lift - Install For lifts twin post	5
Press - Hydraulic Press w/ Separator -20 ton	1
Lift Dayton Hydraulic Lift Gate (GPS)	1
DIAGNOSTIC EQUIPMENT	
Scanner AUTEL MaxiSys Mini	1
Scanner - Smoke machine Emiss/ Evap System Kit w/ Adapters	1

ITEM	Qty
BUILDER TOOLS & EQUIPMENT	
Furniture -HD Storage System 60x20 9 trans / unit	2
Parts Shelves 36x12 Closed 400lb	4
Parts Shelves 36x18 Closed 400lb	2
Press - Arbor Press 3 ton	1
Press - Bushing Drivers - Master Set 26pc	1
Press- Arbor Press Stand	1
Press - Foot Press Adapter - Adjustable	1
Puller - Hub Bearing Puller Kit	1
Trans Holding Fixtures - GM	1
Trans Holding Fixtures - UNIV Front Whl Drive	1
Trans Holding Fixtures - UNIV Rear Whl Drive	1
Trans Snap Ring Remover (foot press)	1
Trans Work Benches - Metal 72Lx36Dx34H	4
FLUID EQUIPMENT & SUPPLIES	
Oil - 6 Qt Oil Dispenser	2
Oil - Drain Pan	1
Oil - High Rise Drain - self Evac w/square funnel - 24gal	1
Oil - High Rise Drain Can Funnel	1
Oil- High Rise Drain Can	1
Oil- Tank Funnel	1
Oil- Drum Dolly - 55gal	1
Oil- Fluid Evacuator and Refill Unit	
Oil - Waste Oil Storage Tank 275g single wall - Check With Local Oil Company	1
Oil Storage Tank 275gal ATF single wall - Check With Local Oil Company	1
SHOP TOOLS & SUPPLIES	
Safety Deluxe Wall Mounted First Aid Kit	1
Trans Work Benches - Metal 72Lx36Dx34H	1
Bench - Mech Work Benches - welded steel 72Lx36Dx34H	2
Safety - Dirty Rag Receptacle	1
Safety -Eye Wash Station - OSHA	1
Safety -First Aid Safety Kit - OSHA	1
Safety -Safety Goggles	4
Safety -Spill Response Kit - EPA	1
Safety -Spill Response Pads 200 - EPA	1
Air - Portable air tank	1
Air - Tire Inflator w/ Gauge	1
Air Coupler Package	1

Exhibit A-2
EDAC Franchise Agreement

ITEM	Qty
Air Hoses / Coiled Builders Room	2
Air Hoses 3/8x25'	6
Air Operated Grease Gun	1
Cooling system pressure test kit	1
Fuel Injection test kit	1
Light - Drop Lights - Fluorescent on 40' reel	5
Press - Front Axle Tool	1
Safety - Torque sticks for lug nuts	1
Trans Cart / w parts basket - 30Lx22Dx34H	2
Suspension Strut Compressor	1
Torch Set - Oxy/Acet Kit	1
Digital Pressure Gauge (vacuum/temp)	1
Cleaning - Floor brooms	2
Cleaning -Floor - Mop and Bucket	1
Cleaning -Floor Squeegee	1
Cleaning -Towel Dispenser	2
Furniture - AAMCO Chair, Black Arm Upholstered	6

ITEM	Qty
Furniture -AAMCO CSM Office Desk	1
Furniture -AAMCO Cube End Table	1
Furniture -CSM Office Chair	1
Furniture -File Cabinet - 4 drawer - w/ Lock - Legal	1
Furniture -File Cabinet - 4 drawer w/ Lock - Letter	1
Furniture -Locking Storage Cabinet	1
Furniture -Office Waste Containers	3
Furniture -Owners Office Chair	1
Furniture -Owners Office Desk	1
Furniture -Shop Tech Desk	1
Furniture -Shop Tech Office Chair	1
AAMCO Counter Pod - Triangular	1
IT - AAMCO IT Package - PC/Printer/Fax etc.	1
IT -Cordless Phone 3 line	1
IT -Phone System 3 line 3 station	1
Digital On Hold Message System	1

Required – Must Purchase from AAMCO

ITEM	Qty
AAMCO REQUIRED ITEMS	
AAMCO MANAGEMENT SYSTEM (AMS) W/ ALLDATA	1
AAMCO Customer Reception Pads	
AAMCO TCC – VCC(IVC CALIF) Form Pk100	
AAMCO TCC - MPI Brochure Pk50	
AAMCO TCC - Warranty Books/Envelopes Pk50	1
AAMCO TCC - IVC/VCC Trifold Brochure (Pk 50) - Customized with Center info	1
AAMCO TCC - Oil Change Stickers R1100	1
AAMCO TCC - Key Tags Pk500	1
AAMCO Telephone Procedure Binder w/Inserts	1
AAMCO Floor mats Pk250	1
AAMCO Hang tags Pk1000	1
AAMCO R/O Racks	1
AAMCO Logo Patches	20
AAMCO Waiting Room Posters (Select 4 of 21 options)	4
AAMCO Poster Frames	4
AAMCO Office and Shop Material Shipping	1
AAMCO Signs (sign survey required)	1
AAMCO Advertising for opening PKG 3	1

Exhibit A-2
EDAC Franchise Agreement

Optional Items

ITEM	Qty
Flush Trans Flush - Dual Mode System	1
Dolly - UNI-Dolly - Car Mover	1
Dolly - Wheel Dolly - hydraulic each	4
High Voltage Insulated Glove Set w/ Storage Hybrid	1
Jack Gas Tank Adapter for High Rise Jack	1
Lift Air Operated Rolling Jacks for 4 post	2
Lift Portable Engine Crane	1
Lighting Complete Lighting & Power Pkg Portable & Wired	1
Multi Meter CATIII Hybrid Approved	1
Press - Axle puller slide hammer	1
Press- Drill press	1
Oil - Bulk aerosol sprayers	3
Parts Boxes 4.25h x 2.25w x 11d	25
Parts Boxes 4.25h x 4.25w x 11d	25
Parts Boxes 4.25h x 6.25w x 11d	25
Parts Boxes 4.25h x 8.25w x 11d	25
Parts Extra shelves 36x12 3pk 400lb	1
Parts Extra shelves 36x18 3pk 400lb	1
Customer AAMCO Coffee Bar	1
Phone - Additional Phone Handsets	1
Oil Storage Tank 275gal ATF double wall - Check Req	1
Oil Waste Oil Storage Tank 275g double wall - Check Req	1
Pressure washer	1
Lift - Power Pusher	1
Oil Waste Oil Heater - 300,000 BTU	1
Oil Waste Oil Install Acc. - tank/stand/chimney	1

DEPOSIT AGREEMENT FOR AN AAMCO FRANCHISE

This Deposit Agreement for an AAMCO® franchise ("Deposit Agreement") is between you (as defined below) and AAMCO Transmissions, LLC ("ATI" or "we," or "us,") and takes effect when we counter-sign and date this Deposit Agreement (the "Effective Date"). You and we acknowledge and now agree:

1. Term. The term of this Deposit Agreement starts on the Effective Date and concludes upon the earlier of: (a) twelve (12) months thereafter (the "Expiration Date"), subject to possible extension at our discretion and Section 11 below; or (b) the date when you sign a future AAMCO® franchise agreement ("Franchise Agreement"); or (c) we otherwise terminate this Deposit Agreement as set forth below. Any amendment to this Deposit Agreement shall only be effective if made in writing and signed by both you and us (including in multiple counterparts).
2. Initial Application Fee; Future Credit toward Franchise Fees. You must sign and date this Deposit Agreement and deliver to us an initial deposit ("Initial Deposit") in the amount specified in Item 5 of the franchise disclosure document ("FDD") you received (currently \$ _____) in order to apply and be considered for the grant of a franchised center ("Center") under the future Franchise Agreement that relates to this Deposit Agreement. If we grant final approval to your completed application for an AAMCO® franchise ("Application") and you later enter into a Franchise Agreement, then we will credit your entire Initial Deposit toward any up-front fees due from you to us under that Franchise Agreement.
3. Deposit Agreement is not a Franchise Agreement, promise of a franchise, or approval of a site. This Deposit Agreement does not create or promise to you an AAMCO® franchise, and it does not represent our approval of (or our intent to approve) any particular site for location or operation of any Center. We may or may not enter into a future Franchise Agreement with you for a Center. We will only offer and extend franchise rights to you, and approve a site location for operation of the Center, if and when you and we enter into a future Franchise Agreement.
4. When Can You Sign this Agreement. You may sign this Deposit Agreement and pay us the Initial Deposit after fourteen (14) calendar days pass after the date you receive our current Franchise Disclosure Document ("FDD").
5. Materials Due with this Deposit Agreement. No later than the Effective Date, you must deliver to us: (a) the Initial Deposit check made payable to "AAMCO Transmissions, LLC"; and (b) your signed and dated copy of this Deposit Agreement; and (c) if not already submitted, your completed Application (together with (a) and (b) above, the "Deposit Materials").
6. Franchise Application. We will process your Application only after we receive all Deposit Materials. We will then notify you in writing that one of the following circumstances applies:
 - a. Your application is rejected or we conditionally withhold our consent to your purchasing the franchise. In this case, if we do not communicate to you additional steps you need to take for us to preliminarily approve your Franchise Application, then you will be entitled to a full one hundred percent (100%) refund of your paid Initial Deposit as described further below.
 - b. Your application is preliminarily and conditionally approved. In this case, you will receive a "Preliminary Conditional Approval Letter" from us that communicates any further conditions we need you to satisfy in order to receive our final and unconditional approval to sign a future Franchise Agreement. Examples of such conditions may include, but not be limited to: (i) your acquisition of outside financing; (ii) verification of your financial holdings or liquidity; (iii) satisfaction of equipment or premises upgrades we prescribe to comply with our current network standards, if you intend to operate a pre-existing AAMCO® center as the

- Center under the Franchise Agreement; and (iv) your completing our standard requirements described in our then current FDD (e.g., successful completion of our franchisee training program, submission of all required documents, payment of all required fees, etc.).
7. Site Location and Statistical Area. While this Deposit Agreement does not promise or approve a particular location or a particular geographic market (see above), we will try to accommodate your geographic preferences for location of the Center that we believe satisfies our then current site selection criteria for an AAMCO®-branded business and has a premises address within the _____ Core Based Statistical Area as defined by the U.S. Office of Management and Budget (the “Statistical Area”). This Deposit Agreement does not grant you exclusive rights to search for site locations within the Statistical Area, meaning that other prospective franchisees may also be searching for or evaluating the same or other potential sites within the same Statistical Area for location of a future franchised business. Our policy is to award a new franchise within the Statistical Area to the first prospective franchisee who: (i) signs a deposit agreement with us for that Statistical Area and pays an Initial Deposit to us; and (ii) asks us to approve a site and real estate lease that satisfies our applicable criteria; and (iii) satisfies, or demonstrates an ability to satisfy, all conditions set forth in a Preliminary Conditional Approval Letter for that prospect.
 8. Real Estate Process. You agree to work diligently and cooperatively with our real estate personnel in your site identification and selection process, including but not limited to: (a) submitting all materials we then currently require or request for a proposed site, (b) not proceeding to secure leasehold rights to any proposed site before we provide you written approval or acceptance of that site; and (c) providing to us a fully executed Center real estate lease (“Lease”) for the proposed Center’s address, including a fully executed AAMCO “Lease Rider” with your and the landlord’s signatures in substantial form as included in our then current FDD. If you are considering purchasing a site for the Center, then we will, during the term of this Deposit Agreement, use reasonable efforts to locate and suggest to you at least one (1) site located within the Statistical Area that satisfies our site criteria for an AAMCO® center.
 9. Center’s Lease. If you request and we agree to assist you in negotiating a Lease with your prospective Center’s landlord, then you agree and acknowledge that: (a) we are not your fiduciary or attorney (rather, we strongly recommend that you hire an attorney who is experienced in real estate transactions in your market to review and negotiate the Lease); (b) we make no representations or warranties that our Lease negotiation assistance will lead to any particular outcome, including better lease terms or favorable financial performance at your Center; (c) you, and only you, make the final decision on whether to bargain for certain business terms and to sign the Lease; (d) you will not hold us or our personnel responsible for any specific Lease terms and conditions or our efforts to provide the support you requested; and (e) while we will attempt to assist you to obtain tenant-favorable terms, our efforts are intended and expended for the benefit and pursuit of the long-term best interests of the nationwide AAMCO® franchise network.
 10. Criteria for Granting Approval. Our criteria for granting final approval of your purchase of a new franchise are defined solely by us and are periodically subject to change. You acknowledge as reasonable that we may condition our approval on your compliance with all effective franchise agreements or other contracts under which you (or your related parties) already may be obligated to us or our affiliates. Our review and approval of you as a prospective franchisee is solely for our own benefit, and not meant to be (and cannot be construed as) our endorsement, guarantee, or other representation that you are likely to be successful or profitable in operating an AAMCO® center.

11. Initial Deposit Refundability and Non-Refundable Portions.

- a. Conditions on Full Refundability. We will refund your entire paid Initial Deposit (one hundred percent (100%)) only under each of the following limited circumstances and provided that you also sign our then current form of termination and release agreement that we prescribe:
 - i. We reject your Application in writing; or
 - ii. We conditionally withhold our consent to your Application and do not issue a Preliminary Conditional Approval Letter to you; or
 - iii. You are unsuccessful at securing lender financing for the proposed Center before the Expiration Date in accordance with our Preliminary Conditional Approval Letter, as evidenced by submitting to us reasonable documentation from at least three (3) lenders showing that you satisfactorily completed their loan application process (including paying related fees) and were denied financing, and you otherwise have exerted (in our reasonable opinion) bona fide best efforts to obtain such financing from those lenders; or
 - iv. We do not, before the Expiration Date, present to you at least one (1) site located within the proposed Statistical Area that we believe meets our then current criteria for location of an AAMCO® franchised center (and provided we have not otherwise approved in writing an acceptable site that you independently proposed to us for the future Center during the term of this Deposit Agreement).
 - b. Conditions on Partial Refundability. We will partially refund only up to twenty-five percent (25%) of your paid Initial Deposit under each of the following limited circumstances and provided that you also sign our then current form of termination and release agreement that we prescribe:
 - i. You fail to satisfy any of our conditions for final approval as listed in the Preliminary Conditional Approval Letter we send to you (but subject to the preceding subsection regarding full refundability upon failure to obtain lender financing); or
 - ii. You fail to sign the Franchise Agreement before this Deposit Agreement expires, terminates, or one (1) calendar year has passed since the Effective Date; or
 - iii. As of the Expiration Date, you have rejected one (1) or more site(s) we have presented within the proposed Statistical Area that we believe meet(s) our then current criteria for location of an AAMCO® franchised center (and provided we have not otherwise approved in writing an acceptable site that you independently proposed to us during the term of this Deposit Agreement); or
 - iv. You fail to complete our franchisee training program to our satisfaction.
 - c. Non-Refundable Portions of Initial Deposit Retained by Franchisor. You acknowledge that any non-refundable portion of your paid Initial Deposit that we may retain is fully earned by us (and is not a penalty against you) in recognition of our time, energy and expertise devoted to you specifically, rather than to other prospective applicants, during your application and evaluation process.
12. Confidential Information. If we approve your Application, we may share with you certain of our proprietary and confidential training materials before you enter into the Franchise Agreement. You understand and agree that if you do not enter into a Franchise Agreement with us for any reason, you nonetheless will not: (a) copy, give away, sell, display, or otherwise make any use of our training or other proprietary materials for any purpose (other than returning them to us); or (b) disclose or share those proprietary and confidential training materials to anyone other than your co-applicants (if any), your employees (if any) that would have worked at the proposed Center,

and/or your professional advisors (*e.g.*, attorney, accountant), except as otherwise required by applicable law

13. No Transfers. Your rights and obligations under this Deposit Agreement are personal to you and may not be sold, transferred, pledged, encumbered, gifted, or assigned in any manner whatsoever.
14. Termination. We may terminate this Deposit Agreement by written notice to you, at any time before the Expiration Date, if: (a) we learn that you have made any false, misleading, inaccurate or incomplete statements to us or to any of our representatives in the course of any communications or submissions; or (b) you fail to successfully complete, to our satisfaction, our then current franchisee training program; or (c) you fail to satisfy all of your obligations under this Deposit Agreement, including your satisfying all conditions specified in any Preliminary Conditional Approval Letter that we may send to you; or (d) we refund any or all of your Initial Deposit in accordance with the terms and conditions of this Deposit Agreement.
15. Acknowledgements. By signing below, you represent and warrant that you: (a) had full opportunity to review this Deposit Agreement and the FDD with your professional advisors before signing; (b) are signing this Deposit Agreement after having made, or having ample opportunity to make, your own independent investigation of us and our operations; and (c) have not received or relied upon any representations by us or by anyone speaking on our behalf that are contrary to the terms and conditions of this Deposit Agreement and/or of our FDD.
16. Entire Agreement. This Deposit Agreement constitutes the entire agreement between you and us regarding the subject matter above and supersedes any and all prior or simultaneous communications or alleged agreements that may have occurred or existed between you and us (or any of our representatives). Notwithstanding the foregoing, nothing in this Deposit Agreement disclaims, or is intended to disclaim, any representations we make in the current FDD that we provided to you or your representatives.
17. General. All captions and headings in this agreement are intended solely for convenience of reference. While the parties have not yet signed a Franchise Agreement for the intended Center, the dispute resolution clauses contained in Sections 26, 27 and 28 of Franchise Agreement attached as Exhibit A-1 to our FDD shall govern all issues concerning disputes, jurisdiction, venue, and other details of legal proceedings concerning this Deposit Agreement, and such paragraphs are hereby incorporated by reference into this Deposit Agreement.

AGREED AND ACCEPTED AS OF THE EFFECTIVE DATE:

PROSPECTIVE FRANCHISEE (“YOU”):

Signature: _____

Printed Name: _____

Position: _____

Date: _____

FRANCHISOR (“ATI”, “WE” OR “US”):

By: _____

Printed Name: _____

Position: _____

*Date: _____

*Effective Date = date of ATI’s counter-signature

Lease Rider

This Lease Rider (“**Rider**”) is made by and between: (1) the landlord identified below (“**Landlord**”); and (2) the AAMCO franchisee and tenant identified below (“**Tenant**”); and (3) AAMCO Transmissions, LLC (“**Franchisor**”), on the date of Franchisor’s counter-signature below (the “**Effective Date**”).

The Parties Agree as Follows:

1. This Rider supplements and is a binding part of the real estate lease made between Landlord and Tenant dated _____, 201____, (the “**Lease**”) for the leased premises located at _____ (“**Premises**”).
2. During the Lease’s term (including any renewals or extensions thereof), the Premises shall be used solely for the operation of an AAMCO transmission and general automotive repair center.
3. For value received, Tenant hereby conditionally assigns all of its rights and duties under the Lease to Franchisor, and Landlord hereby consents to such assignment, which shall become effective only upon the occurrence of all of the following conditions:
 - a. One or both of these events (“**Events**”) has occurred: (i) Tenant has failed to cure, to Landlord’s satisfaction, its defaults under the Lease; or (ii) termination or non-renewal (expiration) or rescission of Tenant’s AAMCO franchise agreement for the Premises (“**Franchise Agreement**”) during the Lease’s term; and
 - b. Upon or within thirty (30) days of the Events, Franchisor sends written notice to Landlord confirming that Franchisor exercises its optional right to assume the Tenant’s rights and duties under the Lease, thereby becoming the Lease’s replacement tenant; and
 - c. If the Event(s) include a Lease default by Tenant (e.g., delinquent rent), Franchisor shall have cured such default to Landlord’s satisfaction within thirty (30) days of Franchisor receiving Landlord’s written notice of such default. If Franchisor fails to timely cure Tenant’s Lease default to Landlord’s satisfaction, Franchisor’s attempted Lease assignment would be rendered null and void.
4. Landlord and Tenant hereby acknowledge their understanding that Franchisor has no affirmative obligation to assume the Lease from Tenant unless and until Franchisor voluntarily exercises its optional right to do so as provided in section 3 above. Landlord shall not rely upon any representations from Tenant on the question of whether Franchisor seeks to exercise its right to assume the Lease from Tenant. Landlord is relieved of all liability to Tenant for any action Landlord takes in reliance upon written notices received from Franchisor in accordance with this Rider.
5. If Franchisor provides written notice to Landlord of a third party (“**Assignee**”) who satisfies: (a) Franchisor’s requirements for AAMCO franchise ownership; and (b) all of Landlord’s financial and creditworthiness criteria as set forth on Addendum One to this Rider (which is attached hereto and incorporated by reference herein), Franchisor may then: (i) assign to Assignee Franchisor’s rights under this Rider to assume the Lease from Tenant; or (ii) re-assign its Lease rights and obligations to Assignee, if Franchisor had assumed Tenant’s rights and duties under the Lease in accordance with the terms of this Rider. Upon assumption of the Lease by Assignee, Landlord shall have been deemed to have released Franchisor from all liability accruing thereafter under Lease, without need for additional written confirmation of such release from Landlord to Franchisor.

6. If Tenant fails to exercise any option it has under Lease to renew the Lease's term before it expires, Landlord agrees to notify Franchisor in writing of Tenant's failure to renew the Lease and Franchisor shall then have no less than thirty (30) days from receipt of such notice to exercise that option to renew the Lease with either Franchisor or Assignee becoming the replacement tenant.
7. Landlord shall deliver to Franchisor copies of all notices of default of the Lease that it delivers to Tenant, delivery to Franchisor and Tenant to occur simultaneously. Landlord shall give Franchisor no less than thirty (30) days prior written notice of Landlord's intention to re-enter and repossess the Premises and to terminate the Lease due to Tenant's uncured default of its duties owed to Landlord under the Lease.
8. Landlord and Tenant agree that this Rider shall remain in effect and apply to any and all Lease renewals, Lease term extensions or replacement leases between Landlord and Tenant, or their respective heirs, successors and/or assigns.
9. Upon Tenant's request, Landlord will sign one or more documents supplied by Tenant necessary to either: (a) waive and release; or (b) subordinate, its "Landlord's Lien" in Tenant's equipment or other assets installed in the Premises, to the security interest in such assets held by any lending institution that finances Tenant's purchase of those assets for their AAMCO franchised business.
10. Tenant agrees that, at such time as Franchisor exercises its option right assume Tenant's rights and duties under the Lease: (a) Tenant will immediately vacate the Premises without removing any equipment, parties or supplies except as authorized in the Franchise Agreement; and (b) Franchisor shall be fully authorized to enter upon and take possession of the Premises.
11. Franchisor may enter the Premises without being guilty of trespass to ascertain Tenant's compliance with the Franchise Agreement and/or to de-identify Franchisor's proprietary equipment, software, exterior and interior signage and other AAMCO-branded assets, if: (a) Tenant ceases operations or has their AAMCO Franchise Agreement terminated or non-renewed; and (b) Franchisor and Assignee do not exercise its rights under this Rider to assume Tenant's rights and duties under the Lease.
12. If Franchisor pays any amounts to Landlord in order to cure Tenant's Lease defaults, immediately thereafter Tenant shall be obligated to reimburse Franchisor all such amounts, including where applicable interest and reasonable collection costs. Assignment of Tenant's Lease rights and duties to Franchisor or Assignee relieves Tenant of liability under the Lease accruing after such assignment, but does not necessarily relieve Tenant of liability owed to Landlord for any of Tenant's prior Lease defaults.
13. All written notices described herein must use overnight mail service or certain mail (return receipt requested). For all purposes, Franchisor shall be contacted at: Legal Department, AAMCO Transmissions, LLC, 201 Gibraltar Road, Horsham, PA 19044. Landlord and Tenant shall be contacted at their respective addresses as set forth in the Lease.
14. This Rider constitutes the entire understanding and agreement between Landlord, Tenant and Franchisor regarding its subject matter. To the extent that there is any conflict or inconsistency between the terms of the Lease and the terms of this Rider, the terms of this Rider shall supersede, govern and control. This Rider may be amended only in a writing that is signed by Landlord, Tenant and Franchisor. Any change to the Lease terms or any replacement lease between Landlord and Tenant (or their respective heirs, successors and/or assigns) which seeks to change, extinguish or in any way limit the rights accorded to Franchisor under this Rider shall be ineffective and void as against Franchisor unless approved in writing by Franchisor.

AGREED TO AND ACCEPTED BY:

LANDLORD

Print Name of Landlord: _____

Signature of Landlord's Authorized Representative: _____

Signature Date: _____, 201__ Title: _____

Print Name of Landlord's Authorized Representative: _____

Landlord's Address: _____

Landlord's Phone & Fax Numbers: _____

TENANT

*Print Name of Tenant: _____

*(*Must be same as name of "Franchisee" on the AAMCO Franchise Agreement for this location)*

Signature of Tenant's Authorized Representative: _____

Signature Date: _____, 201__ Title: _____

Print Name of Tenant's Authorized Representative: _____

Tenant's Address: _____

Tenant's Phone & Fax Numbers: _____

FRANCHISOR: AAMCO Transmissions, LLC

Signature of Franchisor's Authorized Representative: _____

Counter-Signature Date: _____, 201__ * (This Rider's Effective Date)*

Title: _____

Print Name of Franchisor's Authorized Representative: _____

Exhibit A-5
Sample Advertising Pool Commitment Letter

AAMCO Dealers Advertising
Pool c/o AAMCO Transmissions,
LLC 201 Gibraltar Road, Suite
150 Horsham, Pennsylvania
19044

To Whom It May Concern:

Please accept this letter as evidence of my commitment to the requirement that I, as an AAMCO franchisee, participate in and cooperate with my local advertising pool and program.

- A. I acknowledge that advertising is necessary to the successful operation of my business as an AAMCO dealer.
- B. I acknowledge that advertising by other AAMCO dealers within my marketing area directly benefits my AAMCO center.
- C. I acknowledge the legal, business and other responsibilities to approve, cooperate and participate in the advertising program established by the other AAMCO dealers in my marketing area, as such programs are approved by AAMCO Transmissions, LLC
- D. I agree that should I be in default of any money due my local AAMCO Dealers Advertising Pool, or should I fail to participate in an advertising program and make payment for it, I shall be subject to a delinquency charge and pay interest at the highest contract rate permitted by law to be computed in addition to my actual billing, plus any legal and attorney's fees incurred in the event suit must be commenced against me because of a violation of this Agreement.
- E. I agree that I will submit any and all information required to administer the local AAMCO dealers advertising program in my area and will submit such information to the group authorized to administer the local advertising program.
- F. It is further agreed and understood by and between me and the _____ AAMCO Dealers Advertising Pool that I contract for a period equal to the duration of my Franchise Agreement with AAMCO and any renewals thereof, to participate in and to be responsible for the payment of advertising on this local level as determined by my advertising pool. I acknowledge that the benefit that I am deriving and will derive from participating in local advertising and my concurrent responsibility for payment of my share of local advertising shall begin at the end of the first full week
- G. After the actual opening of my AAMCO center. I further agree to execute any agreements presently in use by said local AAMCO Dealers Advertising Pool. The amount of payment for such advertising shall be as follows:
 - 1. Existing percent or flat rate formula, if applicable
 - 2. Existing minimum weekly contribution
 - 3. Existing maximum weekly contribution

Exhibit A-5
Sample Advertising Pool Commitment Letter

- H. I acknowledge that the above amount(s) may be changed by the local AAMCO Dealers Advertising Pool according to its standard procedure and I agree to be bound by any such change(s).
- I. To secure my responsibility to make the necessary payments for an initial period of two (2) years, I hereby agree to execute a Note, secured with the appropriate collateral, and including an acceleration clause for payment in the event of a default, to be paid on a monthly basis to enforce my financial responsibility under the terms of this Agreement. The Note is to be drawn under the appropriate requirements of my local jurisdiction and is to be made in favor of my AAMCO Dealers Advertising Pool. I acknowledge that the two-year period of the Note in no way affects my 15-year obligation under the Franchise Agreement in regard to all aspects of local advertising, including payment therefor. If requested to do, I further agree to execute additional Notes payable to my local AAMCO Dealers Advertising Pool to secure the remaining years of my local advertising obligation. If my local Advertising Pool elects (or has elected) to require weekly payments via Electronic Funds Transfer ("EFT"), then I agree to provide the required information along with my signature to have such payments made via EFT.

I further agree to continue to participate in the local AAMCO Dealers Advertising Pool for the duration of my Franchise Agreement.

Date: _____

Franchise –

Date: _____

Franchise –

AAMCO DEALERS ADVERTISING POOL

By: _____
Authorized Representative

Exhibit A-6
Sample Advertising Pool Installment Note

INSTALLMENT NOTE

\$ _____

Dated: _____

FOR VALUE RECEIVED, I (we) jointly and severally promise to pay to the order of the _____ AAMCO Dealers Advertising Pool ("Ad Pool") _____ dollars in 104 successive weekly installments of \$_____, the first installment payable at the end of the first week after the date of the opening of Franchisee's AAMCO Transmissions center located at _____.

The obligation of payment of the above installments when due shall cease as of the date that Franchisee ceases to be an AAMCO Transmissions franchisee and signs the necessary Termination of Franchise and other documents intended to terminate his AAMCO Franchise; provided, however, that the termination of Franchisee's franchise shall not relieve him from any liability for payment of the above installments which may have become due and payable prior to said termination. So long as I (we) continue to be an AAMCO Transmissions franchisee, at the conclusion of the previous term of 104 weeks, this Installment Note will automatically renew for another term of 104 weeks, during which I (we) promise to pay to the order of Ad Pool 104 successive weekly installments in the amount of the last weekly advertising assessment that was to be paid and was due from me (us) prior to the expiration of the previous 104 week term of this Installment Note. Payment of this Note must be made via Electronic Funds Transfer if so required by the Ad Pool.

PROTEST WAIVED. On non-payment of any installment when due, all remaining installments in the current 104 week term of this Installment Note shall, at the option of the holder, become immediately due and payable. I (we) agree to pay if this note is placed in the hands of an attorney for collection, a reasonable attorney's fee of 18% of the amount due and owing on the defaulted note. And to secure the payment of that amount I (we) hereby authorize, irrevocably, the Prothonotary, Clerk of Court, or any Attorney of any Court of Record to appear for me (us) in such Court, term time, or vacation, at any time before or after maturity and confess judgment, or a series of judgments, without process in favor of any holder of this note, with or without the filing of an Averment or Declaration of Default, for such amount as may appear to be unpaid thereon, together with charges, costs and attorney's fees, as above provided, and waive and release all errors which may intervene in any such proceedings and waive all right of appeal and consent to immediate execution upon such judgment nor shall any bill in equity be filed to interfere in any manner with the operation of such judgment, hereby ratifying and confirming all that said Attorney may do by virtue hereof, and waiving and releasing benefit of all appraisement, inquisition of real estate, hereby voluntarily condemning said real estate and authorizing the entry of such condemnation upon any writ issued, stay of execution and all rights under the exemption laws of any State, now in force, or hereafter to be passed.

Witness

Franchisee – (Seal)

Exhibit A-7
Sample Advertising Pool Agreement

ADVERTISING POOL AGREEMENT

This Agreement is made this _____ day of 201_, by and among the licensed AAMCO franchisees (hereinafter "Members") in the Designated Market Area ("DMA") of _____, as determined by Nielson or a comparable rating service.

WHEREAS, the parties are all presently licensed franchisees of AAMCO Transmissions, LLC ("ATI") pursuant to individual Franchise Agreements with ATI, operating and maintaining AAMCO Transmissions repair centers in the _____ DMA (hereinafter "Area");

WHEREAS, each party is required by his Franchise Agreement with ATI to participate in a local advertising program;

WHEREAS, each party by his Franchise Agreement with ATI agreed to adhere to a local advertising budget and to pay his proportionate share of such budget;

WHEREAS, the parties, for their mutual benefit, desire to formally record their enforceable agreement respecting their obligations for, and contributions to a budget for a local advertising program.

NOW, THEREFORE, for and in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties agree as follows:

1. Formation of AAMCO Dealers Advertising Association

The parties form a non-profit, unincorporated association to be known as the _____ AAMCO Dealers Association (hereinafter "Association" or "Pool"). The purpose of this Association shall be:

- A. to promulgate a unified and continuing advertising program in the Area;
- B. to administer and supervise that program and to enforce this Agreement;
- C. to regulate the manner in which advertising costs will be shared in the best interests of the parties hereto;
- D. to collect assessments from Members to pay those costs; and
- E. to pay those costs incurred by such advertising.

All parties to this Agreement shall be Members of the Association formed. All future licensed AAMCO franchisees in the covered Area shall have membership in this Association upon execution of their AAMCO Franchise Agreement and a copy of this Agreement. All parties agree that the Agreement may be executed in counterparts and will be effective upon new Members without additional execution by existing Members.

2. Local Advertising

The parties all acknowledge that local advertising is necessary for the successful operation of their AAMCO Transmission centers. The long-term commitment to advertising made by all the Members is essential to the long-term success of each Member's AAMCO center. That long-term benefit is part of the consideration for the long-term commitment which

Exhibit A-7
Sample Advertising Pool Agreement

each Member is hereby making. The parties also acknowledge that all advertising must be approved by ATI prior to its use. Accordingly,

A. Each party agrees to endorse, participate, and cooperate, through the payment of regular weekly Assessments, in an advertising program established and administered by the Association.

B. Each party agrees to refrain from any unilateral action in advertising expenditures, advertising media purchases or use of advertising material, unless that party has completely fulfilled his obligations under this Agreement, or until such action is approved by the Association, in addition to any such approval as is required from ATI in each Member's Franchise Agreement;

C. Each party acknowledges and agrees that the advertising by the Association pursuant to this Agreement directly serves and benefits his AAMCO Transmissions repair center, whether or not he is a contributor to such advertising; therefore, each party agrees that, so long as he operates an AAMCO Transmission repair center in the Area, he will pay and be responsible for payment of his weekly Assessments, as defined in paragraph 3, regardless of his or anyone else's subsequent status as a delinquent or defaulted Member of the Association.

D. Each party agrees that he will submit to the Association any and all information required to administer the advertising program and budget.

E. Should the Association designate an advertising committee to administer its advertising program, each party hereto agrees to be bound by the decisions of that committee. The committee shall be appointed by the Chairman and approved by majority vote at a regularly scheduled meeting.

3. Payment of Advertising Expenses

A. Each party agrees to pay to the Association, or directly to an advertising agency duly selected by the Association and approved by ATI, the most-recently approved weekly contribution toward the costs of such advertising program or programs as the Association selects (hereafter, the "Assessment").

B. Each party agrees that the Assessment will be determined by a simple majority vote of the centers by the Members represented and eligible to vote at a duly-called meeting, and agrees to be bound by such vote.

C. As of the date of this Agreement, the Assessment for all Association Members shall be \$_____ per week. All parties acknowledge that this amount may change upon a subsequent vote.

D. It is agreed that, if the Association elects, that payment of the Assessment may be required to be made via Electronic Funds Transfer.

4. Officers

A. It is agreed that once a year, the Association shall elect, by simple majority of eligible centers, a Chairman and a Secretary/Treasurer from among those Members who are not delinquent or in default at the time of the election.

Exhibit A-7
Sample Advertising Pool Agreement

B. The post of Secretary/Treasurer may be divided between two members upon the vote of a simple majority of the Members voting, either in person or by written proxy.

C. In the event that no candidate receives a simple majority in any such election, a run-off shall be held between the two candidates who received the most votes.

D. (1) Subject to the restrictions in paragraph 4(d)(2), below, every person who is or was an officer or agent of the Association, or who serves or has served in any capacity with any other enterprise at the request of the Association, shall be indemnified by the Association against all expenses and liabilities reasonably incurred by or imposed on him or her in connection with any proceedings to which he or she has been or may be made a party, or any proceedings in which he or she may become involved by reason of being or having been an officer of the Association, or by reason of serving or having served another enterprise at the request of the Association, whether or not in the capacity of officer of the Association at the time the expenses or liabilities are incurred.

(2) With regard to any civil third-party claim brought against the officer or agent, the Association shall indemnify the officer or agent pursuant to Paragraph 4(d)(1), above, provided the officer or agent acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association. With regard to any criminal proceeding brought against the officer or agent, the Association shall indemnify him or her provided the officer or agent had no reasonable cause to believe his or her conduct was unlawful.

5. Administration of the Association

A. The parties agree that the Association shall meet at least once a year and that notice of each meeting shall be given orally or in writing to each member at his place of business at least three (3) days in advance of such meeting, except that notice for any meeting at which a vote will be taken regarding advertising assessments must be in writing and at least seven (7) days in advance of such meeting. The date of the Notice shall be the date of mailing.

B. It is agreed that the quorum necessary for any vote, including a vote to change the Assessment, shall be Members, either present or represented by written proxy, comprising at least a simple majority of all centers in the Association which are eligible to vote at the time of the meeting.

C. It is agreed that, except as set forth in paragraph 16 below, the Association shall take action on any matter, including a change in the Assessment, only upon the vote of a simple majority of its eligible Members voting, either in person or by written proxy. It is further agreed that in the event that the Members of the Association are tied in any vote, then the Chairman of the Association shall cast a second, tie-breaking vote.

D. It is agreed that votes shall be counted by the number of centers represented. Centers with multiple owners shall be permitted only one (1) vote. Members with multiple centers shall be permitted a number of votes equal to the number of centers they own.

E. No Member who is in default, as defined by paragraph 6(B)(2) below, shall be permitted to vote on any matter until such default is completely cured, including payment of all fees and costs as set forth herein. Such defaulted Member shall not be counted for the purpose of establishing the presence of a quorum at any meeting.

Exhibit A-7
Sample Advertising Pool Agreement

F. The parties may adopt any procedures and guidelines necessary for enforcement and implementation of the terms of this Agreement upon the vote of a simple majority of its eligible Members voting.

G. The parties agree that all money expended for advertising shall be in accordance with an approved budget based upon moneys collected or to be collected pursuant to the terms hereof.

6. Delinquency in Payment of Advertising Assessments

A. Should any Member fail to pay his Assessment by the date set by either the Association or its duly selected advertising agency, that Member shall be considered delinquent pursuant to the terms of this Agreement.

B. When any Member is delinquent for a period of two (2) weeks, the following collection procedures shall be instituted:

(1) The Association, by or through the Secretary/Treasurer or a designated Member, will send a letter to the Member, which letter shall state the amount of the arrearage and shall demand immediate full payment;

(2) If full payment is not received within two (2) weeks of the mailing of the letter:

(a) the Member shall be in default under this Agreement

(b) the Pool Chairman shall notify the Member of his default and inform him that he is subject to suit for costs and fees in addition to arrearages.

(3) Should the Member not make immediate, full payment in response to the Chairman's notice:

C. the matter will be turned over to an attorney for collection with the Member responsible for payment of all collection, attorney and court fees, and costs

D. the Member will be assessed a flat \$25.00 fee for every week in which the center in question remains five or more weeks in arrears.

7. Liability of Member Upon Default

A. It is agreed that a Member shall continue to be liable for the payment of his Assessments regardless of whether the Member is delinquent and/or in default as set forth in paragraph 6 above. If a Member defaults as defined in paragraph 6 above, the Association shall have a cause of action against the Member for such default. The Member in default also agrees to pay all attorneys' fees and all other fees and costs incurred by the Association or ATI in connection therewith. In the event of suit or action, this amount of these fees and costs shall be made a part of any judgment obtained against Member. However, once such fees and costs are incurred, the obligation of the Member in default to reimburse them shall exist whether or not the default is pursued to judgment.

B. The parties further acknowledge and agree that all Assessments shall continue to accrue against and be payable by a Member for as long as the Member continues to be an authorized AAMCO franchisee, or for such time as the Member shall continue to use the

Exhibit A-7
Sample Advertising Pool Agreement

name "AAMCO" for the purpose of procuring automotive repair business of any nature whatsoever, whichever shall be later. All accrued amounts shall remain due and owing and shall survive cessation by a Member of his AAMCO Transmission repair business and be subject to interest and attorneys fees and costs as set forth above.

8. Enforcement of Terms of Agreement

A. The parties acknowledge and agree that it may be necessary for the Association by, through and on behalf of its Members, to pursue a claim for non-payment of advertising Assessments against Members or former Members of the Association, who are in default. It is agreed that parties may nominate or appoint the Association, or one or more of its Members, or ATI, or its governing body, or a trustee, to pursue such claim, with or without litigation, and to take such action as the officers or other governing body, in their discretion, deem necessary for the purpose of the enforcement and collection of such claim. All Members hereby authorize the Chairman of the Association, or his designee, to sign on their behalf all pleadings or other papers necessary or useful to pursue such claims.

B. The parties further acknowledge and agree that the Association by and through any of its designated Members, governing body or trustee may, from time to time, retain the services of an attorney for the purpose of collecting defaults from Members and former Members and to perform other legal services. The parties authorize the Association to expend the funds reasonable and necessary for attorneys' fees and court costs for such claims, the amount of such funds to become part of the obligation of the defaulted Member, or if the services are of a general nature, part of the obligation of all Members.

C. The parties further agree that any damages resulting from unapproved advertising as provided in paragraph 2(b) on the part of a Member will be reimbursed by the Member to the Association for the purchase of corrective advertising. The parties authorize the Association to expend funds reasonable and necessary for attorneys' fees and court costs to collect the damages. The amount of these legal fees shall become the obligation of the Member or Members who participated in the unapproved advertising.

D. Litigation, Arbitration and Venue - All disputes, controversies or claims arising out of or relating to this Agreement may be settled by Court action in any court having jurisdiction or by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association or its successor, at the sole option of the Association. Arbitration shall be conducted in _____ unless otherwise agreed to by the parties.

9. Waiver

Each party does hereby waive presentment, demand for payment, notice of dishonor, protest, notice of non-payment or protest, diligence in collection and any and all other conditions precedent which are constitutionally waivable in order for the Association to bring suit for collection of moneys then due or for the enforcement prospectively of the terms of this Agreement.

10. Relief Available

The parties agree that, in addition to any other damages to which the Association may be entitled, the Association shall also be entitled to specific performance of all the terms and provisions of this Agreement. Furthermore, the parties agree that any Member who is in default and is still operating an AAMCO center, or is still trading under the name "AAMCO," is

Exhibit A-7
Sample Advertising Pool Agreement

unjustly enriched at the expense of all other parties who have paid and are continuing to pay the advertising Assessments pursuant to the terms of this Agreement.

11. Concurrent Remedies

No right or remedy herein conferred on or reserved to the parties or the Association shall be exclusive of any other right or remedy provided herein or provided or permitted by law or equity, but such right or remedy shall be cumulative of every other right or remedy given hereunder or now hereafter existing at law or in equity or by statute or otherwise and may be enforced concurrently therewith or from time to time.

12. Controlling Law

This Agreement shall be deemed to have been made in the _____ and shall be interpreted according to the laws of the _____.

13. Severability

Any provision of this Agreement prohibited by law or by court decree in any state of jurisdiction shall be ineffective to the extent of such prohibition without in any way invalidating or affecting the remaining provisions of this Agreement. To the extent that any provision hereof contravenes the law of any state or jurisdiction, it shall be deemed not to be a part of this Agreement in that state or jurisdiction.

14. Notices

Service of all notices under this Agreement (unless herein provided otherwise) shall be sufficient if given telephonically, personally, mailed, faxed or delivered by a recognized overnight carrier to the party involved at his business address. Any such notice mailed to such address shall be effective when deposited in the United States mail, duly addressed and stamped.

15. Parties Bound

A. This Agreement shall be binding upon and inure to the benefit of the parties, their respective heirs, executors, administrators, legal representatives, successors, assigns and any corporations owned or controlled by them.

B. Each Member agrees that prior to the effective date of any transfer of an interest in his AAMCO Transmissions center to a third party, he will give notice to the Association. Each party agrees to continue to be obligated for all his accrued obligations to the Association and to continue to be obligated to the Association prospectively until such time as the transferee of such Member's interest becomes a member of the Association. In addition to the continued obligation until acceptance of the transferee, the Member-transferor agrees to pay on or before closing on the transfer of his business any and all then-due moneys owed to the Association.

16. Entire Agreement

This Agreement constitutes the entire Agreement between the parties and supersedes any prior understanding, written or oral agreement between the parties respecting the subject matter herein. Amendments shall be permitted upon a vote of sixty percent (60%) of

Exhibit A-7
Sample Advertising Pool Agreement

the eligible centers represented by the Members present and voting and shall be in writing and signed by the parties.

17. Term

The term of this Agreement shall begin on the date of execution hereof and shall continue until terminated by written agreement of all the parties hereto at the time of such termination agreement.

18. Transferability

Each party agrees that should it be deemed necessary for the Association to incorporate, then any and all obligations of each party shall be fully transferable to the corporation so formed. Each party further agrees to execute all documents necessary to evidence such transfer; however, even without the execution of such documents, the party's obligation shall be deemed transferred.

19. Acknowledgment

EACH PARTY HEREBY ACKNOWLEDGES THAT HE HAS READ THIS AGREEMENT AND AGREES TO BE BOUND BY ITS TERMS.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby have executed this Agreement.

MEMBERS: _____ AAMCO DEALERS ASSOCIATION

Date:

Date:

Date:

Date:

Date:

Date:

Date:

Date:

Date:

Date:

Electronic Debit Authorization

**(Authorization Agreement for Pre-Authorized Payments
via EFT Debit Originations)**

COMPANY NAME: _____ **CENTER #:** _____

I (We) hereby authorize AAMCO Transmissions, LLC, hereinafter called COMPANY, to initiate debit entries to my (our) checking account indicated below in the depository named below, hereinafter called DEPOSITORY, to debit the same to such account.

NAME OF DEPOSITORY: _____

CITY & STATE: _____

ABA/TRANSIT NO: _____ **ACCOUNT NO:** _____

This authorization is to remain in full force and effect until the underlying obligations per the Franchise Agreement have been satisfied in full or released in writing by COMPANY.

This authorization further confirms my understanding of the Franchise Agreement signed by me/us in which I/we expressly agree that this authorization shall apply to the bank account(s) designated by me/us during the term of the Franchise Agreement and any renewals. Without limiting the generality of the foregoing, I/we understand that if I/we close any bank account, I/we are obligated to immediately, (i) notify COMPANY thereof in writing, (ii) establish another bank account, and (iii) execute and deliver to COMPANY all documents necessary for COMPANY to begin and continue making withdrawals from such depository /bank account by ACH debiting or other electronic means. I/we specifically agree and declare that this Authorization shall be the only written authorization needed from me/us in order to initiate debit entries/ACH debit originations to my/our bank account(s) established with any Depository in the future.

NAME(S): _____ **SS# OR EIN:** _____
(PLEASE PRINT)

(PLEASE PRINT) **SS#:** _____

DATE: _____ **SIGNATURE:** _____

AAMCO
GUARANTEE, INDEMNIFICATION, AND ACKNOWLEDGMENT

In order to induce AAMCO Transmissions, LLC ("**Franchisor**") to execute the AAMCO Franchise Agreement _____ between _____ Franchisor and ("**Franchisee**"), dated _____, 201____ (the "**Agreement**"), each of the undersigned parties, jointly and severally, hereby unconditionally guarantee to Franchisor and its successors and assigns that all of Franchisee's monetary obligations under the Agreement will be punctually paid and performed and that all monetary obligations will be punctually paid and performed.

Upon demand by Franchisor, the undersigned each hereby jointly and severally agree to immediately make each payment required of Franchisee under the Agreement and waive any right to require Franchisor to: (a) proceed against Franchisee for any payment required under the Agreement; (b) proceed against or exhaust any security from Franchisee; (c) pursue or exhaust any remedy, including any legal or equitable relief, against Franchisee; and/or (d) give notice of demand for payment by Franchisee. Without affecting the obligations of the undersigned under this Guarantee, Franchisor may, without notice to the undersigned, extend, modify, or release any indebtedness or obligation of Franchisee, or settle, adjust, or compromise any claims against Franchisee, and the undersigned each hereby jointly and severally waive notice of same and agree to be and remain bound by any and all such amendments and changes to the Agreement.

The undersigned each hereby jointly and severally agree to defend, indemnify and hold Franchisor harmless against any and all losses, damages, liabilities, costs, and expenses (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) resulting from, consisting of, or arising out of or in connection with any failure by Franchisee to perform any obligation of Franchisee under the Agreement, any amendment thereto, or any other agreement executed by Franchisee referred to therein.

The undersigned hereby acknowledge and agree to be individually bound by all of the promises contained in the following Sections of the Agreement: Section 13 (with respect to names, marks, trade secrets, confidentiality and protection of the System); Section 18 (with respect to restrictions of change of ownership); Section 19.2 (with respect to the effect of and procedures after termination of the Agreement); and Section 20 (with respect to covenants against competition). However, the undersigned acknowledge and agree that: (a) this Guarantee does not grant the undersigned any right to use any of Franchisor's marks (including but not limited to the "AAMCO" marks) or the system licensed to Franchisee under the Agreement; (b) that they have read, in full, and understand, all of the provisions of the Agreement that are referred to above in this paragraph, and that they intend to fully comply with those provisions of the Agreement as if they were printed here; and (c) that they have had the opportunity to consult with a lawyer of their own choosing in deciding whether to sign this Guarantee.

This Guarantee shall terminate upon the termination or expiration of all obligations of Franchisee under the Agreement and/or any other agreements between Franchisee and Franchisor, except that all obligations and liabilities of the undersigned which arose from events which occurred on or before the effective date of such termination shall remain in full force and effect until satisfied or discharged by the undersigned, and all covenants which by their terms continue in force after the expiration or termination of the Agreement shall remain in force according to their terms. Upon the death of an individual guarantor, the estate of such guarantor shall be bound by this Guarantee, but only for defaults and obligations under this

Exhibit A-9

Agreement existing at the time of death; and the obligations of the other guarantors will continue in full force and effect.

Unless specifically stated otherwise, the terms used in this Guarantee shall have the same meaning as in the Agreement, and shall be interpreted and construed in accordance with the Agreement (including but not limited to the waiver of jury trials (Section 27) and the exclusive application of Pennsylvania law (Section 26), without application of Pennsylvania choice of law principles).

IN WITNESS WHEREOF, each of the undersigned has signed this Guarantee as of the date of the Agreement.

_____ (in his/her personal capacity)	_____ (in his/her personal capacity)	_____ (in his/her personal capacity)
Printed Name:_____	Printed Name:_____	Printed Name:_____
Date:_____	Date:_____	Date:_____
Home Address: _____ _____	Home Address: _____ _____	Home Address: _____ _____

GENERAL RELEASE

KNOW ALL MEN BY THESE PRESENTS, THAT:

1. A Franchise Agreement and any amendments thereto ("the Agreement") was entered into by and between AAMCO Transmissions, LLC ("ATI") and [name of franchisee] ("Franchisee"), dated [date of franchise agreement], for the operation of an AAMCO center located at [address of AAMCO center].
2. As used herein, "Franchisee" shall collectively refer to the undersigned party, his heirs, executors, legal representatives, successors, and assigns.
3. As used herein "ATI" shall collectively refer to AAMCO Transmissions, LLC, its parent, subsidiaries, affiliates, shareholders, predecessors, successors, officers, directors, agents, attorneys, employees and assigns.
4. For and in consideration of the premises and in consideration of One Dollar (\$1.00) in hand paid to the Franchisee, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Franchisee hereby irrevocably and unconditionally remises, releases, and forever discharges ATI of and from all, and all manner of, actions, causes of actions, suits, debts, claims and demands, accounts, bonds, covenants, contracts, agreements, and judgments, whatsoever in law or in equity, which Franchisee now has, ever had, or may hereafter have, own, hold, claim to have to own or to hold against ATI, including but not limited to, those based upon, related to or connected with: (a) the Agreement; (b) any actions taken by ATI under the Agreement; (c) the relationship between ATI and Franchisee; (d) anything forbidden or declared unlawful by the antitrust laws of the United States, including but not limited to, violations or claimed violations of the Clayton or Sherman Acts, or any other statute of the federal government or of the several states, whether such claims pertain to the intentional or unintentional acts of ATI or claims of ATI's negligence; or (e) anything forbidden or prohibited by state antitrust laws, state deceptive trade practices acts or state consumer protection acts.
5. Without limiting the generality of the foregoing in any respect, Franchisee hereby irrevocably and unconditionally remises, releases and forever discharges ATI from any and all claims and causes of action, known or unknown or unanticipated at the time this Release was executed, which arose from or are based upon or related to the aforesaid or some part or aspect thereof or which arose or may arise in any way against ATI, which Franchisee ever had, now has or hereafter may have for or by reason of any cause, matter or thing whatsoever.
6. Franchisee acknowledges that there is a risk that, subsequent to the execution of this Release, additional claims or causes of action may be discovered or arise, which were unknown or unanticipated at the time this Release was executed, including without limitation unknown or unanticipated claims or causes of action, which arose from or are based upon or related to the aforesaid or some part or aspect thereof, and which if known to Franchisee on the date of execution of this Release would have materially affected his decision to execute this Release, but which unknown risk or claim Franchisee hereby assumes and expressly agrees that this Release applies thereto.

Exhibit A-10
General Release

I have read this Release and understand this is to be a full and complete release of all rights or claims of any nature I have against ATI.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this _____ day of _____
201__.

Witness

Franchisee – (Seal)

Witness

Franchisee – (Seal)

Exhibit A-11
DAC Phone Redirect Agreement

DAC PHONE REDIRECT AGREEMENT

I/We, [name of franchisee(s)], do hereby understand and agree that:

1. HUTCHINS/DAC GROUP, LLC ("DAC") is the authorized national Yellow Pages advertising agency for AAMCO Transmissions, LLC ("ATI") franchisees.
2. DAC has incurred expenses in placing Yellow Pages advertising for telephone phone # _____ - _____ - _____ (the "NUMBER").
3. I/we will receive a direct benefit from the NUMBER as a result of a) the NUMBER being redirected to my/our existing AAMCO location, in whole or in part, or b) my/our purchasing, and/or taking the assignment or transfer of, the AAMCO Transmissions center where the NUMBER currently rings.
4. In exchange for the aforementioned benefit, I/we agree to pay DAC \$_____. per month towards the remaining balance due it on the advertising associated with the NUMBER.
5. Provided that all payments are timely, the final scheduled monthly payment under this AGREEMENT shall be on _____, 201__; however, monthly payments shall continue under this AGREEMENT until the total sum of \$_____ has been paid to DAC, unless a) an ATI approved assignee or transferee of the NUMBER, or b) an ATI approved buyer, assignee, or transferee of the AAMCO franchise agreement associated with the NUMBER, signs the then current form of this AGREEMENT obligating them to the remainder of the balance due hereunder.

IN WITNESS WHEREOF, intending to be legally bound, I/we execute this AGREEMENT on this ____ day of _____ 201__.

WITNESS

WITNESS

[name of franchisee]

[name of franchisee]

EULA For ALLDATA Manage Online

Terms & Conditions of Use For ALLDATA Professional Customers

December 28, 2011

Warning: The unauthorized reproduction or distribution of this copyrighted work is illegal. In the United States of America, criminal copyright infringement, including infringement without monetary gain, is investigated by the FBI and is punishable by up to 5 years in federal prison and a fine of \$250,000. Additionally, other countries may have other civil and criminal penalties that may apply.

1. **License.** Subject to these terms and conditions (the "Agreement"), ALLDATA LLC ("ALLDATA") grants you ("Customer," "You" or "Your") a non-exclusive, non-transferable, non-sublicensable license (the "License") to: (i) use certain ALLDATA software product(s) and, (ii) if applicable, to access ALLDATA's Tech Assist telephone support services (collectively the "Product") which have been or may be provided to You by ALLDATA under this Agreement along with accompanying data (the "Data") and documentation (the "Documentation"). You acknowledge that, as between You and ALLDATA, ALLDATA owns and retains all rights, title and interest in and to the Product, Data and Documentation, including without limitation all copyright, trademark and intellectual property rights therein, and that the only right You have in the Product, Data or Documentation is the limited right to use the same as set forth in this Agreement. You acknowledge that the Product, Data and Documentation constitute valuable proprietary, confidential and trade secret information of ALLDATA.
2. **Restrictions.** The Product, Data and Documentation are to be used solely in connection with your professional or your personal use, and not in connection with the business of any other firm, person, organization or any other commercial use. You must not, and You must not request or authorize a third party to: (i) directly or indirectly, reverse engineer, decompile, disassemble or otherwise attempt to discover the source code or underlying ideas or algorithms of the Product, Data or Documentation; (ii) modify, translate, or create derivative works based on the Product, Data or Documentation; (iii) copy (except for archival purposes), rent, lease, distribute, assign, or otherwise transfer any rights whatsoever to the Product, Data or Documentation; (iv) use, or make available for use, the Product, Data or Documentation either (a) on a wide area network or (b) for off-site access without prior, express, written approval from ALLDATA and payment of the fees then in effect for such use; (v) access the Product, Data, or Documentation on more computers and or mobile or other devices, workstations, or "nodes" than are expressly authorized in your Service Agreement; or (vi) remove any proprietary notices or labels on the Product, Data or Documentation. You may not use any spider, robot, other automatic device, or manual process to monitor or copy the Product, Data and/or Documentation, or any other content without ALLDATA's prior written permission. Along with the Product, You may receive a dongle that will serve as an adapter and a security measure to enable Your use of the Product (the "Dongle"). In order to use the Product, the Dongle must at all times remain connected to the hardware on which the Product is installed. You acknowledge and agree that the Product will not function properly if the Dongle is removed from such hardware. The foregoing shall not apply for users of ALLDATA Mobile.
3. **Reproduction of Information.** You may view, reproduce and/or print insignificant portions of materials retrieved only from the Products provided (a) the materials are used only for informational, non-commercial

Exhibit A-12

purposes and (b) You do not remove or obscure the copyright notices or any other notices on such materials. You may print invoices, estimates, and quotations from ALLDATA Products which are required to be printed by law provided that such printing does not include Data from the Products. Except as expressly provided for in this paragraph, no part of the Product, Data or Documentation, including, but not limited to, materials retrieved therefrom and the underlying code, may be reproduced, re-published, copied, transmitted or otherwise distributed in any form or by any means. In no event shall materials from the Product, Data and/or Documentation be stored in any information storage and/or retrieval system without the prior written permission of ALLDATA.

4. **Updates; Information Collection and Use.** From time to time, ALLDATA may make available certain updates for the Product (each an "Update"). All Updates shall be deemed to a part of the Product. Updates shall be provided to You via either: (i) an automatic download to the hardware on which You installed the Product or (ii) via the "app" stores (each an "Automatic Download"). Once an Automatic Download has been completed for an Update, You will receive a pop-up notification prompting You to complete the installation process for such Update (an "Installation Notice"). You understand and acknowledge that the Product may not function properly or at all in the event that You do not complete the installation of any Update by the date specified in the applicable Installation Notice. You acknowledge and agree that ALLDATA shall not provide any refunds or other remedies in connection with any failure or other malfunction of the Product caused by Your failure to complete the timely installation of any Update. ALLDATA may from time to time extract certain information from the operating system and the hardware with which You use the Product ("System Information"). ALLDATA will only use the System Information to (i) provide You with Updates that are appropriate for the operating system and the hardware with which You use the Product, (ii) enhance the Product and other products and services offered by ALLDATA and (iii) audit compliance with the terms and conditions of this Agreement. You agree and acknowledge that during your use of the Product ALLDATA may collect non-personally identifiable information pertaining to: (x) how you use the Product; (y) the Product information You access; and (z) the results You receive from your application of the Product information ("Non-Personally Identifiable Information"). The Non-Personally Identifiable Information will be combined with other information including non-personally identifiable information collected by ALLDATA during the use of its services and products such as the Product. ALLDATA will only use of the Non-Personally Identifiable Information in an aggregate or de-identified manner to analyze ALLDATA product and service usage trends, to administer ALLDATA products and services, and for any other legitimate business purpose.
5. **Taxes.** Any excise, sales, duties, use or other taxes, which result from Your acquisition or use of the Product, Data and/or Documentation shall be paid exclusively by You. In the event ALLDATA must make any such payments, You shall reimburse ALLDATA for all such payments immediately upon demand.
6. **Limited Warranty.** ALLDATA warrants that the Product, when delivered to You, will substantially conform to the then-current published specifications for a period of thirty (30) days from the date the Product is delivered to You, and that the media, if any, on which the Product is delivered will be free of defects of materials and workmanship. In the event the Product or media is defective within the terms of this warranty, your sole and exclusive remedy shall be ALLDATA's replacement or correction of the defective Product or media. ALLDATA HEREBY DISCLAIMS ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. ALLDATA MAKES NO WARRANTY WHATSOEVER THAT ANY PRODUCT, (INCLUDING, WITHOUT LIMITATION, ANY AUTOMATIC DOWNLOADS AND UPDATES), DATA OR DOCUMENTATION IS

Exhibit A-12

CORRECT. ALLDATA DOES NOT WARRANT THAT YOUR USE OF THE PRODUCT WILL BE UNINTERRUPTED OR ERROR-FREE. SOME STATES DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

7. **Data Accuracy and/or Completeness.** You acknowledge that ALLDATA does not warrant, and specifically disclaims any warranty, that the Product, (including, without limitation, any Automatic Downloads and Updates), Data or Documentation or any other information provided in connection therewith is accurate or complete. ALLDATA will make commercially reasonable efforts to provide accurate and complete Data; but the volume of information compiled and the variety of sources from which the information comes makes it impossible to warrant accuracy or completeness of any kind. IN NO EVENT WILL ALLDATA BE LIABLE FOR SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES HOWEVER CAUSED WHETHER BY NEGLIGENCE OR OTHERWISE EVEN IF ALLDATA HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
8. **Data Disclaimer** Customer shall be solely responsible for daily back-up and other protection of its data and software against loss, damage or corruption. Customer shall be solely responsible for reconstructing data (including but not limited to data located on disk files and memories) and software that may be lost, damaged or corrupted during the performance of any remote technical support of or to the Product by ALLDATA. ALLDATA, ITS AFFILIATES, AND ITS AND THEIR SUPPLIERS, SUBCONTRACTORS AND AGENTS ARE HEREBY RELEASED AND SHALL CONTINUE TO BE RELEASED FROM ALL LIABILITY IN CONNECTION WITH THE LOSS, DAMAGE OR CORRUPTION OF DATA AND SOFTWARE, AND CUSTOMER ASSUMES ALL RISK OF LOSS, DAMAGE OR CORRUPTION OF DATA AND SOFTWARE IN ANY WAY RELATED TO OR RESULTING FROM ANY TECHNICAL SUPPORT OF OR TO THE PRODUCT, REMOTE OR OTHERWISE.
9. **Limitation of Liability.** You acknowledge and understand that Data is provided to ALLDATA by third parties and that its availability and quality is beyond ALLDATA's control. NOTWITHSTANDING ANYTHING ELSE IN THIS AGREEMENT OR OTHERWISE AND SUBJECT TO ANY APPLICABLE LAW, ALLDATA'S TOTAL LIABILITY, IF ANY, WITH RESPECT TO THE SUBJECT MATTER OF THIS AGREEMENT (INCLUDING, BUT NOT LIMITED TO, LIABILITY ARISING OUT OF CONTRACT, TORT, STRICT LIABILITY, BREACH OF WARRANTY OR OTHERWISE), WILL BE LIMITED TO THE AMOUNT ALLDATA RECEIVED FOR THE PRODUCT FROM YOU. ALLDATA AND ITS LICENSORS WILL NOT BE LIABLE IN ANY EVENT FOR LOSS OR INACCURACY OF DATA, LOSS OF PROFITS OR REVENUE, OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, THE COST OF ANY SUBSTITUTE PROCUREMENT), WHETHER OR NOT FORESEEABLE AND EVEN IF ALLDATA HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. FURTHER, ALLDATA AND ITS LICENSORS WILL NOT BE LIABLE IN ANY EVENT FOR ANY LOSSES OR DAMAGES TO YOUR OR ANY OTHER VEHICLES WHICH RESULT FROM OR ARE RELATED TO YOUR USE OF THE PRODUCT, DATA AND/OR DOCUMENTATION. IN ADDITION, You acknowledge that it is your responsibility to seek legal counsel to inform yourself of and conform to all legal requirements regarding your professional or personal use of this Product. ALLDATA SHALL NOT BE LIABLE FOR ANY LEGAL INSUFFICIENCY REGARDING THE PRODUCT OR YOUR USE OF THE PRODUCT AND DATA AND DOES NOT REPRESENT THAT THE PRODUCT IS LEGALLY SUFFICIENT IN ANY OF THE 50 STATES OR ANY NATION INTO WHICH THE PRODUCTS ARE DISTRIBUTED. It is Your responsibility to ensure Internet service through an independent Internet Service Provider ("ISP") for any online access to any of the Products or Data. ALLDATA SHALL NOT BE LIABLE FOR ANY LACK OF SERVICE OR RESPONSE TIME DELAYS ATTRIBUTABLE TO THE INTERNET, TELECOMMUNICATIONS EQUIPMENT OR SERVICES, YOUR COMPUTERS AND/OR MOBILE OR OTHER DEVICES OR NETWORKS, YOUR ISPs OR ANY OTHER REASON OUTSIDE THE CONTROL OF ALLDATA. YOU ACKNOWLEDGE THAT THE PRODUCT MAY CONTAIN PROGRAMS (INCLUDING COOKIES) PLACED ON YOUR COMPUTER AND/OR MOBILE OR OTHER DEVICES THAT CONNECT TO THE

Exhibit A-12

INTERNET IN ORDER TO ENHANCE OR ACTIVATE SECURITY AND PROVIDE OR IMPROVE THE PRODUCT, DATA AND RELATED SERVICES TO YOU AND YOU AUTHORIZE ALLDATA TO DO SO. INFORMATION COLLECTED BY ALLDATA WILL NOT BE MADE COMMERCIALY AVAILABLE TO THIRD PARTIES.

10. **Government Matters.** You may not remove or export from the United States or allow the export or re-export of any part of the Product, Data or Documentation, or any direct product thereof in violation of any restrictions, laws or regulations of the United States Department of Commerce, the United States Department of Treasury Office of Foreign Assets Control, or any other United States or foreign agency or authority. As defined in FAR section 2.101, the Product and Documentation licensed in this Agreement are “commercial items” and according to DFAR section 252.227-7014(a)(1) and (5) are deemed to be “commercial computer software” and “commercial computer software documentation.” Consistent with DFAR section 227.7202 and FAR section 12.212 any use modification, reproduction, release, performance, display, or disclosure of such commercial software or commercial software documentation by the US Government will be governed solely by the terms of this Agreement and will be prohibited except to the extent expressly permitted by the terms of this Agreement. Other countries may have other laws, restrictions, ordinances, rules and regulations that apply to the export or re-export of the Product, Data or Documentation, or any direct product thereof.
11. **Indemnity.** Except as prohibited by any applicable law, You will indemnify and hold ALLDATA harmless from any damages, liability and losses, and defend ALLDATA against any claim, suit or other proceeding brought against ALLDATA, arising out of or in connection with Your use, misuse, copying or distribution of the Product, Data or Documentation, provided ALLDATA notifies You of such claim, suit or proceeding and gives You reasonable assistance in the defense thereof. You will pay all damages, costs, losses, and expenses arising from such claim, suit, or other proceeding. You will indemnify ALLDATA for any use of the Product that causes any harm to ALLDATA or any of its service or data vendors/providers.
12. **Termination.** This license shall automatically terminate upon any material breach of the terms of this Agreement (or any other agreement between You and ALLDATA) by You. Material breaches shall include, but not be limited to, the breach of any of the terms and conditions set forth herein or Your failure to pay any invoice from ALLDATA by its due date. Upon termination or expiration of this License for any reason, You shall immediately return to ALLDATA or destroy the Product, Data, and Documentation and all copies thereof.
13. **Validation and Electronic Self-Help.** The Product may from time to time update or require download of the validation feature of the Product. Validation verifies that the Product has been activated and is properly licensed. During a validation check, the Product will send information about the Product to ALLDATA. This information includes the version of the Product and the product key. BY USING THE PRODUCT, YOU CONSENT TO THE TRANSMISSION OF THIS INFORMATION. If the Product is not properly licensed, the functionality of the Product may be affected. You may only obtain updates or upgrades for the Products from ALLDATA or its authorized sources. You agree that ALLDATA may, in its sole discretion and without prior notice, terminate your access to the Product, Data and Documentation and/or block your future access to the Product, Data and Documentation if ALLDATA determines that You have violated any terms of this Agreement. You also agree that any violation by You of the Agreement will constitute an unlawful and unfair business practice, and will cause irreparable harm to ALLDATA, for which monetary damages may be inadequate, and You consent to ALLDATA obtaining any injunctive or equitable relief that ALLDATA deems necessary or appropriate in such circumstances. These remedies are in addition to any other remedies ALLDATA may have at law or in equity. YOU AGREE THAT IF YOU ARE IN POSSESSION OF AN UNAUTHORIZED COPY, YOUR

Exhibit A-12

CLICKING ON THIS AGREEMENT CONSTITUTES A CONTRACT WITH ALLDATA THE TERMS OF WHICH ARE LIMITED TO OUR BEING AUTHORIZED BY YOU TO DISABLE THE PRODUCT AND SEEK REMEDIES AS PROVIDED FOR IN THIS AGREEMENT AND UNDER APPLICABLE FEDERAL AND STATE LAWS.

14. **Miscellaneous.** The failure of either party to exercise in any respect any right provided for herein will not be deemed a waiver of any further rights hereunder. If any provision of this Agreement is found to be unenforceable or invalid, that provision will be limited or eliminated to the minimum extent necessary so that this Agreement will otherwise remain in full force and effect. This Agreement is not assignable, transferable or sublicensable by You except with ALLDATA's prior written consent and subject to payment to ALLDATA of the then-current transfer fee. This Agreement will be governed by and construed in accordance with the laws of the state of New York without regard to the conflict of laws provisions thereof. You hereby waive your right to a jury trial. Both parties agree that the federal, state and local courts of Shelby County, Tennessee or such other courts that may be mutually agreed to by the parties, shall have sole and exclusive jurisdiction over any matter arising from or relating to these terms and conditions and/or the license granted hereunder. Both parties agree that this Agreement is the complete and exclusive statement of the mutual understanding of the parties and supersedes and cancels all previous written and oral agreements, communications and other understandings relating to the subject matter of this Agreement, and that all modifications must be in a writing signed by both parties, except as otherwise provided herein. You acknowledge that You have not entered into this Agreement in reliance upon any warranty or representation by any person or entity except for the warranties or representations specifically stated herein. No agency, partnership, joint venture, or employment is created as a result of this Agreement and You do not have any authority of any kind to bind ALLDATA in any respect whatsoever. In any action or proceeding to enforce rights under this Agreement, the prevailing party will be entitled to recover costs and attorneys' fees. All notices under this Agreement must be in writing.
15. **These terms and conditions may be changed by ALLDATA.** Continued use of the Product, Data and Documentation constitutes your acceptance of any changes made by ALLDATA to these terms and conditions as they may be amended from time to time and may be found at www.alldata.com. You acknowledge that it is Your responsibility to check the above website for updated or amended terms and conditions.
16. _____

COUNTRY SPECIFIC TERMS

ALLDATA LLC

Terms and Conditions of Use

For ALLDATA Customers (Mexico)

Warning: The unauthorized reproduction or distribution of this copyrighted work is illegal. In the United States of America, criminal copyright infringement, including infringement without monetary gain, is investigated by the FBI and is punishable by up to 5 years in federal prison and a fine of \$250,000.

The following language hereby replaces in its entirety Section 10 of the standard ALLDATA LLC Terms and Conditions of Use for ALLDATA Customers with respect to Customers residing or using the Product, Data, and Documentation in Mexico. All other standard terms remain in full force and effect.

10. **Government Matters.** Customer acknowledges and agrees that the Product, Data and Documentation are subject to the export control and sanctions laws, rules, regulations, and restrictions of the United States and other countries ("Export Controls"). Customer agrees not to export or re-export, or allow the export or re-export of the Product, Data or Documentation in violation of the Export Controls. Customer hereby represents that (i) Customer is not an entity or person to which delivery of Product, Data or Documentation is prohibited by Export Controls; and (ii) Customer will not export, re-export or otherwise transfer the Product, Data or Documentation in violation of Export Controls, including, without limitation, to (a) Cuba, Iran, Syria, Sudan, North Korea, or any other country subject to comprehensive United States sanctions or embargo or those of any other country having jurisdiction over Customer ("Prohibited Countries"), (b) a national or resident of any Prohibited Country, © any person or entity to which shipment of Product, Data or Documentation is prohibited by Export Controls, including, without limitation, persons or entities on the Specially Designated National List administered by the U.S. Department of Treasury or the Entity List administered by the U.S. Department of Commerce, or (d) anyone who will use the Product, Data or Documentation in activities related to development, design, manufacture, construction, operation, maintenance, testing, or stockpiling, related to any nuclear activities, missiles, chemical and biological weapons, or maritime nuclear propulsion projects.
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PRODUCT SPECIFIC TERMS

ALLDATA LLC

Terms and Conditions of Use for ALLDATA Manage Online

The following language hereby replaces in its entirety Section 8 of the standard ALLDATA LLC Terms and Conditions of Use for ALLDATA Customers with respect to Customers using the Product ALLDATA Manage Online. All other standard terms remain in full force and effect. In the event of any conflict between the standard ALLDATA LLC Terms and Conditions and the following Product Specific Terms, these Product Specific Terms shall control.

8. Data & ALLDATA Manage Online

Manage Online Terms.

8.1 Access to Manage Online. Subject to the terms and conditions contained in this Agreement, ALLDATA grants You a non-exclusive right to access and use ALLDATA Manage Online ("Manage Online") during the applicable Subscription Term (as defined on Your order form) in accordance with this Agreement and the Documentation. You acknowledge that ALLDATA Manage Online is an on-line, subscription-based Product and that ALLDATA may make changes to ALLDATA Manage Online from time to time.

8.2 Credentials. You must ensure that all users You authorize to use Your subscription to Manage Online keep their user IDs and passwords for Manage Online strictly confidential and not share such information with any unauthorized person. You are responsible for any and all actions taken using Your accounts and passwords, and You agree to immediately notify ALLDATA of any unauthorized use of which You become aware.

Exhibit A-12

8.3 Your Data. "Your Data" means any data, content, code, video, images or other materials of any type that You upload, submit or otherwise transmit to or through Manage Online. You will retain all right, title and interest in and to Your Data in the form provided to ALLDATA. Subject to the terms of this Agreement, You hereby grant to ALLDATA a non-exclusive, worldwide, royalty-free right to (a) collect, use, copy, store, transmit, modify and create derivative works of Your Data, in each case solely to the extent necessary to (i) provide Manage Online to You and (ii) for ALLDATA's business purposes and (b) share and/or distribute and publicly perform and display Your Data as You direct or enable through Manage Online. ALLDATA may also access Your account or instance in order to respond to Your support requests.

8.4 Security and Back-up. ALLDATA will take commercially reasonable effort to back-up Your Data and will implement industry accepted security procedures to help protect Your Data from loss, damage, corruption or security attacks. However, You understand that use of Manage Online necessarily involves transmission of Your Data over networks that are not owned, operated or controlled by us, and we are not responsible for any of Your Data lost, altered, intercepted or stored across such networks. We cannot guarantee that our security procedures will be error-free, that transmissions of Your Data will always be secure or that unauthorized third parties will never be able to defeat our security measures or those of our third party service providers.

8.5 Storage Limits. There may be storage limits associated with Manage Online. These limits are described in the services descriptions on our websites or in the Documentation for Manage Online. ALLDATA reserves the right to charge for additional storage or overage fees. We may impose new, or may modify existing, storage limits for Manage Online at any time in our discretion, with or without notice to You.

8.6 Responsibility for Your Data.

8.6.1 General. General. You must ensure that Your use of Manage Online and all Your Data is at all times compliant with our all applicable local, state, federal and international laws and regulations ("Laws"). You represent and warrant that:(i) You have obtained all necessary rights, releases and permissions to provide all Your Data to ALLDATA and to grant the rights granted to ALLDATA in this Agreement and (ii) Your Data and its transfer to and use by ALLDATA as authorized by You under this Agreement do not violate any Laws (including without limitation those relating to export control and electronic communications) or rights of any third party, including without limitation any intellectual property rights, rights of privacy, or rights of publicity, and any use, collection and disclosure authorized herein is not inconsistent with the terms of any applicable privacy policies. Other than its security obligations under Section 8.4 (Security and Backup), ALLDATA assumes no responsibility or liability for Your Data, and You shall be solely responsible for Your Data and the consequences of using, disclosing, storing, or transmitting it. Other than ALLDATA's responsibilities under Section 8.4 (Security and Backup), You are solely responsible for daily back-up and other protection of Your Data against loss, damage or corruption. You shall be solely responsible for reconstructing Your Data (including but not limited to Your Data located on disk files and memories) and software that may be lost, damaged or corrupted during the performance of any remote technical support of or to Manage Online or another Product by ALLDATA. ALLDATA, ITS AFFILIATES, AND ITS AND THEIR SUPPLIERS, SUBCONTRACTORS AND AGENTS ARE HEREBY RELEASED AND SHALL CONTINUE TO BE RELEASED FROM ALL LIABILITY IN CONNECTION WITH THE LOSS, DAMAGE OR CORRUPTION OF DATA AND SOFTWARE, AND CUSTOMER ASSUMES ALL RISK OF LOSS, DAMAGE OR CORRUPTION OF DATA AND SOFTWARE IN ANY WAY RELATED TO OR RESULTING FROM ANY TECHNICAL SUPPORT OF OR TO THE PRODUCT, REMOTE OR OTHERWISE.

Exhibit A-12

8.6.2 Sensitive Data. You will not submit to Manage Online (or use Manage Online to collect): (i) any personally identifiable information, except to the extent that Manage Online permits the inclusion of personally identifiable information in specific named fields and provided that Your Data that is entered in those fields is consistent with the intent of those named fields; (ii) any patient, medical or other protected health information regulated by HIPAA or any similar federal or state laws, rules or regulations; or (iii) any other information subject to regulation or protection under specific laws such as the Gramm-Leach-Bliley Act (or related rules or regulations) ((i) through (iii), collectively, "Sensitive Data"). You also acknowledge that ALLDATA is not acting as Your Business Associate or subcontractor (as such terms are defined and used in HIPAA) and that Manage Online is not HIPAA compliant. "HIPAA" means the Health Insurance Portability and Accountability Act, as amended and supplemented. Notwithstanding any other provision to the contrary, ALLDATA has no liability under this Agreement for Sensitive Data.

8.6.3 Indemnity for Your Data. You will defend, indemnify and hold harmless ALLDATA from and against any loss, cost, liability or damage, including attorneys' fees, for which ALLDATA becomes liable to the extent arising from or relating to any claim relating to Your Data, including but not limited to any claim brought by a third party alleging that Your Data, or Your use of Manage Online in breach of this Agreement, infringes or misappropriates the intellectual property rights of a third party or violates applicable law. This indemnification obligation is subject to You receiving (i) prompt written notice of such claim (but in any event notice in sufficient time for You to respond without prejudice); (ii) the exclusive right to control and direct the investigation, defense, or settlement of such claim; and (iii) all reasonable necessary cooperation of ALLDATA at Your expense.

8.7 Removals and Suspension. ALLDATA has no obligation to monitor any content uploaded to the Manage Online. Nonetheless, if ALLDATA deems such action necessary based on Your violation of this Agreement, ALLDATA may (1) remove Your Data from Manage Online or (2) suspend Your access to Manage Online. ALLDATA will generally alert You when ALLDATA takes such action and give You a reasonable opportunity to cure Your breach, but if ALLDATA determines that Your actions endanger the operation of Manage Online or other users, ALLDATA may suspend Your access immediately without notice. You will continue to be charged for Manage Online during any suspension period. ALLDATA shall have no liability to You for removing or deleting Your Data from or suspending Your access to any Manage Online as described in this section.

8.8 Customer Data Portability and Deletion. Upon request by You made within ninety (90) days after the effective date of termination or expiration of this Agreement, ALLDATA will make Your Data available for export or download in a format to be determined by ALLDATA. After such ninety (90) day period, ALLDATA will have no obligation to maintain or provide any of Your Data to You.

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Ford Motor Company

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Exhibit B

**AAMCO Transmissions, LLC
STATE ADDENDA**

EXHIBIT B TO FDD

AAMCO Transmissions, LLC STATE ADDENDA TO FDD ITEM DISCLOSURES

ADDITIONAL DISCLOSURES FOR THE MULTI-STATE FRANCHISE DISCLOSURE DOCUMENT OF FRANCHISOR

The following are additional disclosures for the Franchise Disclosure Document of AAMCO Transmissions, LLC required by various state franchise administrators based on the 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.

ILLINOIS

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

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

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

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

MICHIGAN

The following language is added after the “State Effective Date” page and before the “Table of Contents” page of the Disclosure Document:

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT PURSUANT TO THE MICHIGAN FRANCHISE INVESTMENT LAW

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 franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits 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 reasonably 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 of 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 or 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 service.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE ATTORNEY GENERAL. ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO:

State of Michigan
Office of the Attorney General
Consumer Protection Division
Attention: Franchise Section
670 Law Building
525 West Ottawa Street
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

MINNESOTA

1. The following language is added to the end of Item 13:

To the extent required by Minnesota Stat. Sec. 80C.12, Subd. 1(g), we will protect your right to use the Marks and indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the Marks.

2. The following is added at the end of the chart in Item 17:

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

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

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

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

NORTH DAKOTA

1. The “Summary” sections of Items 17(c), entitled **Requirements for franchisee to renew or extend**, and 17(m), entitled **Conditions for franchisor approval of transfer**, of the Franchise Agreement chart in the Disclosure Document are amended by adding the following:

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

2. The “Summary” section of Item 17(i), entitled **Franchisee's obligations on termination/non-renewal**, of the Franchise Agreement chart in the Disclosure Document is amended by adding the following:

The Commissioner has determined termination or liquidated damages to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. However, we and you agree to enforce these provisions to the extent the law allows.

3. The “Summary” section of Item 17(u), entitled **Dispute resolution by arbitration or mediation**, of the Franchise Agreement chart in the Disclosure Document is amended by adding the following:

However, to the extent required by the North Dakota Franchise Investment Law (unless preempted by the Federal Arbitration Act), arbitration will be at a site to which we and you mutually agree.

4. The “Summary” section of Item 17(v), entitled **Choice of Forum**, of the Franchise Agreement chart in the Disclosure Document is amended by adding the following:

To the extent required by the North Dakota Franchise Investment Law, you may bring an action in North Dakota.

5. The “Summary” section of Item 17(w), entitled **Choice of law**, of the Franchise Agreement chart in the Disclosure Document is amended by adding the following:

Except for Federal Arbitration Act and other federal law, North Dakota law governs.

EXEMPTION STATES

AAMCO Transmissions, LLC qualifies for, and has claimed, an exemption from registration in each of California, Maryland, New York, Virginia, and Washington. These states have franchise registration and disclosure laws that, if the law applies by its terms, may prevail over any terms of the disclosure document and/or Franchise Agreement that are inconsistent with the law. However, we and you agree to enforce the Franchise Agreement’s provisions to the extent the law allows.

Exhibit C

**AMENDMENT TO FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT
STATE OF MINNESOTA**

In recognition of the requirements of the Minnesota Franchise Act, Minn. Stat. § 80C., and of the Rules and Regulations promulgated thereunder by the Commissioner of Commerce, the parties to the attached FRANCHISE AGREEMENT (the "Agreement") agree as follows:

1. The Commissioner of Commerce for the State of Minnesota requires that certain provisions contained in franchise documents be amended to be consistent with Minnesota Franchise Act, Minn. Stat. Section 80.01 et seq., and of the Rules and Regulations promulgated under the Act (collectively the "Franchise Act"). To the extent that the Agreement and Franchise Disclosure Document contain provisions that are inconsistent with the following, such provisions are hereby amended:

- a. Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties, or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- b. With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases): (1) that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement; and (2) that consent to the transfer of the franchise will not be unreasonably withheld.
- c. The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols, or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.
- d. Minnesota considers it unfair to not protect the franchisee's rights to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).
- e. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
- f. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.
- g. The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

IN WITNESS WHEREOF, the parties have executed this addendum as set forth below.

Date: _____, 20 ____

ATTEST:

AAMCO Transmissions, LLC

By: _____

Witness

Franchisee

Exhibit C

**AMENDMENT TO FRANCHISE AGREEMENT
STATE OF NORTH DAKOTA**

19.1 TERMINATION

The following is added to section 19.1 of the Franchise Agreement:

Section 51-19-09, N.D.C.C. forbids liquidated damages; therefore, any section regarding liquidated damages does not apply to North Dakota franchisees.

20 COVENANT NOT-TO-COMPETE

The following is added to section 20 of the Franchise Agreement:

Covenants not to compete such as those mentioned in this section, are generally considered unenforceable in the State of North Dakota.

26 JURISDICTION

The following is added to section 26 of the Franchise Agreement:

This section shall not in any way abrogate or reduce any rights of Franchisee as provided for in the North Dakota Franchise Investment Law, Section 51-19-09, including the right to submit matters to the jurisdiction of the courts of North Dakota.

This Agreement shall be deemed to have been made within the Commonwealth of Pennsylvania and shall be interpreted according to the laws of Pennsylvania. If there is a conflict with Pennsylvania law, then this Agreement is subject to the Franchise Investment Law of the State of North Dakota, and Franchisee's rights are governed by the laws of North Dakota.

27 JURY WAIVER

The following is added to section 27 of the Franchise Agreement:

Jury Waiver such as those mentioned in this section are generally considered unenforceable in the State of North Dakota.

MEDIATION AND ARBITRATION

The following is added to section 26.3 of the Franchise Agreement:

(g) Notwithstanding the foregoing, the parties shall have the right to mutually agree upon a locale in which such arbitration hearings are to take place. These arbitration hearings will not be limited by any conflicting provision contained within this Agreement.

IN WITNESS WHEREOF, the parties have executed this addendum as set forth below.

Date: _____, 201____

ATTEST:

AAMCO Transmissions, LLC

By: _____

Witness

Franchisee

LIST OF STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for 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 Business Oversight:
Toll Free: 1 (866) 275-2677

Los Angeles

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

Sacramento

1515 K Street, Suite 200
Sacramento, California 95814-4052
(916) 445-7205

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 94105-2980
(415) 972-8559

CT Corporation
818 W 7th Street
Los Angeles, CA 90017

Hawaii

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

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

The Corporation Company, Inc.
1000 Bishop Street
Honolulu, HI 96813

Illinois

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

C T Corporation System
208 South LaSalle Street
Chicago, IL 60604

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, IN 46204
(317)232-6681

Maryland

(state agency)

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

(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

The Corporation Trust Incorporated
300 East Lombard Street
Baltimore, MD 21202

Michigan

Corporations Division
Franchise
P.O. Box 30054
Lansing, MI 48909
(517) 373-7117

Minnesota

Commissioner of Commerce
Department of Commerce
85 7th Place East, Suite 500
St. Paul, Minnesota 55101
(651) 296-6328

C T Corporation System Inc.
405 Second Avenue, South
Minneapolis, MN 55401

New York

(for service of process)

New York Department of State
Division of Corporations, State Records &
Uniform Commercial Code
One Commerce Plaza
99 Washington Ave., 6th Floor
Albany, New York 12231
(518) 474-4770

C T Corporation System
111 Eight Avenue
New York, NY 10011

(for other matters)

New York State Department of Law
Investor Protection and Securities Bureau
120 Broadway, 23rd Floor
New York, New York 10271-0332
(212) 416-8000

North Dakota

(state agency)

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

Exhibit D

(for service of process)

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

C T Corporation System
314 East Thayer Avenue
Bismarck, ND 58501

Oregon

Oregon Division of Finance and Corporate
Securities
350 Winter Street NE, Room 410
Salem, Oregon 97301-3881
(503) 378-4387

Rhode Island

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

C T Corporation System
10 Weybosset Street
Providence, RI 02903

South Dakota

(for service of process and other matters)
Division of Insurance
Securities Regulation
124 S. Euclid Ave., Suite 104
Pierre, SD 57501
(605) 773-4823

(for service of process)
C T Corporation System
319 South Coteau Street
Pierre, SD 57501

Virginia

(for service of process)

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

Commonwealth Legal Services
Corporation
4701 Cox Road, Suite 301
Glen Allen, VA 23060-6802

(for other matters)

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

Washington

(for service of process)

State of Washington
Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501

C T Corporation System
520 Pike Street
Seattle, WA 98101

(for other matters)

Department of Financial Institutions
Securities Division
P. O. Box 9033
Olympia, Washington 98507-9033
(360) 902-8760

Wisconsin

Commissioner of Securities
345 W. Washington Ave., 4th Floor
Madison, Wisconsin 53703
(608) 266-8557

C T Corporation System
8025 Excelsior Drive, Suite 200
Madison, WI 53717

LIST OF STATE AND LOCAL LAWS

Some states have enacted laws and regulations governing how auto repair facilities are to repair or rebuild a transmission. These states are California and New York.

Some states, provinces and localities have enacted laws or regulations governing how auto repair facilities provide general automotive repair services, such as brakes, oil changes, vehicle maintenance, etc. Additionally, these states and provinces may have laws requiring auto mechanics to register, to meet certain minimum standards and/or to be certified. These include Broward County, Florida, Dade County, Florida, Hawaii, Michigan, Washington, D.C. and the province of Ontario.

Some states and localities have enacted laws and regulations requiring auto repair facilities to register. These are California, Connecticut, Florida, Broward County, Florida, Dade County, Florida, Hawaii, Chicago, Illinois, Michigan, Montgomery County, Maryland, Prince Georges County, Maryland, Nevada, New York, Rhode Island, Dallas, Texas and Washington, D.C.

Most states and provinces and some localities and municipalities have enacted laws or regulations governing how a receipt for auto repairs is to be prepared. They are Alaska, California, Colorado, Connecticut, Delaware, Florida, Hawaii, Illinois, Iowa, Montgomery County, Maryland, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oregon, Pennsylvania, Tennessee, City of Dallas, Texas, Utah, Virginia, Washington, Washington D.C., Wisconsin and the province of Ontario. Many require the posting of signs in auto repair facilities. You should check with your state's, province's, county's and city's consumer protection department or office for laws and regulations that may be applicable to you because you will operate an auto repair facility. In the province of Ontario, the Motor Vehicle Repair Act details how an invoice is to be prepared and how customer authorizations are documented. This Act also requires the posting of a sign in your center and sets forth minimum requirements for a warranty.

Some states and provinces have enacted laws and regulations requiring individuals or businesses selling extended service contracts to register and be licensed. These states are Florida and Wyoming and the provinces of Saskatchewan, British Columbia and Alberta.

Some states and provinces have enacted laws and regulations requiring that the forms used to sell service agreements contain specific provisions and disclosures. These states are Alabama, California, Iowa, Massachusetts, New York, North Carolina, Oklahoma and Texas and the provinces of Alberta, British Columbia, Ontario and Saskatchewan. Some states also require the review and approval of extended service contracts and that the contracts contain specific provisions and disclosures. They are Arizona, Florida, Georgia, Minnesota, Mississippi, Nebraska, New Hampshire, Oregon, Utah, Washington, Wisconsin, Wyoming, and the province of Saskatchewan.

Exhibit F
List of Franchised Outlets

CenterNumber	Franchisee	Address	City	State	ZipCode	PhoneNo
102	DOUG PETERSEN	745 E MARKET STREET	AKRON	OH	44305	(330) 376-5181
121	ALFRED GARNETT AND ANGELIA GARNETT	1657 WHISKEY ROAD	AIKEN	SC	29803	803-642-9424
141	JOHN KAUTZ/ROBERT LEADER	470 EASTON ROAD	HORSHAM	PA	19044	(215) 657-1221
205	MICHAEL VASILE	1029 CENTRAL AVENUE	ALBANY	NY	12205	(518) 489-5505
330	JOHN MANGAN JR & SR	6629 LOMAS BLVD NE	ALBUQUERQUE	NM	87110	(505) 265-8849
406	KEMAHU FESSEHA	618B S. PICKETT STREET	ALEXANDRIA	VA	22304	(703) 751-0635
527	ROBERT A WOLFE	2240 US ROUTE 35	ALPHA	OH	45301	(937) 429-2822
556	HAROLD P OTT	2911 7TH AVE	ALTOONA	PA	16602	(814) 943-5228
580	GARY L WATERS	5032 S. WESTERN STREET	AMARILLO	TX	79109	(806) 353-6810
653	JEFFREY BRAMAN	519 S. BROOKHURST STREET	ANAHEIM	CA	92804	(714) 635-0860
731	JAMES H KIRKLAND	1109 S QUINTARD AVE	ANNISTON	AL	36201	(256) 238-1148
775	THOMAS & BRANDON WOODS	1009 E SEMORAN BLVD	APOPKA	FL	32703	(407) 886-6002
781	BRETT A GARRISON	2244 ELLSWORTH ROAD	YPSILANTI	MI	48197	(734) 528-2800
810	WAYNE MARTELLA	2319 S VAL VISTA DRIVE	GILBERT	AZ	85295	(480) 813-0034
842	BRODERICK WALLER	95 WEST MAIN STREET	AMERICAN FORK	UT	84003	(801) 756-3626
922	JASON PRYOR	2320 W PIONEER PKWY	PANTEGO	TX	76013	(817) 277-3100
942	ALAN E SELIG	400 W NORTHWEST HWY	ARLINGTON HTS	IL	60004	(847) 577-0707
981	DEBBY D KLUEPFEL/ROBERT N	3875 W OUTER ROAD	ARNOLD	MO	63010	(636) 296-9800
1012	DONALD SCOTT/RUSSELL MARR	6437 MILLER STREET	ARVADA	CO	80004	(303) 431-1991
1150	SCOTT KYRIAZIS	3925 ABBEY LANE, SUITE #3	ASTORIA	OR	97103	(503) 325-1404
1282	ROBERT L BARRON	2110 & 2120 W BROAD ST	ATHENS	GA	30606	(706) 543-1790
1310	MEHDI NATEGHI	806 NORTHSIDE DRIVE	ATLANTA	GA	30318	(404) 873-1166
1321	JAMES CHESS	5408 BUFORD HIGHWAY	DORAVILLE	GA	30340	(470) 275-5916
1472	DAVID A BROYLES	890 GRASS VALLEY HIGHWAY	AUBURN	CA	95603	(530) 823-7746
1592	JOSEPH LEWIS	14871 E COLFAX AVENUE	AURORA	CO	80011	(303) 366-4842
1620	STEVEN J BERLAU	18355-A E. GIRARD AVENUE	AURORA	CO	80013	(303) 400-4842
1642	IQBAL ANWAR/RAHAT BARI	1315 NORTH LAKE STREET	AURORA	IL	60506	(630) 896-5700
1660	ALLAN NURENBERG	8417 BURNET RD	AUSTIN	TX	78757	(512) 458-6115
1722	ALLAN NURENBERG	912 S LAMAR BLVD	AUSTIN	TX	78704	(512) 442-4545
1731	ALLAN NURENBERG	814 STASSNEY LANE WEST	AUSTIN	TX	78745	(512) 441-9919
1741	ALLAN NURENBERG	2409 S BELL BLVD	CEDAR PARK	TX	78613	(512) 331-4547
1910	JOHN W WHITE	6601 WHITE LN	BAKERSFIELD	CA	93309	(661) 398-0400
1920	CORTLAND CHRISTIANSEN	1401 UNION AVE	BAKERSFIELD	CA	93305	(661) 281-0307
2004	CHARLES R O'DELL	7423 RITCHIE HWY	GLEN BURNIE	MD	21061	(410) 590-0070
2140	R/B MILLER & D KLUEPFEL	15475 MANCHESTER ROAD	BALLWIN	MO	63011	(636) 227-8423
2152	EUGENE WOOD	7400 HARFORD ROAD	BALTIMORE	MD	21234	(410) 444-7710
2190	RICHARD J RAYZOR	3270 EASTEX FREEWAY	BEAUMONT	TX	77703	(409) 899-2001
2253	JOSEPH M PRIETO	5701 PULASKI HWY	BALTIMORE	MD	21205	(410) 483-1212
2355	JAMES T DUPONT, JR	4310 FLORIDA BOULEVARD	BATON ROUGE	LA	70806	(225) 926-8204
2650	ROBERT PERSCHALL	321 SOUTH MAIN ST	BLOOMINGTON	IL	61701	(309) 828-3337
2742	MARK J MUNSON	3401 W. STATE STREET	BOISE	ID	83703	(208) 342-3569
2792	ROBERT SANCHEZ	1429 W BRANDON BLVD	BRANDON	FL	33511	(813) 681-5596
2882	MARK J MUNSON	8486 FAIRVIEW AVENUE	BOISE	ID	83704	(208) 322-7100
2915	PIERO & JUAN GROBLER	2801 CORTEX ROAD W	BRADENTON	FL	34207	(941) 753-6050
2925	THOMAS A. SCOTTI/PETER FIORENTINO	605 E MAIN STREET	BRIDGEWATER	NJ	08807	(908) 722-8282
2951	GERD R ANDERSON	1251 CENTERPOINT PKWY.	BIRMINGHAM	AL	35215	(205) 853-9095
2962	HANSOMATTIE SINGH	1960592 ONTARIO INC91 KENNEDY ROAD S	BRAMPTON	ON	L6W 3G1	(905) 453-2262
2970	AMARJIT & HARBANS SINGH	1200 SOUTHWEST QUARRY RD	BLUE SPRINGS	MO	64015	(816) 228-5170
2983	JOHN PARLA	740 AMERICAN LEGION HWY	ROSLINDALE	MA	02131	(617) 327-2000
3120	MITCH COBB	14140 COURSEY BLVD	BATON ROUGE	LA	70817	(225) 752-0081
3132	JAMES HOWREY/RUSS MARR	10500 HAVANA COURT-UNIT A	BRIGHTON	CO	80601	(303) 287-5181
3203	A C SOLLITTO/A J SOLLITTO	1027 E GUN HILL RD	BRONX	NY	10469	(718) 324-7800
3221	THOMAS/RONDA SCOTT	215 E KENOSHA STREET	BROKEN ARROW	OK	74012	(918) 250-7396
3432	AMEDEE & SANDRA O'GORMAN	3950 LILLY ROAD	BROOKFIELD	WI	53005	(262) 781-3555
3530	JONATHAN L TOW	BROOKLYN TRANSMISSIONS CO, INC1266 RALPH AVENUE	BROOKLYN	NY	11236	(718) 773-6535
3614	MALEK AZIZ/CINDY SEVERINO	2900 ATLANTIC AVENUE	BROOKLYN	NY	11207	(718) 277-8080
3805	JOHN W THOMAS JR	4396 HIGHWAY 40 EAST	SAINT MARYS	GA	31558	(912) 882-1700
4245	SEAN CAVANAUGH	3373 S WINCHESTER BLVD	CAMPBELL	CA	95008	(408) 866-2424
4263	CHRISTOPHER B HAMBLET	1563 S. HGWY 17-92	LONGWOOD	FL	32750	(407) 339-3017
4293	C AMADOR/A REAM/W AMADOR	33990 DOHENY PARK RD	CAPISTRANO BEACH	CA	92624	(949) 496-1211
4303	JAMES R/TODD M SCHULTZ	1740 16TH AVE SW	CEDAR RAPIDS	IA	52404	(319) 366-2725

4311 D GARY MARTIN	3075 HWY 50 E	CARSON CITY	NV	89701	(775) 882-7373
4437 JON GUCKENBERGER	10120 ALBEMARLE ROAD	CHARLOTTE	NC	28227	(704) 573-7189
4440 JACK MAY JR	1134 EMMET STREET	CHARLOTTESVILLE	VA	22903	(434) 296-7117
4457 MICHAEL J COTTON	2413 S. TRYON STREET	CHARLOTTE	NC	28203	(704) 334-5319
4581 J RANDY STEINER	3454 SHERIDAN DRIVE	AMHERST	NY	14226	(716) 837-6542
4642 SEAN HAYDEN	12341 JEFFERSON DAVIS HWY	CHESTER	VA	23831	(804) 751-0074
4680 AUGUST VAN BRINK	9177B KNOX BRIDGE HIGHWAY	CANTON	GA	30114	(770) 704-7776
4720 CRAIG E HIETT	1625 DELL RANGE BLVD	CHEYENNE	WY	82009	(307) 635-8435
4741 DAVID M. CHEBALO	111 GAINSBOROUGH SQUARE	CHESAPEAKE	VA	23320	(757) 436-1221
4790 STEVEN MULLET	2312 COLUMBUS RD NE	CANTON	OH	44705	(330) 455-5145
4841 THOMPSON P PETTWAY	6501 LEE HIGHWAY,STE 100	CHATTANOOGA	TN	37421	(423) 899-0790
4860 ED WRISTEN/T ERWIN	7218 VIRGINIA ROAD	CRYSTAL LAKE	IL	60014	(815) 261-9558
4870 CHARLES FISHBURN	2263 HARBOR BLVD	COSTA MESA	CA	92626	(949) 430-0431
4890 PATRICK INFANTE JR/SR	835 ROOSEVELT AVENUE	CARTERET	NJ	07008	(732) 541-1870
5213 ADAN PELAYO	12307 S HALSTED STREET	CHICAGO	IL	60628	(773) 568-4747
5290 DANIEL LINGEL/YARON TOV	1415 BROADWAY, SUITE #103	CHULA VISTA	CA	91911	(619) 494-5156
5352 DALE J MUELLER	AAMCO TRANSMISSIONS2001 S CICERO AVE	CICERO	IL	60804	(708) 656-8787
5432 JOSEPH L. HUCKS	1615 WALNUT ST.	CARY	NC	27511	919-303-9644
5521 WILLIAM J LONG, JR	4440 READING RD	CINCINNATI	OH	45229	(513) 242-4440
5710 KENNETH J RICKOSKI	3111 PHILADELPHIA PIKE	CLAYMONT	DE	19703	(302) 798-3635
5752 RONALD D BALOW/ SALVATORE MINOSH	201 S MARTIN LUTHER KING JR AVE	CLEARWATER	FL	33756	(727) 447-3431
5771 MICHAEL EDWARDS	125 NE 23RD AVE, SUITE E	GAINESVILLE	FL	32609	(352) 380-1603
5910 CARL R COX	3010 LEOPARD STREET	CORPUS CHRISTI	TX	78408	(361) 881-8200
6020 JEFF COMFORT	746 CHESTER PIKE	PROSPECT PARK	PA	19076	(610) 461-0580
6091 GUY GROS	111 BRENTWOOD DRIVE	COLLEGE STATION	TX	77840	(979) 695-2262
6182 MOHAMMAD R GANJEI	6425A BALTIMORE NATIONAL PIKE	CATONSVILLE	MD	21228	(410) 869-1524
6213 JAMES K CHU	2428 BROAD RIVER ROAD	COLUMBIA	SC	29210	(803) 798-6130
6220 ERWIN M JENKINS	1400 52ND STREET	COLUMBUS	GA	31904	(706) 324-4772
6253 SEEMA NAYYAR	3197 N HIGH ST	COLUMBUS	OH	43202	(614) 263-8817
6272 KENDALL D GILL	6450 E MAIN ST	REYNOLDSBURG	OH	43068	(614) 866-4262
6282 MICHAEL J ANTONUCCI	432 W GARDEN OF THE GODS RD	COLORADO SPRINGS	CO	80907	(719) 599-8843
6304 GLENN STOOTTS	1385 W BROAD STREET	COLUMBUS	OH	43222	(614) 274-1164
6313 GENERAL J. SPAULDING, JR.	3580 CLEVELAND AVE	COLUMBUS	OH	43224	(614) 475-6655
6374 ALLEN ZHOU	1662 HIGHWAY 138 N	CONYERS	GA	30012	(770) 388-7000
6380 STEVEN RICHARDSON	1300 16TH AVENUE	CONWAY	SC	29526	(843) 347-4326
6393 WESLEY YOUNG	2096 MARKET STREET	CONCORD	CA	94520	(925) 676-8167
6531 JASON ALVAREZ AND RONALD HARADA	539 W. RINCON ST.	CORONA	CA	92880	951-736-5400
6541 JEREMY MARTINSON	234 LOUDON ROAD	CONCORD	NH	03301	(603) 225-7213
6556 PHIL LOVVORN/H MCJUNKIN	805 NW 5TH STREET	CORVALLIS	OR	97330	(541) 757-1223
6641 GARY W HASLIP	COEUR D'ALENE TRANSMISSIONS, INC.415 N 3RD ST	COEUR D'ALENE	ID	83814	(208) 664-1402
6654 CASEY/CHARLES VELINSKY	1600 AVENUE A	COUNCIL BLUFFS	IA	51501	(712) 328-3818
6673 WILLIAM/LYNN TRIOLO	1800 NORTH LARKIN AVENUE	CREST HILL	IL	60403	(815) 741-0200
6697 QUYEN P. NGUYEN	968 EAST ARROW HIGHWAY	COVINA	CA	91724	(626) 966-7491
6716 ALLEN ASHARI	1789 S LA CIENEGA BLVD	LOS ANGELES	CA	90035	(310) 836-3930
6770 JAMES AIKEN/J CUNNINGHAM	100 GREENFIELD DRIVE	CUMMING	GA	30040	(770) 887-0047
6841 RAHIM NATHOO	2899 IRVING BLVD.	DALLAS	TX	75207	(214) 528-3330
6933 WENDELL E WIMMER	525 MEMORIAL DR	DANVILLE	VA	24541	(434) 797-4800
6961 MICHAEL D SNYDER	5980 OLD TROY PIKE	DAYTON	OH	45424	(937) 236-2465
6977 FRED S EBBERT	3210 DIXIE HWY	ERLANGER	KY	41018	(859) 344-8858
6993 ROBERT/MELINDA BROWN	2212 WILMINGTON PIKE	DAYTON	OH	45420	(937) 253-1165
7093 EDWARD J BURT	4842 COVINGTON HWY	DECATUR	GA	30035	(404) 288-4350
7105 CHRISTOPHER K CREARY	2968-E NORTH DECATUR ROAD	DECATUR	GA	30033	(404) 299-7810
7146 KAMRAN DURRANI	140 CARRIAGE LANE	DELRAN	NJ	08075	(856) 461-6060
7174 RICHARD TODD	460 S WOODLAND BLVD	DELAND	FL	32720	(386) 738-5065
7270 ZHAOHUI MA & GUOPING LI	187 W ALAMEDA AVENUE	DENVER	CO	80223	(303) 462-2626
7345 TIMOTHY ELLIOTT	3416 SE 14TH STREET	DES MOINES	IA	50320	(515) 280-6465
7470 MARK MCCOY	7420 UNIVERSITY AVE,SUITE C	CLIVE	IA	50325	(515) 277-6488
7480 JOHN W SNYDER	3729 N DUPONT HIGHWAY	DOVER	DE	19901	(302) 678-5660
7490 RUSTY BRAY	901 & 903 HUSTONVILLE RD	DANVILLE	KY	40422	(859) 629-3613
7535 KIM QUACKENBUSH	HI-TECH TRANSMISSIONS, INC.135 E BLACKWELL STREET	DOVER	NJ	07801	(973) 366-5100
7543 ANGELO P GARRUBA	8866 ROSECRANS AVE	DOWNEY	CA	90242	(562) 531-9090
7570 GARY L ROWE	2048 FAIRBURN RD	DOUGLASVILLE	GA	30135	(770) 947-8357

7591 SALVATORE MINOSH
 7641 STEPHEN P OREHOSKY
 7690 WAQAS AHMAD
 7720 ROBERT A GOLDBERG
 7751 CHARLES A WILSON
 7770 JOSEPH LEWIS
 7861 JASON PRYOR
 7960 WAYNE MARTELLA
 7972 GEORGE H. ECCLESTON IV/ ROBERT CLEMENS
 8006 GREGORY C. MCBRIDE
 8021 ZEESHAN KHAN
 8033 SHAUN & VANESSA GANPAT
 8163 THOMAS/RONDA SCOTT
 8255 WALTER FABIAN VEREDA
 8281 SALAHUDDIN & HAROON TEMUERI
 8444 KURT WOLF
 8541 RANDELL S GREEN
 8613 WESLEY YOUNG
 8640 STUART/KATHLEEN WILLIAMS
 8672 JOHN LINDSAY JR/KEVIN
 8724 WAYMON L HENRY
 8793 TERRY/TIMOTHY KENNAMORE
 8875 MAX/STEVEN FREEDMAN
 8914 DONALD SCOTT
 9096 BRIAN L HIATT
 9123 KURT CARUSO/JOE CARUSO
 9175 WILLIAM W. FARLEY
 9231 MICHAEL A DUCKER
 9261 MARK C MILES
 9284 JEFF BOURDON/JASON PRYOR
 9346 RANDEEP S SIDHU
 9442 KEUN H. KIM
 9470 GERALD A FIELD
 9484 SOUK & KATHY SAYCOCIE
 9508 HOUMAN KHAGHANI
 9612 WILLIAM M KAGLIC
 9629 ENRIQUE HERNANDEZ, JR /
 9664 MANUEL MERCADO
 9793 JAMES TYSON III/J WILKINS
 9813 MICHAEL J ANTONUCCI
 9827 J. TROY CRAIN, ADAM CRAIN, AND MISTY CRAIN
 10011 MARK B ELBAUM
 10022 VINAY GOWDA/C. GOWDA/J. SORRELS
 10052 DENNIS L REPP
 10212 WILLIAM JUDSON KING
 10221 PAUL A HERRY
 10256 ALFONSO MARTINEZ
 10324 THOMAS C IMESON
 10420 STAN RUDD
 10441 WILLIAM LAMBERT/J CARTER
 10458 KIE HA / BEN HA / LIBBY HA
 10517 THOMAS & HOLLY LY REEVES
 10528 PETER R CABRERA,JR/PETER
 10534 PATRICIA E SCHNEIDER
 10603 FRANK V LONG
 10640 WILLIAM LAMBERT/J CARTER
 10663 MARK BALKOVIC
 10890 OTTO/JAMES LAIBLE
 10963 DAVID F HAYDEN
 10972 BRIAN HARRY
 11062 ASHUVINDER AHUJA
 11170 MUATAZ (MOE) SHARIF

27989 US HWY 19 N
 2530 PLEASANT HILL ROAD
 18 S. SPROUL ROAD
 134 MASON AVENUE
 5116 SOUTH HIGHWAY 55
 27659 HIGHWAY 74
 318 S INDUSTRIAL BLVD
 2736 S. SOSSMAN RD
 6400 BLACK HORSE PIKESUITE 6
 2609 NORTH CHURCH STREET
 2600 WILLIAM PENN HIGHWAY
 398 W COMMERCIAL STREET
 3750 S KELLY AVENUE
 355 N JOHNSON AVENUE
 23121 ORANGE AVE.SUITE F
 1995 SEVENTH AVENUE WEST
 4957 OAK GROVE ROAD
 301 STATE STREET
 1047 BRAGG BOULEVARD
 2608 N WEST STREET
 3270 N COLLEGE AVE
 119 S SEMINARY ST
 1821 S STATE ROAD 7
 3737 S MASON ST
 ATS CORP. – FRIDLEY940 OSBORNE RD
 3821 S US 1
 12860 KENWOOD LANE
 5870 URBANA PIKE
 98A INDUSTRIAL DRIVE
 6828 CAMP BOWIE BLVD
 3670 THORNTON AVENUE
 EMERALD AUTOMOTIVE LLC.19211 CHENNAULT WAY, UNIT E
 420-C ROOSEVELT ROAD
 225 E GARRISON BLVD
 7571 CHAPMAN AVENUE
 4201 U.S. 70 EAST
 1444 E COLORADO STREET
 365 E 3900 S
 4050 S MEMORIAL DRIVE
 2445 29TH STREET
 411 MAULDIN ROAD
 400-C HIGH ST
 4303 WEST GATE CITY BLVD
 119 E OAK RIDGE DR
 3011 WEST MERCURY BLVD.
 2810 W. CHURCH ST.
 1520 W. PACIFIC COAST HWY
 1851 RESERVOIR STREET
 1241 AMERICAN PACIFIC DR
 2101 W PINE ST
 22351 MISSION BOULEVARD
 260 N. STATE STREET
 420 WEST 29TH STREET
 207 SUNRISE HIGHWAY
 4603 MANHATTAN BEACH BLVD
 109 MAYFAIR ROAD
 400 MERCER STREET
 1002 UVALDE RD
 10030 VETERANS MEMORIAL
 4730 N SHEPHERD DR
 1377 SOUTH LOOP WEST
 5930 HIGHWAY 6 N, BLDG L

CLEARWATER	FL	33761	(727) 796-7878
DULUTH	GA	30096	(770) 622-1230
BROOMALL	PA	19008	(484) 420-7241
DAYTONA BEACH	FL	32117	(386) 253-7668
DURHAM	NC	27713	(919) 493-2300
EVERGREEN	CO	80439	(720) 708-6954
EULESS	TX	76040	(817) 267-0400
MESA	AZ	85209	(480) 834-4131
EGG HARBOR TOWNSHIP	NJ	08234	(609) 484-9770
EAST POINT	GA	30344	(404) 766-7555
EASTON	PA	18045	(610) 253-9309
E ROCHESTER	NY	14445	(585) 381-3772
EDMOND	OK	73013	(405) 475-0480
EL CAJON	CA	92020	(619) 442-0404
LAKE FOREST	CA	92630	(949) 768-6993
EUGENE	OR	97402	(541) 344-1429
EVANSVILLE	IN	47715	(812) 471-5600
FAIRFIELD	CA	94533	(707) 429-5606
FAYETTEVILLE	NC	28301	(910) 864-3277
FLAGSTAFF	AZ	86004	(928) 226-8206
FAYETTEVILLE	AR	72703	(479) 443-5668
FLORENCE	AL	35630	(256) 766-4244
FORT LAUDERDALE	FL	33317	(954) 584-5440
FT COLLINS	CO	80525	(970) 226-4477
FRIDLEY	MN	55432	(763) 786-7846
FT PIERCE	FL	34982	(772) 465-5586
FORT MYERS	FL	33907	239-939-5200
FREDERICK	MD	21704	(301) 696-2222
FREDERICKSBURG	VA	22408	(540) 834-4099
FORT WORTH	TX	76116	(817) 735-1591
FREMONT	CA	94536	(510) 796-7990
GAITHERSBURG	MD	20879	(301) 977-2700
GLEN ELLYN	IL	60137	(630) 545-2900
GASTONIA	NC	28052	(704) 853-2225
GARDEN GROVE	CA	92841	(714) 373-5708
GOLDSBORO	NC	27534	(919) 778-5073
GLENDALE	CA	91205	(818) 247-8024
SOUTH SALT LAKE CITY	UT	84107	(801) 261-5757
WINTERVILLE	NC	28590	(252) 756-2111
GREELEY	CO	80631	(970) 330-4858
GREENVILLE	SC	29605	864-277-3267
HACKETTSTOWN	NJ	07840	(908) 852-2000
GREENSBORO	NC	27407	(336) 852-2831
HAGERSTOWN	MD	21740	(301) 733-4510
HAMPTON	VA	23666	(757) 826-9551
HAMMOND	LA	70401	(985) 345-8243
HARBOR CITY	CA	90710	(310) 325-7030
HARRISONBURG	VA	22801	(540) 433-1232
HENDERSON	NV	89074	(702) 558-7558
HATTIESBURG	MS	39402	(601) 264-4500
HAYWARD	CA	94541	(510) 538-9917
HEMET	CA	92543	(951) 652-5005
HIALEAH	FL	33012	(305) 887-4309
AMITYVILLE	NY	11701	(631) 842-9500
LAWNDALE	CA	90260	(424) 374-4050
HATTIESBURG	MS	39402	(601) 264-7400
HIGHTSTOWN	NJ	08520	(609) 443-0998
HOUSTON	TX	77015	(713) 453-7757
HOUSTON	TX	77038	(281) 999-0080
HOUSTON	TX	77018	(713) 691-7151
HOUSTON	TX	77054	(713) 790-0525
HOUSTON	TX	77084	(281) 859-9779

11210	ANDREW BEAL PUMPHREY	5911 CHIMNEY ROCK ROAD	HOUSTON	TX	77081	(713) 988-5800
11236	DOUG WATKINS	9584 FM 1960 WEST	HOUSTON	TX	77070	(281) 890-5807
11262	VIJAY T DESHMUKH	7201 GARFIELD AVENUE	HUNTINGTON BEACH	CA	92648	(714) 842-8722
11333	JAMES R VANCE	1007 PUTMAN DRIVE	HUNTSVILLE	AL	35816	(256) 539-5458
11370	JOHN T STRECKFUSS	1904 E FM 1960 BYPASS	HUMBLE	TX	77338	(281) 446-6062
11432	HOWARD J GONGLOFF III	1967 OAKLAND AVENUE	INDIANA	PA	15701	(724) 465-0392
11463	ROBERT W STRALEY, JR	6954 BRECKSVILLE RD	INDEPENDENCE	OH	44131	(216) 447-9220
11524	NICHOLAS E. DEEM	8516 N MICHIGAN ROAD	INDIANAPOLIS	IN	46268	(317) 872-9457
11557	ALLEN ASHARI	4306 W CENTURY BOULEVARD	INGLEWOOD	CA	90304	(310) 673-2480
11581	NICHOLAS E. DEEM	8141 N. CRAIG ST	INDIANAPOLIS	IN	46250	(317) 845-1744
11660	ROBERT D BEWLEY	1730 CRESTWOOD BOULEVARD	IRONDALE	AL	35210	(205) 956-5440
11680	JACK MARABELLA	353 EAST WESTFIELD AVENUE	ROSELLE PARK	NJ	07204	(908) 445-8891
11712	MACK L LOWERY	111 BRIARWOOD DR/N STATE	JACKSON	MS	39206	(601) 362-1823
11770	JOSEPH/CHARLES PAKE	231 BRYNN MARR ROAD	JACKSONVILLE	NC	28546	(910) 455-3037
11783	FRANK E FILACCHIONE	10691 BISCAYNE BLVD	JACKSONVILLE	FL	32218	(904) 757-5106
11811	GILBERT S MILLER, JR	8721 ATLANTIC BLVD	JACKSONVILLE	FL	32211	(904) 724-1477
11833	DEAN A BLACK	10022 SAN JOSE BLVD	JACKSONVILLE	FL	32257	(904) 262-2900
11866	JASON BUTLER	7532 103RD STREET	JACKSONVILLE	FL	32210	(904) 772-7557
12014	LOUIS M FIZZAROTTI	1742 JOHN F KENNEDY BLVD	JERSEY CITY	NJ	07305	(201) 433-5555
12221	HELEN L BOGATSCHOW	H L B ENTERPRISES, INC.541 PORTAGE ST	KALAMAZOO	MI	49007	(269) 345-1139
12241	DOUGLAS E HORST	820 NOTRE DAME DRIVE	KAMLOOPS	BC	V2C 6L5	(250) 374-2172
12270	ROSE SOBREPENA-RAMOLETE	74-5483 KAIWI ST #150	KAILUA KONA	HI	96740	(808) 329-9599
12281	GUOHUI GUO	7683 NW PRAIRIE VIEW RD	KANSAS CITY	MO	64151	(816) 410-0837
12320	DOUG PETERSEN	1610 S. WATER STREET	KENT	OH	44240	(330) 968-4017
12332	H. MICHAEL HARENDT	18627 KUYKENDAHL ROAD	SPRING	TX	77379	(346) 220-6064
12404	TIMOTHY COOLEY	321 SE DOUGLAS STREET	LEE'S SUMMIT	MO	64063	(816) 523-5588
12432	JEFF LUOMA	2319 LEE'S SUMMIT ROAD	INDEPENDENCE	MO	64055	(816) 833-4455
12524	LAWRENCE C. SMITH	7101 W DESCHUTES AVE	KENNEWICK	WA	99336	(509) 735-3172
12541	KATHY S NOLTY	4110 E VETERANS MEMORIAL	KILLEEN	TX	76543	(254) 699-2383
12610	DAVID GERDA	1485 S. MAIN ST	KELLER	TX	76244	(817) 431-0009
12677	DAVID ALLEN	101 E VINE STREET	KISSIMMEE	FL	34744	(407) 846-3777
12692	ANDREW F RUTZ	4443 S 6TH ST	KLAMATH FALLS	OR	97603	(541) 883-8151
12723	MICHAEL LAVERDURE	104 STEKOA LANE	KNOXVILLE	TN	37921	(865) 947-7410
12731	JOE BASILE, JR.	8844 KINGSTON PIKE	KNOXVILLE	TN	37923	(865) 694-8501
12771	JASON SANTIAGO	3426 S MILITARY TRAIL	LAKE WORTH	FL	33463	(561) 965-6229
12832	JAMES J FISHER	6696 MIRAMAR ROAD	SAN DIEGO	CA	92121	(858) 458-3569
12924	MEHDI NATEGHI	5460 JONESBORO ROAD	MORROW	GA	30260	(404) 363-1370
12945	CHARLES J DANIELS	1320 10TH STREET	LAKE PARK	FL	33403	(561) 848-6994
12961	ROY T ARGENTO	125 MAIN ST	LAKEWOOD	NJ	08701	(732) 370-2200
12992	STEVE FIELDER	8808 W COLFAX AVENUE	LAKEWOOD	CO	80215	(303) 234-1263
13010	GORDON R TUGWELL	322 E. PRIEN LAKE ROAD	LAKE CHARLES	LA	70601	(337) 477-4008
13080	ANTHONY "BRAD" ISBELL	1621 WEST MAIN STREET	LEBANON	TN	37087	(615) 444-8280
13134	NIRMAL THOMAS	7596 ANNAPOLIS ROAD	LANHAM/SEABROOK	MD	20706	(301) 459-5100
13163	MOHAMMAD R GANJEI	20 WASHINGTON BLVD	LAUREL	MD	20707	(301) 776-5944
13170	RICHELLE PONDER	1885 W PICACHO	LAS CRUCES	NM	88005	(575) 523-4564
13214	JAMES B CARTER	1240 ELLISVILLE BLVD	LAUREL	MS	39440	(601) 425-3103
13231	SCOTT H HARVEY	3015 S. VALLEY VIEW BLVD.	LAS VEGAS	NV	89102	(702) 367-1200
13280	CARL G MEREWITZ	45870 MILLSTONE LANDING R	LEXINGTON PARK	MD	20653	(301) 862-0028
13296	ALLAN MADVIG	8074 BROADWAY	LEMON GROVE	CA	91945	(619) 697-8311
13354	BRIAN LUNDBORG	1110 WINCHESTER ROAD	LEXINGTON	KY	40505	(859) 255-5566
13362	DALE J MUELLER	AAMCO TRANSMISSIONS1406 N MILWAUKEE AVE	LIBERTYVILLE	IL	60048	(847) 367-7950
13402	RICHARD L HOBSON	3645 ADAMS STREET	LINCOLN	NE	68504	(402) 476-7681
13463	CHRISTOPHER EBERT	520 N LAKE DRIVE	LEXINGTON	SC	29072	(803) 356-1349
13520	DANDAPANY SUNDARESAN	10168 W CHATFIELD AVE	LITTLETON	CO	80127	(303) 933-1535
13607	MAGGIE/APOLINAR RICO	1040 E WILLOW ST	SIGNAL HILL	CA	90755	(562) 426-6494
13624	KURT R ZOLLINGER	75 EAST 2000 NORTH	N LOGAN	UT	84341	(435) 752-1940
13672	JAMES R ANGLIN	1611 VISTA VIEW DRIVE	LONGMONT	CO	80504	(303) 651-0444
13810	RUSS DAINS	3336 LOSEE ROAD, SUITE 4	N LAS VEGAS	NV	89030	(702) 658-0853
13831	JAMES CHESSE	500 W PIKE STREET	LAWRENCEVILLE	GA	30046	(770) 962-3565
13974	MICHAEL J LONG	3029 SOUTH ST SUITE B	LONG BEACH	CA	90805	(562) 529-8333
14016	HERBERT SCALES IV	6309 PRESTON HIGHWAY	LOUISVILLE	KY	40219	(502) 966-5166
14034	JOHN SUMMERS	126 BRECKENRIDGE LANE	LOUISVILLE	KY	40207	(502) 896-2193

14090 MATTHEW P VON ZWEHL	720 RIDGE ROAD	LYNDHURST	NJ	07071	(201) 933-9001
14120 RICK G BIGHAM	1420-19TH ST	LUBBOCK	TX	79401	(806) 763-4465
14182 GEORGE O MAY	3203 OLD FOREST ROAD	LYNCHBURG	VA	24501	(434) 528-3915
14231 GARY KEEFE	453 PINE STREET	MACON	GA	31201	(478) 750-0090
14332 MATTHEW B. COOK	227 ROUTE 6	MAHOPAC	NY	10541	(845) 628-9222
14363 TERRY BRADLEY	10505 CRESTWOOD DRIVE	MANASSAS	VA	20109	(703) 369-3030
14408 DAVID ANGEL/TENA ANGEL	792 GOLD STREET	MANCHESTER	NH	03103	(603) 627-3868
14454 BRIAN L HIATT	ATS CORP. - MAPLEWOOD1905 E COUNTY ROAD D	MAPLEWOOD	MN	55109	(651) 777-4905
14492 KEVIN A DAUER	1676 MADISON AVE	MANKATO	MN	56001	(507) 625-2851
14555 MARK A MCGREGOR	1702 COBB PKWY	MARIETTA	GA	30060	(770) 952-6400
14572 IRINA/MERCED MARTINEZ	120 S 23RD STREET	MC ALLEN	TX	78501	(956) 682-5525
14583 MICHAEL D BORCHARDT	311 5TH STREET SW	MASON CITY	IA	50401	(641) 423-7660
14654 ALVIN STONE/H NAJDAMI	1261 GETWELL RD	MEMPHIS	TN	38111	(901) 324-3816
14672 STEVEN M SMITH	705 E HIBISCUS BOULEVARD	MELBOURNE	FL	32901	(321) 723-4801
14712 ROBERT M STONE	3596 WINCHEST COVE	MEMPHIS	TN	38115	(901) 794-0897
14721 RICHARD BLAYLOCK	1717 E RAINES ROAD	MEMPHIS	TN	38116	(901) 398-5256
14743 ROBERT A MITCHELL/ROBERT S. MITCHELL/ISAAC BABAJIDE	796 HAMPTON ROAD	MC DONOUGH	GA	30253	(678) 432-3886
14798 ADRIAN STUPAR	101 WEST 16TH STREET	MERCED	CA	95340	(209) 723-4345
14883 TIMOTHY COOLEY	7903 METCALF AVENUE	OVERLAND PARK	KS	66204	(913) 677-2911
14944 EDWARD KIRKPATRICK	6948 W CHANDLER BLVD	CHANDLER	AZ	85226	(480) 705-0996
15124 LEE/KEVA KONSER	7247 SW 40TH STREET	MIAMI	FL	33155	305-264-1009
15131 OSVALDO & ARACELY FIERRO	1652 S MAIN STREET	MILPITAS	CA	95035	(408) 945-9510
15241 MOTI DRORI	1801 W. ATLANTIC AVE #C2	DELRAY BEACH	FL	33444	(561) 243-8533
15271 LIVINGSTON T JOHNSON	7716 RIDGE AVENUE	PHILADELPHIA	PA	19128	(215) 508-1909
15304 KENNETH B BERRY	163 HERRICKS ROAD	GARDEN CITY PARK	NY	11040	(516) 248-5174
15310 JOHN KYLE REBER	3112 CRATER LAKE AVENUE	MEDFORD	OR	97504	(541) 622-2288
15333 THOMAS/RONDA SCOTT	2311 S AIR DEPOT BLVD	MIDWEST CITY	OK	73110	(405) 732-1917
15342 CHRISTOPHER L TATE / JOHN LEITE	10231 HULL STREET ROAD	MIDLOTHIAN	VA	23112	(804) 276-4900
15451 WALTER/TRAVIS WHITNEY	5231 W BROADWAY	MINNEAPOLIS	MN	55429	(763) 535-3112
15690 DOUG WATKINS	5707 HIGHWAY 6	MISSOURI CITY	TX	77459	(281) 261-3220
15861 BRAD MUCHNOK	511 RODI ROAD	PITTSBURGH	PA	15235	(412) 856-9500
15922 HAROON & SAL TEMUERI	11638 RAMONA BOULEVARD	EL MONTE	CA	91732	(626) 443-9000
15940 JERRY MURPHY	108 EAST TRENTON AVENUE	MORRISVILLE	PA	19067	(215) 295-3399
15954 NEIL/ERIKA ALLEN	22886 ALESSANDRO BLVD	MORENO VALLEY	CA	92553	(951) 247-0400
15971 ROMMEL REY/LUZ PARAN-REY	235 TENNANT AVENUE #1	MORGAN HILL	CA	95037	(408) 310-4046
16033 JOHN CABARCAS	59 SUSSEX AVE.	MORRISTOWN	NJ	07960	(973) 993-9777
16299 DAN & DAVE VARANO	3030 DAVIS BOULEVARD	NAPLES	FL	34104	(239) 262-7109
16324 DAVID ANGEL/TENA ANGEL	100 STATE ROUTE 101A	AMHERST	NH	03031	(603) 889-5098
16350 K/GRANT SR/G JOHNISEE JR	1212 GALLATIN PIKE S	MADISON	TN	37115	(615) 865-7737
16442 CLIFFORD D COLLIER	12483 JEFFERSON AVE	NEWPORT NEWS	VA	23602	(757) 877-6445
16471 BRIAN W PARKER	126 NE 11TH STREET	NEWPORT	OR	97365	(541) 265-9567
16485 ANTHONY "BRAD" ISBELL	3020 NOLENSVILLE PIKE	NASHVILLE	TN	37211	(615) 445-2350
16494 ROBERT/JENNIFER/M ORLANDO	1402 S. SEGUIN AVENUE	NEW BRAUNFELS	TX	78130	(830) 625-8600
16791 LANE E CAREY	819 PULASKI HIGHWAY	BEAR	DE	19701	(302) 322-3454
16821 RAYMOND SEGALINI	295 WINDSOR HIGHWAY	NEW WINDSOR	NY	12553	(845) 561-2045
16882 GREGORY C. MCBRIDE	30 TOWER PLACE	NEWMAN	GA	30263	(770) 253-1990
17101 N FIORENTINO/M ZIROLO	638 BLOOMFIELD AVE	BLOOMFIELD	NJ	07003	(973) 429-7615
17191 BRIAN HECHLER	45 FULTON ST	MIDDLETOWN	NY	10940	(845) 344-3535
17224 FRANK RIVAS	212 MAIN STREET	NEW ROCHELLE	NY	10801	(914) 636-6660
17302 ALEXANDER/PETE MAKRIS	4941 VIRGINIA BEACH BLVD	VIRGINIA BEACH	VA	23462	(757) 499-4109
17312 CHRISTOPHER J FLORIAN	3330 N MILITARY HWY	NORFOLK	VA	23518	(757) 855-0118
17463 NEILL T EVANS	J F & ASSOCIATES TRANNY CORP.1108 N. HOLLYWOOD WAY	BURBANK	CA	91505	(818) 239-8120
17580 BILL GLEASON	2917 HANNAH AVENUE, A & B	NORRISTOWN	PA	19401	(610) 278-6700
17591 DAVID ANGEL/TENA ANGEL	404 EAST WASHINGTON ST	NORTH ATTLEBORO	MA	02760	(508) 695-1366
17613 EUGENE BORGIA	8603 RESEDA BOULEVARD	NORTHBRIDGE	CA	91324	(818) 701-0505
17730 STEVEN GRANDINETTI	269 MAIN AVE	NORWALK	CT	06851	(203) 846-9578
17790 CRAIG E HIETT	11450 HURON STREET	NORTHGLENN	CO	80234	(303) 451-5400
17874 KAREEM SHEIKH	3050 BROOK STREET	OAKLAND	CA	94611	(510) 836-4456
17915 BRANDI/STAN PARKE	311 MADISON STREET	OAK PARK	IL	60302	(708) 383-3680
17953 BENITO R VALENZUELA	2255 OCEANSIDE BLVD	OCEANSIDE	CA	92054	(760) 757-7390
17970 ROBERT A GOLDBERG	661 SW 17TH LOOP	OCALA	FL	34471	(352) 369-9928
18013 THOMAS/RONDA SCOTT	922 N. FLOOD AVENUE	NORMAN	OK	73069	(405) 329-4620

18023	THOMAS/RONDA SCOTT	8817 S WESTERN AVENUE	OKLAHOMA CITY	OK	73139	(405) 632-2051
18033	THOMAS/RONDA SCOTT	8020 N ROCKWELL AVENUE	OKLAHOMA CITY	OK	73132	(405) 491-9956
18062	HOANG DAO	1901 E 2ND STREET	ODESSA	TX	79761	(432) 580-8088
18123	THOMAS/RONDA SCOTT	3130 W I 44 SERVICE ROAD	OKLAHOMA CITY	OK	73112	(405) 942-2626
18132	JEFF LUOMA	375 N RIDGEVIEW ROAD	OLATHE	KS	66061	(913) 782-8866
18191	JOSEPH A ZAMBRI	305 HOPKINS STREET	WHITBY	ON	L1N 2C1	(905) 666-4550
18210	CASEY/CHARLES VELINSKY	809 CARY STREET	BELLEVUE	NE	68147	(402) 731-6700
18221	CASEY/CHARLES VELINSKY	3330 N 72ND ST	OMAHA	NE	68134	(402) 571-4100
18241	CASEY/CHARLES VELINSKY	5254 S 133RD COURT	OMAHA	NE	68137	(402) 932-3300
18281	BRIAN JOO/MICHAEL KIM	2728 MARTIN WAY	OLYMPIA	WA	98506	(360) 754-7094
18302	CASEY/CHARLES VELINSKY	6061 L ST	OMAHA	NE	68117	(402) 733-8700
18325	JASON BUTLER	356 BLANDING BOULEVARD	ORANGE PARK	FL	32073	(904) 272-7166
18359	CHARLES W RILEY	C&M RILEY INC.5527 W COLONIAL DRIVE	ORLANDO	FL	32808	(407) 295-0243
18362	JEFFREY BRAMAN	739 W. KATELLA AVENUE	ORANGE	CA	92867	(714) 637-7777
18384	CHARLES RILEY	5695 S ORANGE BLOSSOM TRL	ORLANDO	FL	32839	(407) 851-8266
18456	CURTISS KINARD	6304 E. COLONIAL DRIVE	ORLANDO	FL	32807	(407) 277-3310
18523	LARRY G ADAMS	68-680 RAMON RD	CATHEDRAL CITY	CA	92234	(760) 770-7665
18543	SADU GOURKAR	1800 E. COLORADO BLVD.	PASADENA	CA	91106	(626) 795-6822
18592	WAYNE A/NICKLAUS KUMMER	645 CENTURY RD	RAPID CITY	SD	57701	(605) 342-7800
18613	CARLO ROGOFF	40A W. WASHINGTON AVENUE	PEARL RIVER	NY	10965	(845) 735-7077
18656	DAVID/JOEY/ROGER AVERY	5655 N DAVIS HIGHWAY	PENSACOLA	FL	32503	(850) 477-2500
18710	PRABHAT K TIBREWALA	638 MEDFORD AVE (RT 112)	PATCHOGUE	NY	11772	(631) 758-2797
18740	JOSEPH E SEMANCIK	48 NORTHFIELD ROAD	BEDFORD	OH	44146	(440) 232-9807
18791	DONALD L SEARS/PERRY L	512 NE JEFFERSON	PEORIA	IL	61603	(309) 676-0707
18891	DION O WHITLEY	6726 FRANKFORD AVENUE	PHILADELPHIA	PA	19135	(215) 624-1400
19031	SCOTT DREGNE	14131 N RIO VISTA BLVD	PEORIA	AZ	85381	(623) 877-6000
19302	JULIEN RENE	4539 RISING SUN AVENUE	PHILADELPHIA	PA	19140	(215) 329-6609
19520	DON "TONY" GORDON	9880 PINES BOULEVARD	PEMBROKE PINES	FL	33024	(954) 438-4111
19623	SCOTT LEFKOWITZ	12036 CAVE CREEK ROAD	PHOENIX	AZ	85020	(602) 944-2246
19654	WENDEL WAGGONER/R STAFFOR	8825 N BLACK CANYON ROAD	PHOENIX	AZ	85021	(602) 997-6289
19671	DAVID BANKS	6858 W INDIAN SCHOOL ROAD	PHOENIX	AZ	85033	(623) 848-9555
19694	SCOTT LEFKOWITZ	322 W VAN BUREN STREET	PHOENIX	AZ	85003	(602) 254-7154
19740	MICHAEL ANDREWS	8225 E BUTHRUS DRIVE	SCOTTSDALE	AZ	85260	(480) 483-7575
19772	BRADLEY GREGERSEN	316 N POLK STREET	PINEVILLE	NC	28134	(704) 889-3001
19783	JOHN E KREMM JR / JOHN OLLIS	8436 PERRY HWY ROUTE 19	PITTSBURGH	PA	15237	(412) 367-1670
19840	PERRY BRUNO	4450 STEUBENVILLE PIKE	PITTSBURGH	PA	15205	(412) 922-2250
19852	RICHARD THOMA	780 E PITTSBURGH STREET	GREENSBURG	PA	15601	(724) 832-1300
19904	DONALD E FISHER/JAMES FLEMING	201 SOUTH EUCLID AVENUE	PITTSBURGH	PA	15206	(412) 661-0100
20061	JAMES OLSON	422 SILVER SPRING STREET	PROVIDENCE	RI	02904	(401) 831-6920
20073	RAHIM NATHOO	2601 K AVENUE	PLANO	TX	75074	(972) 633-1590
20123	ROBERT SANCHEZ	2908 JAMES L REDMAN PARKWAY	PLANT CITY	FL	33566	(813) 752-2565
20216	LEE/KEVA KONSKER	3300 N FEDERAL HWY	LIGHTHOUSE POINT	FL	33064	(954) 946-6993
20324	WILLIAM W. FARLEY	1182 TAMAMI TRAILUNIT 1	PORT CHARLOTTE	FL	33953	(941) 625-0900
20391	MARTIN S/PAUL T QUIRK	3580 LAFAYETTE RD	PORTSMOUTH	NH	03801	(603) 436-6800
20413	JEFFREY P SZEKELY	17920 SE MCLOUGHLIN BLVD	MILWAUKIE	OR	97267	(503) 652-0937
20431	ARON D SCHARF	3219 BRIDGE AVENUE	POINT PLEASANT	NJ	08742	(732) 899-1600
20454	JOSEPH C. KINCADE III	401 WEST HIGH STREET	POTTSTOWN	PA	19464	(610) 970-1844
20481	ADAM HAMBOYAN/P CONTINI	429 WARREN AVENUE	PORTLAND	ME	04103	(207) 797-7850
20491	ANDREW J MC PECK JR.	42 MANCHESTER RD	POUGHKEEPSIE	NY	12603	(845) 473-1640
20510	DAVID L/LORILEE L WAGNER	537 S UNIVERSITY AVENUE	PROVO	UT	84601	(801) 224-8088
20561	MARK NEEL	281 COURTHOUSE ROAD	PRINCETON	WV	24740	(304) 425-2153
20633	VINCE ORNATO & L BOSTOCK	10212 122ND STREET, STE C	PUYALLUP	WA	98374	(253) 435-8056
20644	SANDFORD GLATZEL	1910 W US HWY 50	PUEBLO	CO	81008	(719) 542-8040
20880	GUILLERMO E AHUMADA	546 DYNAMIC DRIVE	GARNER	NC	27529	(919) 779-1778
20933	GAGANDEEP SINGH/M KAUR	8709 1/2 LIBERTY ROAD	RANDALLSTOWN	MD	21133	(410) 922-4600
20941	BERT W CAVA	11195 COLOMA RD	RANCHO CORDOVA	CA	95670	(916) 635-2325
20951	MATT FERACE	3912 CAPITAL BOULEVARD	RALEIGH	NC	27604	(919) 876-4507
20976	JULIE LENTO/STACY KUJAWA	8840 ARCHIBALD AVE, STE A	RANCHO CUCAMONGA	CA	91730	(909) 944-5555
20992	LARRY G ADAMS	1267 W REDLANDS BLVD	REDLANDS	CA	92373	(909) 793-7261
21122	AARON CASTONGUAY	2155 MARKET STREET	RENO	NV	89502	(775) 329-8726
21150	JOHN R COPENHAVER	12156 SAN PABLO AVE	RICHMOND	CA	94805	(510) 235-1865
21235	CHRISTOPHER W WARDROP	3595 MARKET STREET	RIVERSIDE	CA	92501	(951) 682-6655

21320 MARY M CASEY	316 ORANGE AVE	ROANOKE	VA	24016	(540) 344-1647
21374 SHAUN & VANESSA GANPAT	1521 MT READ BOULEVARD	ROCHESTER	NY	14606	(585) 254-5920
21460 RICK BOUSE	629 S BISHOP AVE	ROLLA	MO	65401	(573) 308-0974
21494 S GLEN CAVANAUGH	207 KENROY LANE	ROSEVILLE	CA	95678	(916) 773-6455
21511 DAVID R DUNN	560 FENNER ROAD	ROCKY MOUNT	NC	27804	(252) 442-1094
21520 ALLAN NURENBERG	1901 S. IH 35	ROUND ROCK	TX	78664	(512) 244-2080
21561 J KYLE REBER	515 SE SPRUCE STREET	ROSEBURG	OR	97470	(541) 672-6662
21571 KEUN H & SHINA KIM	MILESTONE AUTOMOTIVE GROUP INC.818 ROCKVILLE PIKE	ROCKVILLE	MD	20852	(301) 424-5313
21687 JOHN W THOMAS JR.	2664 US 1 SOUTH	ST AUGUSTINE	FL	32086	(904) 797-5000
22122 RICHARD E SCHOLLE	3625 HARVESTER ROAD	ST. CHARLES	MO	63303	(636) 926-0448
22143 SCOTT W. LAMEIER	3353 5TH AVENUE SOUTH	SAINT PETERSBURG	FL	33712	(727) 321-8586
22262 MICHAEL CAVA	5948 AUBURN BOULEVARD	CITRUS HEIGHTS	CA	95621	(916) 344-5499
22322 GLEN CAVANAUGH/RYAN MOSLEY	2257 ARDEN WAY	SACRAMENTO	CA	95825	(916) 927-2437
22332 VINCENT STIMMLER, JR.	6441 FRANKLIN BOULEVARD	SACRAMENTO	CA	95823	(916) 422-3550
22464 FRED CHASTAIN	1855 LIBERTY STREET NE	SALEM	OR	97301	(503) 585-5737
22530 CHARLES HSIAO	2589 E WATERLOO ROAD	STOCKTON	CA	95205	(209) 957-9921
22581 MANUEL MERCADO	3076 WALL AVENUE	OGDEN	UT	84401	(801) 621-2235
22590 BRODERICK & JULIE WALLER	3692 WEST 5400 SOUTH	TAYLORSVILLE	UT	84129	(801) 410-7757
22604 KURT M WOOD/MICHAEL B INGERSOLL	270 WEST 600 SOUTH	SALT LAKE CITY	UT	84101	(801) 364-6466
22722 FRANCIS "BILL" BORST III	5960 NW LOOP 410	SAN ANTONIO	TX	78238	(210) 647-1161
22734 CARL R COX	2339 LOOP 410 NW	SAN ANTONIO	TX	78230	(210) 341-3341
22760 CHARLES A CLAY	5038 RIGSBY AVE	SAN ANTONIO	TX	78222	(210) 648-3030
22815 MICHAEL HUANG	365 N WATERMAN AVENUE	SAN BERNARDINO	CA	92410	(909) 884-9457
22906 SAM FILIPPO	SJF TRANSMISSIONS, INC1430 MORENA BOULEVARD	SAN DIEGO	CA	92110	(619) 276-2700
23071 TODD L ASHCROFT	8950 S SANDY PKWY	SANDY	UT	84070	(801) 561-9900
23163 JEFFREY T MURPHY	2890 S ORLANDO DRIVE	SANFORD	FL	32773	(407) 322-0564
23230 GREG & KIM JOHNSON	1218 OCEAN STREET	SANTA CRUZ	CA	95060	(831) 454-9388
23464 MCDONALD LOZADA/SHANNON WONG	3241 KERNER BLVD	SAN RAFAEL	CA	94901	(415) 453-0474
23492 MARK W BEAULIEU	25845 RAILROAD AVENUE #13	SANTA CLARITA	CA	91350	(661) 259-3013
23511 RUDY G/LOUIS SANCHEZ	333 ANACAPA ST	SANTA BARBARA	CA	93101	(805) 963-1609
23565 MARJAN BARABIAN	1250 CLEVELAND AVENUE	SANTA ROSA	CA	95401	(707) 579-4100
23639 IAN MCHARDY	2228 N WASHINGTON AVENUE	SARASOTA	FL	34234	(941) 366-6715
23890 CARL/ELIZABETH SCHULZE	22598 SUSSEX HWY	SEAFORD	DE	19973	(302) 856-1500
23906 TEHETENA HAILU	8129 GEORGIA AVENUE	SILVER SPRING	MD	20910	(301) 585-0710
24003 PETER D FIORENTINO	545 STATE HIGHWAY 18	EAST BRUNSWICK	NJ	08816	(732) 455-9500
24132 NICHOLAS A. MARTEL	9 GREEN MOUNTAIN DRIVE	SOUTH BURLINGTON	VT	05403	(802) 864-0049
24290 S MICHAEL EVANS	628 E FRANCIS AVENUE	SPOKANE	WA	99208	(509) 482-1515
24323 S MICHAEL EVANS	14609 E. SPRAGUE AVENUE	SPOKANE	WA	99216	(509) 924-9300
24361 ANDREW J FIELDS	3801 KELLEY AVENUE	SPRINGDALE	AR	72762	(479) 750-0080
24371 OTTO/JAMES LAIBLE	400 RAYFORD RD	SPRING	TX	77386	(281) 292-4942
24453 CHRISTOPHER KIM	2107 23RD AVENUE	SEATTLE	WA	98144	(206) 623-1885
24541 W HARRISON/L ADAMS	1215 W COLUMBIA	SPRINGFIELD	OH	45504	(937) 325-7077
24554 MOHAMMAD R GANJEI	7704-A BACKLICK ROAD	SPRINGFIELD	VA	22150	(571) 642-5443
24573 BRYAN L SUTHERLAND	3990 MAIN STREET	SPRINGFIELD	OR	97478	(541) 726-6825
24620 THOMAS P DRUM/RODNEY HENDRICKS	2146 E COLLEGE AVENUE	STATE COLLEGE	PA	16801	(814) 234-4114
24682 MAJID MEHDIKHANI	4730 GA HIGHWAY 20	SUGAR HILL	GA	30518	(770) 271-1032
24731 A C SOLLITTO/A J SOLLITTO	635 RICHMOND ROAD	STATEN ISLAND	NY	10304	(718) 442-6700
24932 THOMAS/RONDA SCOTT	4122 S HARVARD AVENUE	TULSA	OK	74135	(918) 747-9611
24992 MARCO MUNOZ/F SCARFO/BURD	213 NORTH 9TH STREET	STROUDSBURG	PA	18360	(570) 421-7786
25023 CURTISS & SARA RASMUSSEN/JAY ESTABROOKE	2973 SE FEDERAL HWY	STUART	FL	34994	(772) 283-4110
25070 HOWARD/SHANNON HELENBROOK	820 W CONSTANCE RD	SUFFOLK	VA	23434	(757) 934-2344
25081 DAN WHITNEY/JIM ANDERSON	2564 ERIE BLVD E	SYRACUSE	NY	13224	(315) 445-0210
25090 JAMES & MICHAEL ANDREWS	17138 N 134TH DR, STE 104	SURPRISE	AZ	85374	(623) 556-2656
25113 CHANDRASEKHAR KANCHARLA	12006 PACIFIC HIGHWAY SW	TACOMA	WA	98499	(253) 581-2725
25206 SCOTT W LAMEIER	5802 S DALE MABRY HWY	TAMPA	FL	33611	(813) 251-1040
25227 JOSE FERNANDEZ	3019 W HILLSBOURGH AVE	TAMPA	FL	33614	(813) 877-9507
25241 SAMUEL A COWART	11612 FLORIDA AVE	TAMPA	FL	33612	(813) 935-7677
25263 JASON ALVAREZ AND RONALD HARADA	27516 COMMERCE CENTER DR.	TEMECULA	CA	92590	951-695-0788
25288 SCOTT LEFKOWITZ/JOHN LINDSAY, JR.	211 WEST SOUTHERN AVENUE	TEMPE	AZ	85282	(480) 966-9946
25314 JIM PERONE	610 CHENEY HIGHWAY	TITUSVILLE	FL	32780	(321) 268-2626
25434 DOODNATH RAMNARINE/KRANGL	2941 EGLINTON AVE E	SCARBOROUGH	ON	M1J 2E5	(416) 431-5352
25492 KARSIMRAN GILL	4790 BLACK HORSE PIKE	TURNERSVILLE	NJ	08012	(856) 228-6006

25571 JEFFREY P SZEKELY	13701 SW PACIFIC HIGHWAY	TIGARD	OR	97223	(503) 684-0861
25591 JEFF LUOMA	3319 S KANSAS AVENUE	TOPEKA	KS	66611	(785) 266-4437
25612 STEVEN J BARLEY	3017 MC FARLAND BLVD E	TUSCALOOSA	AL	35405	(205) 556-8411
25640 ARJANG TABIBI	2800 AUTO PLAZA DRIVESUITE 180	TRACY	CA	95304	(209) 830-1900
25690 LUIS ORTIZ	3674 W INA ROAD	TUCSON	AZ	85741	(520) 572-8599
25732 LOREN BAKER	808 CHENEY DRIVE	TWIN FALLS	ID	83301	(208) 734-6425
25763 BILL BELL JR.	2002 BROUSSARD STREET	TYLER	TX	75701	(903) 561-6711
25773 FADI G HADDAD	8501-4 TYCO RD	VIENNA	VA	22182	(703) 790-5900
25790 LUIS ORTIZ	7120 E GOLF LINKS ROAD	TUCSON	AZ	85730	(520) 745-5000
25870 FRANK F MITCHELL	2105 PAT BOOKER RD	UNIVERSAL CITY	TX	78148	(210) 659-6651
25891 NICK BARAKAT	825 N CENTRAL AVE, STE A	UPLAND	CA	91786	(909) 985-7120
26022 JAMES VILLAMANTE	3580 SONOMA BOULEVARD	VALLEJO	CA	94590	(707) 644-2929
26075 SHUEB CHOWDHURY	601 MERRICK ROAD	LYNBROOK	NY	11563	(516) 872-8122
26161 STEPHAN FEDERLIN	6705 NE 117TH AVENUE	VANCOUVER	WA	98662	(360) 695-4475
26176 NEIL/ERIKA ALLEN	15025-A PALMDALE ROAD	VICTORVILLE	CA	92392	(760) 241-6514
26233 DOUGLAS J HALTER	2750 ARBUTUS ST	VANCOUVER	BC	V6J 3Y6	(604) 731-8166
26273 DALLAS A COUNCIL	299 US 41 BYPASS SOUTH	VENICE	FL	34285	(941) 488-4411
26282 BRIAN JOO/MICHAEL KIM	6900 NE HWY 99, BLD-B	VANCOUVER	WA	98665	(360) 253-7204
26333 ROBERT CLEMENS	177 S DELSEA DRIVE	VINELAND	NJ	08360	(856) 213-9018
26360 RODNEY E/C RONALD KILMON	1949 VIRGINIA BEACH BLVD	VIRGINIA BEACH	VA	23454	(757) 425-3333
26411 WALLACE COX/TIM SNOKHOU	1328 S VALLEY MILLS	WACO	TX	76711	(254) 754-0388
26472 DEREK TINDER/S PHILLIPS	1410 AUTO CENTER DRIVE	WALNUT CREEK	CA	94597	(925) 945-1088
26481 MANUEL BOLUDA	2455 OLD WASHINGTON RD	WALDORF	MD	20601	(301) 645-6055
26650 BRETT A. GARRISON	14021 E 10 MILE ROAD	WARREN	MI	48089	(586) 552-8515
26662 BHISHAM/RAMPADARA SEENATH	131 BROADVIEW AVENUE	WARRENTON	VA	20186	(540) 680-2936
26680 DENNIS BUDDENHAGEN	1129 MAPLE AVENUE	WASHINGTON	PA	15301	(724) 222-2229
26708 SUNG BONG CHO/JIN CHO	1001 BLADENSBURG ROAD NE	WASHINGTON	DC	20002	(202) 397-7636
26750 THOMAS J SMITH	15197 MARLBORO PIKE	UPPER MARLBORO	MD	20772	(240) 892-2745
26881 TYRELL TURNER	5901 HIGHLAND ROAD	WATERFORD	MI	48327	(248) 363-5504
26943 PAUL A. SIMMONS & PAUL SIMMONS II	595 COFFEEEN ST	WATERTOWN	NY	13601	(315) 782-4006
27107 DALE J MUELLER	AAMCO TRANSMISSIONS69 S GREEN BAY RD	WAUKEGAN	IL	60085	(847) 336-4150
27134 MICHAEL J REED	18420 HWY 3	WEBSTER	TX	77598	(281) 338-1886
27230 BRUCE R MATTIS	458 SCHUYLKILL ROAD	PHOENIXVILLE	PA	19460	(484) 302-4900
27410 DON MOOK/STEVE RADULOVICH	4907 N UNIVERSITY DRIVE	LAUDERHILL	FL	33351	(954) 742-0900
27472 SAM PIRAPAKARAN	845 N MILITARY TRAIL #1	WEST PALM BEACH	FL	33415	(561) 689-6235
27511 J RANDY STEINER	1701 UNION ROAD	WEST SENECA	NY	14224	(716) 675-6022
27532 THOMAS/RONDA SCOTT	8115 E 15TH STREET	TULSA	OK	74112	(918) 835-8423
27542 BRIAN H SCOTT	1571 SOUTH ROBERT STREET	WEST SAINT PAUL	MN	55118	(651) 455-1588
27663 JEFFREY ZAID	281 TARRYTOWN ROAD	WHITE PLAINS	NY	10607	(914) 949-2929
27760 CHAD RAYMOND	703 N WEST STREET	WICHITA	KS	67203	(316) 942-0360
27770 CHAD RAYMOND	2490 S MERIDIAN AVENUE	WICHITA	KS	67217	(316) 558-8412
27780 CHAD RAYMOND	901 S WOODLAWN BLVD	WICHITA	KS	67218	(316) 260-3434
27842 THOMAS MURPHY	36705 EUCLID AVENUE	WILLOUGHBY	OH	44094	(440) 951-2600
27983 KULJEET & KAREN SINGH	2351 EAST THIRD ST.	WILLIAMSPORT	PA	17701	(570) 323-9873
28024 LEE/KEVA KONSKER	2767 N DIXIE HIGHWAY	FORT LAUDERDALE	FL	33334	(954) 567-3354
28053 ANGELO M CIANO	520 MAIN STREET	WILMINGTON	MA	01887	(978) 657-5470
28060 MILTON M DOBBINS JR	4205 OLEANDER DRIVE	WILMINGTON	NC	28403	(910) 799-1033
28193 CHRIS SULLIVAN	1641 3RD STREET SW	WINTER HAVEN	FL	33880	(863) 293-3139
28237 TERRY BRADLEY	2599 HANCO CENTER DRIVE	WOODBIDGE	VA	22191	(703) 670-9926
28290 AKTHAM A ELMOSTEHI	10 WITMER ROAD	LANCASTER	PA	17602	(717) 490-6621
28350 TRACY CRAMER	1950 SOUTH LOUDOUN STREET	WINCHESTER	VA	22601	(540) 431-2369
28424 GARY D GILBERT	9880 MAIN STREET, STE 104	WOODSTOCK	GA	30188	(770) 516-7110
28692 W JOHNS/J ORLESKI/H LEE	2006 WYOMING AVE, US 11	WYOMING	PA	18644	(570) 654-7787
28754 JOSEPH RICHMOND	112 S 1ST ST	YAKIMA	WA	98901	(509) 248-5511
28804 MILAD SAYEGH	41 HUDSON STREET	YONKERS	NY	10701	(914) 969-8246
29010 STEPHEN HOTZ	1101 WHEELER AVENUE	FORT SMITH	AR	72901	(479) 242-2700
29102 ARMANDO MACIAS/R NEVAREZ	1699 1ST AVENUE	YUMA	AZ	85364	(928) 782-9849
29113 THOMAS/RONDA SCOTT	621 S MUSTANG ROAD	YUKON	OK	73099	(405) 577-2887
29203 GEORGE E LAMBERT	765 LINDEN AVE	ZANESVILLE	OH	43701	(740) 453-0366
29421 MARK LERMAN	6250 GALL BOULEVARD	ZEPHYRHILLS	FL	33542	(813) 715-4986
31384 CHANDRASEKHAR KANCHARLA	500 SW GRADY WAY, SUITE J	RENTON	WA	98057	(425) 235-7465
43020 JEFFREY P SZEKELY	18950 SW SHAW STREET	ALOHA	OR	97007	(503) 259-8640

43060 TODD ASHCROFT	180 NORTH 500 WEST	BOUNTIFUL	UT	84010	(385) 399-3664
43091 LARRY D. BALDWIN, JR	7880 MARKET ST, UNIT A	BOARDMAN	OH	44512	
44000 FRED EBBERT	7527 LIBERTY LANE	BETHANY	OH	45044	(513) 759-0695
44040 KEVIN SABBIDES	25090 BERNWOOD DRIVE	BONITA SPRINGS	FL	34135	(239) 992-2626
44120 RICHARD HILL/SUSAN HILL	2610 6TH AVENUE SOUTH	BIRMINGHAM	AL	35233	(205) 322-2483
44150 ROBERT UHL	11102 GOV GC PERRY HWY	CEDAR BLUFF	VA	24609	(276) 963-8726
44352 ANGELO M CIANO	125 CAMBRIDGE STREET	CHARLESTOWN	MA	02129	(617) 242-2011
44403 MICHAEL HUANG	5390 RIVERSIDE DRIVE	CHINO	CA	91710	(909) 628-4858
44550 JAMES B. SHIELDS & JONATHAN V. MOFFA	915 MONMOUTH ROAD	CREAM RIDGE	NJ	08514	(609) 758-4900
45061 AGUSTIN SANCHEZ ALVAREZ	2110 AUTO PARKWAY	ESCONDIDO	CA	92029	(760) 739-1320
45081 BRIAN JOO/MICHAEL KIM	2801 RUCKER AVENUE	EVERETT	WA	98201	(425) 259-7288
45460 JOSHUA NOVAK AND DAVID AVERY	202 RACETRACK ROAD, NW.	FORT WALTON BEACH	FL	32547	850-244-2284
45520 ADRIAN STUPAR / KEITH CASTRO	2121 VILLA AVE.	CLOVIS	CA	93612	(559) 321-7432
45580 MARK SEIFERT	21929 PANAMA CITY BEACH PARKWAY, UNIT #1	PANAMA CITY BEACH	FL	32413	(850) 588-1186
46014 RANDALL MCKENZIE	14708 ARROW BOULEVARD	FONTANA	CA	92335	(909) 854-9904
46045 GARRY E BOLING	765 MAIN STREET	FRANKFORT	KY	40601	(502) 223-3355
46101 CHRIS BONNIE, JOHN G. BONNIE, AND JOHN T. BONNIE	7105 N 51ST AVE., SUITE 3	GLENDALE	AZ	85301	(623) 931-3900
46111 DANE BROWN	100 RAINBOW WAY	FAYETTEVILLE	GA	30214	(770) 461-3007
46151 DANIEL A SAMRA	6033 W BELL ROAD, SUITE R	GLENDALE	AZ	85308	(602) 843-2443
46171 WILLIAM W. FARLEY	2525 FOWLER ST.	FORT MYERS	FL	33901	(239) 334-7776
46330 CHAD RAYMOND	2221 TULANE AVENUE	SALINA	KS	67401	(785) 376-0379
46411 DAVID E ALLEN	5575 WENDY BAGWELL PKWY	HIRAM	GA	30141	(678) 439-6119
46420 IAN DANIEL	1301 WEST MEMORIAL BLVD	LAKELAND	FL	33815	(863) 683-7511
46451 JARED L. KLAHSEN	10921 EXCELSIOR BLVD #117	HOPKINS	MN	55343	(952) 943-0094
46471 JORDAN PEEVER	227 MANITOU DRIVE, UNIT 4	KITCHENER	ON	N2C 1L4	(519) 748-2022
46503 HAROON TEMUERI AND SAL TEMUERI	44135 DIVISION ST.	LANCASTER	CA	93535	661-945-0800
46600 RON ARITO	2071 S RAINBOW BLVD	LAS VEGAS	NV	89102	(702) 897-9999
46650 DALE KERSHNER	1373 N MAIN STREET	LAYTON	UT	84041	(801) 444-0200
46671 DUSTIN MACARTHUR/MICHAEL JEDLOWSKI	6161 S. 35TH AVE.	PHOENIX	AZ	85041	(602) 737-3414
46680 PHIL LOVVORN/H MCJUNKIN	2030 S SANTIAM HWY	LEBANON	OR	97355	(541) 215-4708
46773 BRIAN LUNDBORG	1222 SOUTH BROADWAY	LEXINGTON	KY	40504	(859) 254-0074
46780 SHERRI & SAM UNDERLAND	2520 DURHAM ROAD	BRISTOL	PA	19007	(215) 949-1400
46851 LAWRENCE E ARNOLD IV	11696 DIXIE HIGHWAY	LOUISVILLE	KY	40272	(502) 933-4747
46920 RUSSELL HARTMAN/STACY KUJAWA	1406 W HOLT AVENUE	POMONA	CA	91768	(909) 623-6636
46930 MICHAEL HUANG	133 SOUTH EUCLID STREET	FULLERTON	CA	92832	(657) 217-4540
47001 EUGENE W BORGIA	1304 NEWBURY ROAD, SUTE A	THOUSAND OAKS	CA	91320	(805) 498-9623
47550 R WILLIAMS/TIMOTHY FULLER	200 OAK STREET	MARION	OH	43302	(740) 375-5925
47900 GARY BALDEO	310 HIGHWAY 36	HAZLET	NJ	07730	(732) 566-2299
48710 ADAN PELAYO	1760 WEST 81ST AVENUE	MERRILLVILLE	IN	46410	(219) 769-2061
49000 WAYNE MARTELLA	868 S COUNTRY CLUB DRIVE	MESA	AZ	85210	(480) 464-5503
49052 CRAIG S MOSS	359 AMBOY AVENUE	METUCHEN	NJ	08840	(732) 549-0066
49100 SCOTT MCKEAN	940 HILLCREST ROAD	MOBILE	AL	36695	(251) 633-0170
51011 MARK J MUNSON	705 12TH AVENUE ROAD	NAMPA	ID	83686	(208) 546-3221
51210 LARRY G. SUTTON	SUTTON AUTOMOTIVE LLC3125 NORTH CAUSEWAY	METAIRIE	LA	70002	(504) 872-3475
51410 WILLIAM DANZI/WILLIAM REYNOLDS	139 W JERICHO TURNPIKE	HUNTINGTON STATION	NY	11746	631-350-6300
53020 DOUG WATKINS	4210 RED BLUFF	PASADENA	TX	77503	(713) 472-5700
53100 STEPHAN FEDERLIN	2065 NE DIVISION STREET	GRESHAM	OR	97030	(503) 667-1222
53110 KARSIMRAN GILL	5120 ROUTE 38	PENNSAUKEN	NJ	08109	(856) 910-9300
53170 WAYNE MARTELLA	20767 EAST MAYA ROAD	QUEEN CREEK	AZ	85142	(480) 365-0042
53202 JAMES GARCIA	1117 LANCASTER AVENUE	READING	PA	19607	(610) 777-9340
55501 RUSTY BRAY	215 S PORTER DRIVE	RICHMOND	KY	40475	(859) 623-2399
55520 GERMAN RAMIREZ	27802 ALISO CREEK ROADD-170	ALISO VIEJO	CA	92656	949-342-8196
55590 JEFFREY BRAMAN	1900 E. MCFADDEN AVE.	SANTA ANA	CA	92705	(714) 547-9431
56050 GEORGE M LOVE	1286 W SAN MARCOS BLVD	SAN MARCOS	CA	92078	(760) 290-4455
56112 PAT PATTON/JAYE PATTON	1206 HIGHWAY 123	SAN MARCOS	TX	78666	(512) 392-5811
56304 DALLAS A. COUNCIL	2856 CLARK ROAD	SARASOTA	FL	34231	(941) 922-7607
56401 MICHAEL ANDREWS	2727 N SCOTTSDALE ROAD	SCOTTSDALE	AZ	85257	(480) 941-3063
56700 ROY COHEN	61 MAIN STREET	EATONTOWN	NJ	07724	(732) 842-2500
56911 CLINTON B. ARNOLD	4102 MAC CORKLE AVE., SW	S CHARLESTON	WV	25309	(304) 768-9669
57110 HARRY BRINKERHOFF	189 NORTH FLORAL ST.	STEPHENVILLE	TX	76401	(254) 434-2472
57160 CHRISTOPHER EBERT	1550 OLD TROLLEY ROAD	SUMMERVILLE	SC	29485	(843) 875-3175
57250 LEEROY PAFFORD/J HUSEMAN	2516 WEST TENNESSEE ST	TALLAHASSEE	FL	32304	(850) 692-2363

57410 CHRISTOPHER EBERT
57440 HECTOR GARCIA
58000 CHRISTOPHER WRIN
58401 KARSIMRAN GILL
58410 JOSEPH A ZAMBRI
58550 GERD ANDERSON
59040 JACK A KIRK II & JACK A KIRK III
60000 GUY L GROS
60200 DAVID/TENA/MATTHEW ANGEL

2918 WADE HAMPTON BLVD
254 RIVER STREET
3020 SOUTH SIXTH STREET
1770 HOOPER AVENUE
1600 BAYLY STREET, UNIT #2
199 CHESTNUT STREET
800 WEST KING STREET
1407 LOMALAND DRIVE#102
2000 MAIN STREET

TAYLORS	SC	29687	(864) 558-2173
HACKENSACK	NJ	07601	(201) 781-8785
TERRE HAUTE	IN	47802	(812) 234-8400
TOMS RIVER	NJ	08753	(732) 279-9300
PICKERING	ON	L1W 3N2	(905) 420-1906
TRUSSVILLE	AL	35215	(205) 655-8085
COCOA	FL	32922	(321) 261-0605
EL PASO	TX	79935	915-313-4527
WALPOLE	MA	02081	(508) 660-1211

Exhibit G
List of Former Franchisees

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

Center #	Franchisee	City	State	Reason	Phone
46100	KURT LARSON	GLENDALE	AZ	Transfer	954-724-5701
46670	WAYNE MARTELLA	PHOENIX	AZ	Transfer	951-552-3083
6530	GORDON H MCCLYMONT	CORONA	CA	Transfer	215-694-5599
6696	SAMIR BARUDI	COVINA	CA	Transfer	267-337-4694
15921	MIGUEL GUTIERREZ	EL MONTE	CA	Transfer	703-843-6700
46012	ASIM M FAROOQ	FONTANA	CA	Transfer	845-561-2045
46013	CRAIG E HILL	FONTANA	CA	Transfer	949-335-8023
10457	SAMEER GULATI	HAYWARD	CA	Transfer	917-334-2480
46502	SAMIR BARUDI/TONI MALEK	LANCASTER	CA	Transfer	317-844-0065
25262	GORDON MCCLYMONT	TEMECULA	CA	Transfer	317-844-0065
2914	IAN DANIEL	BRADENTON	FL	Transfer	678-592-6710
9169	ANTHONY G POMPONIO	FORT MYERS	FL	Transfer	832-269-2327
9174	DOUGLAS E CLAMORS	FORT MYERS	FL	Transfer	941-360-0469
8874	STEVEN RUSHEFSKY	FT LAUDERDALE	FL	Transfer	954-724-5701
15122	STEVEN RUSHEFSKY	MIAMI	FL	Transfer	813-803-3188
15123	MAX/STEVEN FREEDMAN	MIAMI	FL	Transfer	n/a
20323	DOUGLAS E CLAMORS	PORT CHARLOTTE	FL	Transfer	330-847-0262
23638	JIM COSBY	SARASOTA	FL	Transfer	864-430-6114
22142	GUSTAVO DE JESUS/H MENDES	ST PETERSBURG	FL	Transfer	321-723-4801
25022	STEVEN M SMITH	STUART	FL	Transfer	602-768-7600
6373	BRAD STEPHENS	CONYERS	GA	Transfer	415-225-9677
24681	JAMES AIKEN/J CUNNINGHAM	SUGAR HILL	GA	Transfer	951-345-9661
11523	DARYL E DEIG	INDIANAPOLIS	IN	Transfer	516-318-3020
11580	DARYL E DEIG	INDIANAPOLIS	IN	Transfer	863-683-7511
5431	MATTHEW FERACE	CARY	NC	Transfer	832- 638-8181
9483	CHRISTOPHER EBERT	GASTONIA	NC	Transfer	704-853-2225
7971	ROBERT CLEMENS	EGG HARBOR TWP	NJ	Transfer	404-427-2092
16032	LUCIANA COUTINHO-CRANE	MORRISTOWN	NJ	Transfer	972.206.7749
14331	PATRICIA E SCHNEIDER	MAHOPAC	NY	Transfer	760-777-7955
18612	RAYMOND SEGALINI	PEARL RIVER	NY	Transfer	623-229-4366
43090	WILLIAM D. JONES	BOARDMAN	OH	Transfer	760-777-7955
20453	JOSEPH SERGI	POTTSTOWN	PA	Transfer	248-399-8787
53201	MING HUANG/J & LISA GRIMM	READING	PA	Transfer	248-399-8787
120	S CAVANAUGH/L SIMS JR	AIKEN	SC	Transfer	305- 497-5699
9826	SOUK & KATHY SAYCOCIE	GREENVILLE	SC	Transfer	856-373-1714
12330	CHRIS SEALE	SPRING	TX	Transfer	949-335-8023
12331	JOHN O. PHELPS	SPRING	TX	Transfer	706-738-3880
405	KAMBIZ BEHBAHANI/EDWIN FUNK	ALEXANDRIA	VA	Transfer	919-876-4507

Center #	Franchisee	City	State	Reason	Phone
26221	Robert D. Bewley	Vestavia Hills	Alabama	Ceased Operations	205-956-5440
12752	Mitchell Echeverri and Otto Echeverri	Lake Havasu	Arizona	Ceased Operations	480-510-8672
20471	Gary Denton	Prescott Valley	Arizona	Ceased Operations	602-980-4728
28308	Jeffrey Kirschner and Anna Kirschner	Canoga Park	California	Ceased Operations	214-206-7055
7221	Wesley Young	Davis	California	Ceased Operations	925-676-8167
25930	Joseph Szupello	Lakeport	California	Termination	707-349-2652
15762	ZOLTAN STUPAR	MODESTO	California	Ceased Operations	n/a
18472	Jeffrey Kirschner and Anna Kirschner	Oxnard	California	Ceased Operations	214-206-7055
23441	Albert Tsai	San Jose	California	Ceased Operations	408-469-6849
23505	Anthony Monks	Santa Ana	California	Ceased Operations	714-547-9431
23607	Albert Tsai	Santa Clara	California	Ceased Operations	408-469-6849
45450	Cristhoffer Diaz Santana	Fort Walton Beach	Florida	Ceased Operations	703-627-0739
49090	Jorge Porres	MIAMI	Florida	Ceased Operations	201-803-6517
16881	Frank A. Diaz	Newnan	Georgia	Ceased Operations	678-778-5512
24422	Rhett Wheeler	Snellville	Georgia	Ceased Operations	404-217-2039
28433	Gary Gilbert	Woodstock	Georgia	Ceased Operations	404-274-6320
8620	Tami and Richard Louis	Fairview Heights	Illinois	Ceased Operations	618-656-1751
23952	Larry R. Kahman	Sioux City	Iowa	Non-renewal	712-255-5304
421	Ronald D. Parker	Alexandria	Louisiana	Ceased Operations	318-448-0537
15321	Randy Steil	Mandeville	Louisiana	Ceased Operations	985-966-9786
56750	Randy Steil	Slidell	Louisiana	Ceased Operations	985-966-9786
43070	Timothy F. O'Neill	Bel Air	Maryland	Ceased Operations	443-676-4984
8958	Eugene Carpenzano	Framingham	Massachusetts	Ceased Operations	508-579-0640
27330	Chris Anderson	Howell	Michigan	Ceased Operations	248-425-0368
52060	Richard Blaylock	Oxford	Mississippi	Ceased Operations	901-398-5256
18040	David Fuchs	Florissant	Missouri	Ceased Operations	641-330-6733
12360	Reid Khalil	Kansas City	Missouri	Termination	913-2442234
21940	Vincent O'Connell	St. Louis	Missouri	Ceased Operations	314-487-9158
13111	Raymond H. Atkin	Las Vegas	Nevada	Ceased Operations	702-568-7358
26551	James Shields & Jonathan Moffa	Asbury Park	New Jersey	Ceased Operations	609-758-4900
25882	Mark Balkovic	Trenton	New Jersey	Ceased Operations	609-443-0998
18762	Daniel Winard and Samuel LaTorre	Albuquerque	New Mexico	Ceased Operations	505-239-4062
180	Zachary D. Hartmann	Queensbury	New York	Ceased Operations	518-336-0076
14830	Ben Carson	Concord	North Carolina	Ceased Operations	704-608-2654
15891	Ben Carson	Monroe	North Carolina	Ceased Operations	704-608-2654
53160	Stuart Long	Raleigh	North Carolina	Ceased Operations	919-332-5212
4572	Doug Petersen	Canton	Ohio	Ceased Operations	330-203-2343
15094	Daniel Saladin	MILFORD	Ohio	Ceased Operations	859-912-0770
4672	Jack Brunk	Cheltenham	Pennsylvania	Ceased Operations	619-247-9060
8013	Jack Brunk	Feasterville	Pennsylvania	Ceased Operations	619-247-9060
46950	Amanda Spiering	Lower Burrell	Pennsylvania	Ceased Operations	724-224-1483
20402	Tom Bashinsky	Pottsville	Pennsylvania	Ceased Operations	570-467-2507
7871	Ty Boughter	El Paso	Texas	Ceased Operations	336-932-7545
4565	Gary Guraya	Chantilly	Virginia	Ceased Operations	610-223-1771
8583	Manoher Motlagh	Falls Church	Virginia	Ceased Operations	n/a
20842	Christopher Tate	Richmond	Virginia	Ceased Operations	804-437-4976

Exhibit H
Financial Statements

AAMCO Transmissions, LLC and Subsidiary

Consolidated Financial Report
December 31, 2019

Contents

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Independent Auditor's Report

To the Member
AAMCO Transmissions, LLC

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of AAMCO Transmissions, LLC and Subsidiary (the Company), which comprise the consolidated balance sheets as of December 31, 2019 and 2018, the related consolidated statements of operations, member's equity and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AAMCO Transmissions, LLC and Subsidiary as of December 31, 2019 and 2018, and the results of their operations and their cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

RSM VS LLP

Blue Bell, Pennsylvania
April 29, 2020

AAMCO Transmissions, LLC and Subsidiary

Consolidated Balance Sheets

December 31, 2019 and 2018

(Dollars in thousands)

	2019	2018
Assets		
Current assets:		
Accounts receivable, net	\$ 3,016	\$ 3,139
Notes receivable, net	1,741	1,791
Inventories and supplies	41	5
Prepaid expenses and other	104	79
Total current assets	<u>4,902</u>	<u>5,014</u>
Notes receivable, noncurrent, net	1,125	1,443
Intangible assets, net	53,102	59,190
Goodwill	50,106	50,106
Equipment and leasehold improvements, net	310	355
Due from parent company and affiliates	13,312	3,314
Other assets	346	376
Total assets	<u>\$ 123,203</u>	<u>\$ 119,798</u>
Liabilities and Member's Equity		
Current liabilities:		
Notes payable	\$ 2	\$ 49
Accounts payable and accrued expenses	1,060	1,131
Deferred income	751	813
Total current liabilities	<u>1,813</u>	<u>1,993</u>
Long-term liabilities:		
Security deposits	1,867	1,995
Other long-term liabilities	-	481
Total long-term liabilities	<u>1,867</u>	<u>2,476</u>
Total liabilities	<u>3,680</u>	<u>4,469</u>
Commitments and contingencies (Note 4)		
Member's equity	119,523	115,329
Total member's equity	<u>119,523</u>	<u>115,329</u>
Total liabilities and member's equity	<u>\$ 123,203</u>	<u>\$ 119,798</u>

See notes to consolidated financial statements.

AAMCO Transmissions, LLC and Subsidiary

Consolidated Statements of Operations
Years ended December 31, 2019 and 2018
(Dollars in thousands)

	2019	2018
Revenues:		
Franchise fees	\$ 25,497	\$ 25,286
Sales of equipment and supplies	1,166	1,007
License and training fees	190	321
Other	1,716	1,659
Total revenues	<u>28,569</u>	<u>28,273</u>
Expenses:		
Operating expenses:		
Cost of sales	982	657
Selling, general and administrative	16,577	19,030
Total operating expenses	<u>17,559</u>	<u>19,687</u>
Income from operations before depreciation and amortization	<u>11,010</u>	<u>8,586</u>
Other operating expenses:		
Depreciation and amortization	6,756	6,791
Total other operating expenses	<u>6,756</u>	<u>6,791</u>
Income from operations before other income (expenses) and income tax benefit	<u>4,254</u>	<u>1,795</u>
Other income (expenses):		
Interest expense	(14)	(21)
Miscellaneous income	117	360
Total other income	<u>103</u>	<u>339</u>
Income from operations before income tax benefit	<u>4,357</u>	<u>2,134</u>
Income tax benefit	-	6,119
Net income	<u>\$ 4,357</u>	<u>\$ 8,253</u>

See notes to consolidated financial statements.

AAMCO Transmissions, LLC and Subsidiary

Consolidated Statements of Member's Equity
Years ended December 31, 2019 and 2018
(Dollars in thousands)

	Total Member's Equity
Balance as of January 1, 2018	\$ 107,076
Net income	<u>8,253</u>
Balance as of December 31, 2018	115,329
Net income	4,357
ASC 606 adjustment	<u>(163)</u>
Balance as of December 31, 2019	<u><u>\$ 119,523</u></u>

See notes to consolidated financial statements.

AAMCO Transmissions, LLC and Subsidiary

Consolidated Statements of Cash Flows
Years ended December 31, 2019 and 2018
(Dollars in thousands)

	2019	2018
Cash flows from operating activities:		
Net income	\$ 4,357	\$ 8,253
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	6,756	6,791
Provision for doubtful accounts	(320)	933
Deferred income tax benefit	-	(6,119)
Changes in assets and liabilities:		
(Increase) decrease:		
Notes and accounts receivable	812	2,176
Prepaid expenses and other	(32)	(140)
Increase (decrease):		
Notes payable	(47)	(48)
Accounts payable, accrued expenses, and other liabilities	(553)	(231)
Deferred income and security deposits	(352)	134
Net cash provided by operating activities	<u>10,621</u>	<u>11,749</u>
Cash flows from investing activities:		
Due from parent company and affiliates	(10,549)	(11,893)
Purchase of equipment	(72)	-
Disposal of equipment	-	24
Net cash used in investing activities	<u>(10,621)</u>	<u>(11,869)</u>
Net change in cash	-	(120)
Cash, beginning	-	120
Cash, ending	<u>\$ -</u>	<u>\$ -</u>
Supplemental disclosure of cash flow information:		
Adoption of Topic 606 related to deferred revenue	<u>\$ 163</u>	<u>\$ -</u>

See notes to consolidated financial statements.

AAMCO Transmissions, LLC and Subsidiary

Notes to Consolidated Financial Statements (in thousands, except share data)

Note 1. Description of Business

Description of business: AAMCO Transmissions, LLC (the Company or AAMCO) franchises automotive transmission and general repair centers throughout the United States and Canada to which they also sell equipment and supplies. On October 2, 2017, Icahn Automotive Service LLC (Icahn) acquired the units of the Company.

Note 2. Summary of Significant Accounting Policies

Consolidation: The consolidated financial statements include the accounts of AAMCO and its wholly owned subsidiary, AAMCO Canada, Inc. All significant intercompany balances and transactions have been eliminated in consolidation. AAMCO is a wholly-owned subsidiary of Icahn.

Revenue recognition: The Company recognizes revenue in accordance with Accounting Standards Codification (ASC) Topic 606, Revenue from Contracts with Customers, which provides a five-step model for recognizing revenue from contracts with customers as follows:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligation in the contract
- Recognize revenue when or as performance obligations are satisfied

Below is a discussion of how the Company's revenues are earned, the Company's accounting policies pertaining to revenue recognition prior to the adoption of Topic 606 (Legacy GAAP), the Company's accounting policies pertaining to revenue recognition subsequent to the adoption of Topic 606 and other required disclosures. Refer to Note 5 for information regarding the cumulative effect adjustment recorded to member's equity as of the beginning of the period from January 1, 2019 to December 31, 2019 to reflect the adoption of Topic 606. Also included in Note 5 is disclosure of the amount by which each balance sheet and statement of operations line item was impacted in the current reporting period as compared to Legacy GAAP.

The Company derives its significant revenue from the following principal sources:

Franchise fees: The Company's operations include the licensing of franchises primarily in North America under the name of "AAMCO Transmissions and Total Car Care" to franchisees for 15-year renewable terms. Under the franchise contract, the Company may, among other things, assist franchisees in identifying potential site locations, provide training to the franchisee and provide certain support services and supplies. The franchisee in accordance with the terms of the franchise agreement is obligated to pay the Company a recurring franchise fee equal to a stated percentage of all revenues excluding sales tax (Gross Receipts) from all business transacted by the franchisee. The Company's policy is to recognize franchise fees as revenue when it is earned and realized or realizable and collectability is reasonably assured. Costs associated with franchise operations are expensed as incurred. The timing and amount of revenue recognized related to continuing services fees was not impacted by the adoption of Topic 606.

Training fees: The Company recognizes training fees at the time when all material services or conditions relating to the new franchise have been substantially performed by the Company. All material services or conditions are substantially performed by the Company upon the commencement of operations at the

AAMCO Transmissions, LLC and Subsidiary

Notes to Consolidated Financial Statements

(in thousands, except share data)

Note 2. Summary of Significant Accounting Policies (Continued)

center by the franchisee. The timing and amount of revenue recognized related to training fees was not impacted by the adoption of Topic 606.

Initial license fees: Under Legacy GAAP, revenue from initial license fees was recognized when substantially all significant services to be provided to the franchisee had been performed, typically when the franchisee commenced operations. Under Topic 606, initial franchise fees are recognized as the performance obligations are met. Unearned license fees are included in deferred revenue in the accompanying balance sheets. A portion of the services provided in exchange for these initial license fees are highly interrelated with the franchise right and are not individually distinct from the ongoing services the Company provides to its franchisees. As a result, a portion of initial license fees are recognized on a straight-line basis over the term of each respective franchise agreement, which is consistent with the franchisee's right to use and benefit from the intellectual property. For the portion of the initial license fees that are considered to be individually distinct from the ongoing services provided to the franchisee, the Company recognizes those initial license fees as each individual performance obligation is satisfied.

Sales of equipment and supplies: Equipment and supplies sales represent revenues generated by the sale of equipment and supplies to franchisees. Revenue is recorded when the equipment and supplies are shipped by the supplier and the obligation to perform is satisfied. The timing and amount of revenue recognized related to equipment and supplies sales was not impacted by the adoption of Topic 606.

Other revenue: The Company recognizes commissions and other revenue during the period in which the income is earned. The Company also provides various ancillary services to the franchisee. Such services include, but are not restricted to, franchisee training, toll free telephone line support, computer software, promotional items, etc. The Company's policy is to recognize fees related to the ancillary services when the performance obligations have been substantially complete. The timing and amount of revenue recognized related to other revenue was not impacted by the adoption of Topic 606.

Revenue from franchise fees, equipment and supplies sales, other revenues fees, and a portion of initial license fees is recognized at a point in time, whereas revenue from a portion of initial license fees is recognized over time. Total revenue recognized at a point in time and over time was as follows for the year ended December 31, 2019:

Revenue recognized over time	\$	54
Revenue recognized at a point in time		28,515
	<u>\$</u>	<u>28,569</u>

Cash: Cash consists of deposits with financial institutions. These balances are insured by the Federal Deposit Insurance Corporation. The Company considers all highly liquid debt instruments with a maturity period of three months or less to be cash equivalents.

AAMCO Transmissions, LLC and Subsidiary

Notes to Consolidated Financial Statements

(in thousands, except share data)

Note 2. Summary of Significant Accounting Policies (Continued)

Notes and accounts receivable: Notes receivable are stated at the gross amount of the principal payment due, reduced by an allowance for uncollectible accounts. For notes issued at below market rates, the Company recognizes a discount at the time of issuance and accretes the discount as interest income over the life of the note. It is the Company's policy to maintain an allowance for notes receivable losses at a level considered adequate to provide for probable losses. The level of allowance is based on management's evaluation of the portfolio, which takes into account overall prevailing and anticipated business and economic conditions, note risk and the net realizable value of notes. The allowance is calculated based on the overall risk profile of the portfolio, based on historical delinquency and collection patterns. The Company periodically reviews the notes receivable and provides an allowance for probable losses on outstanding balances. Additionally, the Company periodically assesses individual notes for potential impairment. The notes receivable are generally considered impaired when it is probable that the Company will be unable to collect the contractual interest and principal payments as scheduled in the agreement. Once a note receivable is impaired, the Company recognizes interest income on a cash basis. If the Company determines that it is likely that a note receivable will not be collected based on financial or other franchisees' business indicators, including the Company's historical experience, it is Company's policy to write off the note in the period in which it is deemed uncollectible. Recoveries of notes receivable previously written off are recorded into income when received in cash.

Accounts receivable consist principally of amounts invoiced for franchise fees, advertising, equipment and supplies. The Company records an allowance for uncollectible receivables based on review of all outstanding amounts on a monthly basis and evaluation of the creditworthiness of its franchisees. For trade receivables, the Company generally does not require collateral from its franchisees. An allowance for doubtful accounts is recorded through charges to earnings in the form of a charge to bad debt expense. The Company periodically reviews and writes-off an account receivable once it is determined that the account cannot be collected. Recoveries of accounts receivable previously written off are recorded into income when received in cash.

Intangible assets: The Company has adopted FASB ASC Topic 350, Intangibles – Goodwill and Other Intangible Assets. The Company classifies intangible assets into intangible assets with definite lives subject to amortization and intangible assets with indefinite lives not subject to amortization. Definite-lived intangible assets consist of franchise agreements and leasehold interests. The Company amortizes its definite-lived intangible assets over 6 to 10 years using a straight-line method. The useful life of these intangibles expire at various times through 2027. Amortization of intangible assets amounted to \$6,088 for the years ended December 31, 2019 and 2018. Indefinite-lived intangible assets consist of trade names and the franchisor systems that lead into generation of franchise agreements. The Company tests indefinite-lived intangibles for impairment on an annual basis, or more frequently if events or circumstances indicate that assets might be impaired. At December 31, 2019, the Company believes indefinite-lived intangible assets are not impaired.

Estimated annual amortization expense on acquired intangible assets at December 31, 2019 is as follows:

Years ending:		
2020	\$	6,088
2021		6,088
2022		6,088
2023		6,088
2024		6,025
Thereafter		16,225
	\$	<u>46,602</u>

AAMCO Transmissions, LLC and Subsidiary

Notes to Consolidated Financial Statements (in thousands, except share data)

Note 2. Summary of Significant Accounting Policies (Continued)

The Company's intangible are comprised of the following:

	Weighted Average Useful Life	2019	2018
Trade name and trademark	indefinite	\$ 6,500	\$ 6,500
Indefinite-lived intangible assets		6,500	6,500
Franchise agreements	10	59,000	59,000
Leasehold interest	7	1,300	1,300
Definite-lived intangible assets		60,300	60,300
Less accumulated amortization		13,698	7,610
Definite-lived intangible assets, net		46,602	52,690
Intangible assets, net		\$ 53,102	\$ 59,190

Goodwill: Goodwill is the excess of the purchase price over the fair value of identifiable assets acquired in business combinations. Goodwill is not being amortized to earnings, but instead is subject to annual testing for impairment. The Company tests goodwill for impairment on an annual basis as of October 1st or between annual tests in an event occurs or circumstances change that could reduce the fair value below its carrying amount. At December 31, 2019, the Company believes its goodwill is not impaired.

Fair value of financial instruments: Financial instruments include cash and cash equivalents, accounts and notes receivable, accounts payable, accrued expenses, and notes payable. The carrying value of cash and cash equivalents, accounts and notes receivable and accounts payable and accrued expenses approximate its fair value because of their short-term nature. The carrying amount of notes payable approximates their fair value based on the current rates available to the Company for similar instruments.

Equipment and leasehold improvements: Equipment and leasehold improvements are carried at cost. Depreciation is computed by the straight-line method over the estimated useful lives of the assets, which range from 3 to 10 years. Leasehold improvements are amortized over the shorter of the economic life of the asset or the term of the lease. Depreciation was \$668 and \$703 for the years ended December 31, 2019 and 2018, respectively.

Income taxes: As a single member limited liability company, the Company's taxable income or loss is allocated to the member. Therefore, no provision or liability for income taxes has been included in the consolidated financial statements.

For the year ended December 31, 2019, management evaluated the Company's tax positions and concluded that the Company had taken no uncertain tax positions that require adjustment to the consolidated financial statements. The Company is not subject to income tax examinations by U.S. federal, state or local tax authorities for years before 2015.

The Company is considered a disregarded entity for tax purposes. As such, the operations of the Company are combined with, and included with, Icahn for federal and state income tax purposes. There is no formal tax-sharing arrangement that exists with the member and there is no commitment for the Company to fund the tax liability of the member with the earnings of the Company.

AAMCO Transmissions, LLC and Subsidiary

Notes to Consolidated Financial Statements (in thousands, except share data)

Note 2. Summary of Significant Accounting Policies (Continued)

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The most significant estimate relates to allowances for doubtful accounts and notes receivable.

Concentration of credit risk: The Company is subject to credit risk through notes and other receivables. Credit risk with respect to notes and other receivables is minimized because of the large number of franchises and their geographic dispersion.

Impairment of long-lived assets: The Company reviews long-lived assets, including equipment and leasehold improvements and definite lived intangible assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. An impairment loss would be recognized when undiscounted future cash flows expected to result from the use of the assets and their eventual disposition is less than the carrying amount. Impairment, if any, is assessed using discounted cash flows. No impairments have occurred during the years ended December 31, 2019 and 2018.

Recently issued accounting pronouncements: The following Accounting Standards Updates (ASU) that were issued or became effective could have an impact on the Company's consolidated financial statements:

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820): Changes to the Disclosure Requirements for Fair Value Measurement*. ASU 2018-13 provides guidance to improve the disclosures in the notes to the financial statements that includes amendments on changes in unrealized gains and losses, the valuation processes used to develop Level 3 fair value measurements, and other amendments. The amendment is effective for annual reporting periods after December 15, 2019. The Company is currently in the process of evaluating the standard but does not expect it will have a material impact on the Company's consolidated financial statements.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. ASU 2016-13 requires a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. In addition, the ASU requires credit losses relating to available-for-sale debt securities to be recorded through an allowance for credit losses. The amendments in this ASU broaden the information that an entity must consider in developing its expected credit loss estimate for assets measured either collectively or individually. The amendment is effective for annual reporting periods after December 15, 2019. The Company is currently in the process of evaluating the standard but does not expect it will have a material impact on the Company's consolidated financial statements.

Note 3. Related Party Transactions

As of December 31, 2019 and 2018, the Company had a payable to the AAMCO National Creative Committee (NCC) of approximately \$85 and \$94, which is included in accounts payable and accrued expenses in the accompanying consolidated balance sheet. NCC is composed of all AAMCO franchisees, governed by twelve franchisees and three members of the Company's management.

Additionally, the Company has lent money in the form of a long-term intercompany loan to Icahn and its affiliates. The intercompany loan arrangement does not include a provision for an interest charge and has no set maturity payment date. The intercompany loan balances are classified as due from parent company and affiliates on the consolidated balance sheet.

AAMCO Transmissions, LLC and Subsidiary

Notes to Consolidated Financial Statements (in thousands, except share data)

Note 4. Commitments and Contingencies

Leasing arrangements: The Company shares certain office space and equipment under Icahn leasing arrangements. The Company's rent expense was \$200 and \$206 for the years ended December 31, 2019 and 2018, respectively, relating to all leasing arrangements.

401(k) plan: The Company has a 401(k) retirement plan (the Plan) covering substantially all employees. The Plan provides for a discretionary employer matching contribution. The Plans provide for employer matching contributions. Employer contributions of \$61 and \$34 were made for the years ended December 31, 2019 and 2018, respectively.

Litigation and contingencies: The Company is a defendant in various legal matters and other claims arising in the normal course of business. In the opinion of management, the ultimate disposition of such matters (to the extent not provided for by insurance or otherwise) will not have a material adverse effect upon the Company's financial position, results of operations and cash flows.

AAMCO Transmissions, LLC and Subsidiary

Notes to Consolidated Financial Statements (in thousands, except share data)

Note 5. Impact of Adopting New Revenue Recognition Standards

As discussed in Note 2, the Company adopted Topic 606 at the beginning of the period from January 1, 2019 to December 31, 2019, using the modified retrospective method. Topic 606 was applied to all contracts with customers as of January 1, 2019, and the cumulative effect of this transition was recorded as an adjustment to member's equity as of this date. As a result, the following adjustments were made to the consolidated balance sheet as of January 1, 2019:

(Dollars in thousands)

	As Reported December 31, 2018	Adjustments	Balances with Adoption of Topic 606 January 1, 2019
Assets			
Current assets:			
Accounts receivable, net	\$ 3,139	\$ -	\$ 3,139
Notes receivable, net	1,791	-	1,791
Inventories and supplies	5	-	5
Prepaid expenses and other	79	-	79
Total current assets	<u>5,014</u>	<u>-</u>	<u>5,014</u>
Notes receivable, noncurrent, net	1,443	-	1,443
Intangible assets, net	59,190	-	59,190
Goodwill	50,106	-	50,106
Equipment and leasehold improvements, net	355	-	355
Due from parent company and affiliates	3,314	-	3,314
Other assets	376	-	376
Total assets	<u>\$ 119,798</u>	<u>\$ -</u>	<u>\$ 119,798</u>
Liabilities and Member's Equity			
Current liabilities:			
Notes payable	\$ 49	\$ -	\$ 49
Accounts payable and accrued expenses	1,131	-	1,131
Deferred income	813	163	976
Total current liabilities	<u>1,993</u>	<u>163</u>	<u>2,156</u>
Long-term liabilities:			
Security deposits	1,995	-	1,995
Other long-term liabilities	481	-	481
Total long-term liabilities	<u>2,476</u>	<u>-</u>	<u>2,476</u>
Total liabilities	<u>4,469</u>	<u>163</u>	<u>4,632</u>
Commitments and contingencies (Note 4)			
Member's equity	115,329	(163)	115,166
Total member's equity	<u>115,329</u>	<u>(163)</u>	<u>115,166</u>
Total liabilities and member's equity	<u>\$ 119,798</u>	<u>\$ -</u>	<u>\$ 119,798</u>

See notes to consolidated financial statements.

AAMCO Transmissions, LLC and Subsidiary

Notes to Consolidated Financial Statements (in thousands, except share data)

Note 5. Impact of Adopting New Revenue Recognition Standards (Continued)

The following tables reflect the impact of the adoption of Topic 606 on the consolidated balance sheet as of December 31, 2019.

(Dollars in thousands)

	As Reported December 31, 2019	Impact	As Reported Legacy GAAP
Assets			
Current assets:			
Accounts receivable, net	\$ 3,016	\$ -	\$ 3,016
Notes receivable, net	1,741	-	1,741
Inventories and supplies	41	-	41
Prepaid expenses and other	104	-	104
Total current assets	4,902	-	4,902
Notes receivable, noncurrent, net	1,125	-	1,125
Intangible assets, net	53,102	-	53,102
Goodwill	50,106	-	50,106
Equipment and leasehold improvements, net	310	-	310
Due from parent company and affiliates	13,312	-	13,312
Other assets	346	-	346
Total assets	\$ 123,203	\$ -	\$ 123,203
Liabilities and Member's Equity			
Current liabilities:			
Notes payable	\$ 2	\$ -	\$ 2
Accounts payable and accrued expenses	1,060	-	1,060
Deferred income	751	(159)	592
Total current liabilities	1,813	(159)	1,654
Long-term liabilities:			
Security deposits	1,867	-	1,867
Other long-term liabilities	-	-	-
Total long-term liabilities	1,867	-	1,867
Total liabilities	3,680	(159)	3,521
Commitments and contingencies (Note 4)			
Member's equity	119,523	159	119,682
Total member's equity	119,523	159	119,682
Total liabilities and member's equity	\$ 123,203	\$ -	\$ 123,203

See notes to consolidated financial statements.

AAMCO Transmissions, LLC and Subsidiary

Notes to Consolidated Financial Statements (in thousands, except share data)

Note 5. Impact of Adopting New Revenue Recognition Standards (Continued)

The following tables reflect the impact of the adoption of Topic 606 on the consolidated statement of operations as of December 31, 2019.

(Dollars in thousands)

	As Reported	Impact	Balances under Legacy GAAP
Revenues:			
Franchise fees	\$ 25,497	\$ -	\$ 25,497
Sales of equipment and supplies	1,166	-	1,166
License and training fees	190	7	197
Other	1,716	-	1,716
Total revenues	28,569	7	28,576
Expenses:			
Operating expenses:			
Cost of sales	982	-	982
Selling, general and administrative	16,577	-	16,577
Total operating expenses	17,559	-	17,559
Income from operations before depreciation and amortization	11,010	7	11,017
Other operating expenses:			
Depreciation and amortization	6,756	-	6,756
Total other operating expenses	6,756	-	6,756
Income from operations before other income (expenses) and income tax benefit	4,254	7	4,261
Other income (expenses):			
Interest expense	(14)	-	(14)
Miscellaneous income	117	-	117
Total other income	103	-	103
Income from operations before income tax benefit	4,357	7	4,364
Income tax benefit	-	-	-
Net income	\$ 4,357	\$ 7	\$ 4,364

See notes to consolidated financial statements.

AAMCO Transmissions, LLC and Subsidiary

Notes to Consolidated Financial Statements (in thousands, except share data)

Note 6. Subsequent Events

In recent days, the COVID-19 outbreak in the United States has resulted in reduced customer traffic. Auto repair services are deemed “life essential” services in most states and most shops are allowed to operate as normal. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. Although the Company expects this matter to negatively impact its operating results, the related financial impact and duration cannot be reasonably estimated at this time.

Other than the previous section, the Company has evaluated its subsequent events (events occurring after December 31, 2019) through April 29, 2020, which represents the date the financial statements were issued, and the Company determined that there are no material subsequent events requiring adjustment to, or disclosure in, the consolidated financial statements.

AAMCO Transmissions LLC and Subsidiaries

Consolidated Financial Report
December 31, 2017

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Independent Auditor's Report

To the Board of Directors
AAMCO Transmissions LLC

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of AAMCO Transmissions LLC and Subsidiaries (the Company), which comprise the consolidated balance sheet as of December 31, 2017, the related consolidated statements of operations, members' equity and cash flows for the periods from October 2, 2017 to December 31, 2017 (Successor) and January 1, 2017 to October 1, 2017 (Predecessor), and the related notes to the consolidated financial statements (collectively, the financial statements).

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AAMCO Transmissions LLC and Subsidiaries as of December 31, 2017, and the results of their operations and their cash flows for the periods from October 2, 2017 to December 31, 2017 (Successor) and January 1, 2017 to October 1, 2017 (Predecessor) in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Notes 1 and 3 to the accompanying financial statements, Icahn Automotive Service LLC acquired the stock of Transom ADS Holdings, Corp, parent company of the Company, on October 2, 2017. In connection with this change in control, the Company adopted a new accounting basis and recorded the net assets acquired at the new owner's acquisition cost. Consequently, amortization charges in the accompanying consolidated statements of operations for the period from October 2, 2017 to December 31, 2017 are not comparable to the results presented for the period from January 1, 2017 to October 1, 2017.

RSM VS LLP

Blue Bell, Pennsylvania
April 28, 2018

AAMCO Transmissions LLC and Subsidiaries

Consolidated Balance Sheet

December 31, 2017

(Dollars in thousands, except share data)

Assets	
Current assets:	
Cash	\$ 120
Accounts receivable, net	6,277
Notes receivable, net	1,927
Inventories and supplies	35
Prepaid expenses and other	39
Total current assets	8,398
Notes receivable, noncurrent, net	1,278
Intangible assets, net	65,278
Goodwill	50,106
Equipment and leasehold improvements, net	590
Other assets	246
Total assets	\$ 125,896
Liabilities and Members' Equity	
Current liabilities:	
Notes payable	\$ 48
Accounts payable and accrued expenses	1,240
Deferred income	744
Total current liabilities	2,032
Long-term liabilities:	
Notes payable, non-current	49
Security deposits	1,930
Deferred tax liabilities	5,916
Other long-term liabilities	800
Due to parent company and affiliates	8,093
Total long-term liabilities	16,788
Total liabilities	18,820
Commitments and contingencies (Note 5)	
Members' equity (1,000 common units)	107,076
Total members' equity	107,076
Total liabilities and members' equity	\$ 125,896

See notes to consolidated financial statements.

AAMCO Transmissions LLC and Subsidiaries

Consolidated Statements of Operations

Periods from October 2, 2017 to December 31, 2017 (Successor)

and January 1, 2017 to October 1, 2017 (Predecessor)

(Dollars in thousands)

	Period from October 2, 2017 to December 31, 2017 (Successor)	Period from January 1, 2017 to October 1, 2017 (Predecessor)
Revenues:		
Service fees	\$ 6,061	\$ 19,306
Sales of equipment and supplies	152	563
License and training fees	140	294
Other	357	921
Total revenues	6,710	21,084
Expenses:		
Operating expenses:		
Cost of sales	74	337
Selling, general and administrative	4,624	14,563
Total operating expenses	4,698	14,900
Income from continuing operations before depreciation, amortization and related party fees and expenses	2,012	6,184
Other operating expenses:		
Depreciation and amortization	1,577	2,791
Related party fees and expenses	-	528
Total other operating expenses	1,577	3,319
Income from continuing operations before other income (expenses) and income tax benefit (expense)	435	2,865
Other income (expenses):		
Interest expense	(6)	(3,271)
Miscellaneous expense	-	1
Total other expenses	(6)	(3,270)
Income (loss) from continuing operations before income tax benefit (expense)	429	(405)
Income tax benefit (expense)	3,254	(61)
Net income (loss)	3,683	(466)

See notes to consolidated financial statements.

AAMCO Transmissions LLC and Subsidiaries

Consolidated Statements of Members' Equity **Periods from October 2, 2017 to December 31, 2017 (Successor)** **and January 1, 2017 to October 1, 2017 (Predecessor)** *(Dollars in thousands, except share data)*

	Common Stock		Additional		Accumulated		Total
	Shares	Amount	Paid-in	Capital	Deficit		Members'
Predecessor:							Equity
Balance as of January 1, 2017	2,617	\$ 3	\$	22,703	\$ (957)	\$	21,749
Net loss	-	-		-	(466)		(466)
Balance as of October 1, 2017	2,617	\$ 3	\$	22,703	\$ (1,423)	\$	21,283
Successor:							
Balance as of October 2, 2017	-	\$ -	\$	-	\$ -	\$	-
Issuance of common stock	1,000	-		103,393	-		103,393
Net income	-	-		-	3,683		3,683
Balance as of December 31, 2017	1,000	\$ -	\$	103,393	\$ 3,683	\$	107,076

See notes to consolidated financial statements.

AAMCO Transmissions LLC and Subsidiaries

Consolidated Statements of Cash Flows

Periods from October 2, 2017 to December 31, 2017 (Successor)

and January 1, 2017 to October 1, 2017 (Predecessor)

(Dollars in thousands)

	Period from October 2, 2017 to December 31, 2017 (Successor)	Period from January 1, 2017 to October 1, 2017 (Predecessor)
Cash flows from operating activities:		
Net income (loss)	\$ 3,683	\$ (466)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	1,577	2,791
Provision for doubtful accounts	468	1,094
Deferred income tax (benefit) expense	(3,254)	61
Changes in assets and liabilities:		
(Increase) decrease:		
Notes and accounts receivable	54	(674)
Supplies	13	(3)
Prepaid expenses and other	83	94
Increase (decrease):		
Notes payable	(35)	(120)
Accounts payable and accrued expenses	88	322
Deferred income	(62)	(16)
Net cash provided by operating activities	2,615	3,083
Cash flows from investing activities:		
Purchase of Company	(103,263)	-
Due to (from) parent company and affiliates	(2,596)	(2,858)
Purchases of equipment	(29)	(95)
Net cash used in investing activities	(105,888)	(2,953)
Cash flows from financing activities:		
Proceeds from issuance of common stock	103,393	-
Net cash provided by financing activities	103,393	-
Net change in cash	120	130
Cash, beginning	-	-
Cash, ending	\$ 120	\$ 130
Supplemental disclosure of cash flow information:		
Cash paid during the period for interest	\$ -	\$ 2,860

See notes to consolidated financial statements.

AAMCO Transmissions LLC and Subsidiaries

Notes to Consolidated Financial Statements

(in thousands, except share data)

Note 1. Description of Business

Description of business: AAMCO Transmissions LLC (the Company or AAMCO) franchises automotive transmission and general repair centers throughout the United States and Canada to which they also sell equipment and supplies. On October 2, 2017, Icahn Automotive Service LLC (Icahn) acquired the stock of the Company. Icahn is also the parent company of Cottman Transmissions LLC and its subsidiaries (Cottman). Prior to the acquisition, Transom ADS Holdings, LLC (Transom) was the parent of the Company.

Period from January 1, 2017 to October 1, 2017 is the Predecessor Period and period from October 2, 2017 to December 31, 2017 is the Successor Period.

Note 2. Summary of Significant Accounting Policies

Consolidation: The consolidated financial statements include the accounts of AAMCO and its wholly owned subsidiary, AAMCO Canada, Inc. All significant intercompany balances and transactions have been eliminated in consolidation. AAMCO is a wholly-owned subsidiary of Icahn.

Revenue recognition: The Company recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 952, Franchisors for revenue recognition as follows:

Service fees: The Company's operations include the licensing of franchises primarily in North America under the name of "AAMCO Transmissions and Total Car Care" to franchisees for 15-year renewable terms. Under the franchise contract, the Company may, among other things, assist in site locations, assist in obtaining financing, provide training to the franchisee and provide operational services and supplies. The franchisee in accordance with the terms of the franchise agreement is obligated to pay the Company a recurring franchise fee equal to a stated percentage of the Gross Receipts of all business transacted by franchisee. The Company's policy is to recognize franchise fees as revenue when it is earned and realized or realizable and collectability is reasonably assured. Costs associated with franchise operations are expensed as incurred.

Initial license and training fees: The Company recognizes initial license and training fees at the time when all material services or conditions relating to the new franchise have been substantially performed by the Company. All material services or conditions are substantially performed by the Company upon the commencement of operations at the center by the franchisee.

Sales of equipment and supplies: The Company recognizes revenue from the sale of merchandise at the time the merchandise is sold and the product is delivered to the customer. The Company records revenue net of an allowance for estimated future returns. The Company establishes reserves for sales returns and allowances based on current sales levels and historical return rates.

Other revenue: The Company recognizes commissions and other revenue during the period in which the income is earned. The Company also provides various ancillary services to the franchisee. Such services include, but are not restricted to, franchisee training, toll free telephone line support, computer software, promotional items, etc. The Company's policy is to recognize fees related to the ancillary services when the services have been substantially performed and collectability is reasonably assured.

Cash: Cash consists of deposits with financial institutions. These balances are insured by the Federal Deposit Insurance Corporation. The Company considers all highly liquid debt instruments with a maturity period of three months or less to be cash equivalents.

AAMCO Transmissions LLC and Subsidiaries

Notes to Consolidated Financial Statements

(in thousands, except share data)

Note 2. Summary of Significant Accounting Policies (Continued)

Notes and accounts receivable: Notes receivable are stated at the gross amount of the principal payment due, reduced by an allowance for uncollectible accounts. For notes issued at below market rates, the Company recognizes a discount at the time of issuance and accretes the discount as interest income over the life of the note. It is the Company's policy to maintain an allowance for notes receivable losses at a level considered adequate to provide for probable losses. The level of allowance is based on management's evaluation of the portfolio, which takes into account overall prevailing and anticipated business and economic conditions, note risk and the net realizable value of notes. The allowance is calculated based on the overall risk profile of the portfolio, based on historical delinquency and collection patterns. The Company periodically reviews the notes receivable and provides an allowance for probable losses on outstanding balances. Additionally, the Company periodically assesses individual notes for potential impairment. The notes receivable are generally considered impaired when it is probable that the Company will be unable to collect the contractual interest and principal payments as scheduled in the agreement. Once a note receivable is impaired, the Company recognizes interest income on a cash basis. If the Company determines that it is likely that a note receivable will not be collected based on financial or other franchisees' business indicators, including the Company's historical experience, it is Company's policy to write off the note in the period in which it is deemed uncollectible. Recoveries of notes receivable previously written off are recorded into income when received in cash.

Accounts receivable consist principally of amounts invoiced for franchise fees, advertising, equipment and supplies. The Company records an allowance for uncollectible receivables based on review of all outstanding amounts on a monthly basis and evaluation of the creditworthiness of its franchisees. For trade receivables, the Company generally does not require collateral from its franchisees. An allowance for doubtful accounts is recorded through charges to earnings in the form of a charge to bad debt expense. The Company periodically reviews and writes-off an account receivable once it is determined that the account cannot be collected. Recoveries of accounts receivable previously written off are recorded into income when received in cash.

Intangible assets: The Company has adopted FASB ASC Topic 350, Intangibles – Goodwill and Other Intangible Assets. The Company classifies intangible assets into intangible assets with definite lives subject to amortization and intangible assets with indefinite lives not subject to amortization. Indefinite-lived intangible assets consist of franchise agreements and leasehold interests. The Company amortizes its definite-lived intangible assets over 6 to 10 years using a straight-line method. The useful life of these intangibles expire at various times through 2027. Amortization of intangible assets amounted to \$1,522 for the period from October 2, 2017 to December 31, 2017 (Successor Period) and \$2,635 for the period from January 1, 2017 October 1, 2017 (Predecessor Period). Definite-lived intangible assets consist of trade names and the franchisor systems that lead into generation of franchise agreements. The Company tests indefinite-lived intangibles for impairment on an annual basis, or more frequently if events or circumstances indicate that assets might be impaired. At December 31, 2017, the Company believes indefinite-lived intangible assets are not impaired.

Estimated annual amortization expense on acquired intangible assets at December 31, 2017 is as follows:
Years ending:

2018	\$	6,088
2019		6,088
2020		6,088
2021		6,088
2022		6,088
Thereafter		28,338
	\$	<u>58,778</u>

AAMCO Transmissions LLC and Subsidiaries

Notes to Consolidated Financial Statements

(in thousands, except share data)

Note 2. Summary of Significant Accounting Policies (Continued)

The Company's intangibles are comprised of the following:

	Weighted Average Useful Life	Amount
Trade name and trademark	indefinite	\$ 6,500
Indefinite-lived intangible assets		6,500
Franchise agreements	10	59,000
Leasehold interest	7	1,300
Definite-lived intangible assets		60,300
Less accumulated amortization		1,522
Definite-lived intangible assets, net		58,778
Intangible assets, net		\$ 65,278

Goodwill: Goodwill is the excess of the purchase price over the fair value of identifiable assets acquired in business combinations. Goodwill is not being amortized to earnings, but instead is subject to annual testing for impairment. The Company tests goodwill for impairment on an annual basis or between annual tests in an event occurs or circumstances change that could reduce the fair value below its carrying amount. At December 31, 2017, the Company believes its goodwill is not impaired.

Fair value of financial instruments: Financial instruments include cash and cash equivalents, accounts and notes receivable, accounts payable, accrued expenses, notes payable, and contingent earnout liability. The carrying value of cash and cash equivalents, accounts and notes receivable and accounts payable and accrued expenses approximate its fair value because of their short-term nature. The carrying amount of notes payable approximates their fair value based on the current rates available to the Company for similar instruments. The carrying amount of the contingent earn-out liability is based on unobservable inputs that are supported by little or no market activity and reflect the Company's own assumptions in measuring fair value using the Monte Carlo Simulation Method. In developing these estimates, the Company considered certain performance projections and historical results.

Equipment and leasehold improvements: Equipment and leasehold improvements are carried at cost. Depreciation is computed by the straight-line method over the estimated useful lives of the assets, which range from 3 to 10 years. Leasehold improvements are amortized over the shorter of the economic life of the asset or the term of the lease. Depreciation was \$1,577 for the Successor Period and \$2,791 for the Predecessor Period.

Income taxes: The Company will file as part of a consolidated tax return and all tax amounts that are included in this financial statement were calculated as if the Company filed a separate Company tax return.

The Company recognizes deferred tax assets and liabilities based on the differences between the financial statements' carrying amounts and the tax bases of assets and liabilities. The Company provides a valuation allowance for deferred tax assets if it determines that it is more likely than not that some or all of the deferred tax assets will not be realized. In evaluating the Company's ability to realize net deferred tax assets, it considers all available evidence, both positive and negative, including its past operating results, tax planning strategies and forecasts of future taxable income. In considering these sources of taxable income, the Company must make certain judgments that are based on the plans and estimates used to manage its underlying businesses on a long-term basis.

AAMCO Transmissions LLC and Subsidiaries

Notes to Consolidated Financial Statements

(in thousands, except share data)

Note 2. Summary of Significant Accounting Policies (Continued)

Management periodically performs a comprehensive review of the Company's tax positions and accrues amounts for tax contingencies. The Company follows the guidance on accounting for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position is sustainable, based solely on its technical merits and consideration of the relevant taxing authorities' widely understood administrative practices and precedents. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and interim period accounting. The Company's policy is to account for interest and penalties as a component of income tax expense.

With few exceptions, the Company is no longer subject to income tax examinations by the U.S. federal, state or local income tax authorities for years before 2014.

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The most significant estimate relates to allowances for doubtful accounts and notes receivable and the realization of deferred tax assets.

Concentration of credit risk: The Company is subject to credit risk through notes and other receivables. Credit risk with respect to notes and other receivables is minimized because of the large number of franchises and their geographic dispersion.

Impairment of long-lived assets: The Company reviews long-lived assets, including equipment and leasehold improvements and definite lived intangible assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. An impairment loss would be recognized when undiscounted future cash flows expected to result from the use of the assets and their eventual disposition is less than the carrying amount. Impairment, if any, is assessed using discounted cash flows. Indefinite-lived intangibles are subject to an annual impairment test using a two-step process prescribed by guidance issued by the FASB. The first step tests for potential impairment, while the second step measures the amount of impairment, if any. The Company performs the required annual impairment test in December of each year. No impairments have occurred during the Successor Period or the Predecessor Period.

Recently issued accounting pronouncements: The following Accounting Standards Updates (ASU) that were issued or became effective could have an impact on the Company's consolidated financial statements:

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). The guidance in this ASU supersedes the leasing guidance in Topic 840, Leases. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the consolidated financial statements, with certain practical expedients available. We are currently evaluating the impact of our pending adoption of the new standard on our consolidated financial statements.

AAMCO Transmissions LLC and Subsidiaries

Notes to Consolidated Financial Statements

(in thousands, except share data)

Note 2. Summary of Significant Accounting Policies (Continued)

In August 2016, the FASB issued ASU 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*. ASU 2016-15 provides guidance on how certain cash receipts and cash payments should be presented and classified in the statement of cash flows with the objective of reducing existing diversity in practice with respect to these items. The amendment is effective for annual reporting periods after December 15, 2018. ASU 2016-15 requires a retrospective transition method. However, if it is impracticable to apply the amendments retrospectively for some of the issues, the amendments for those issues would be applied prospectively as of the earliest date practicable. The Company is currently in the process of evaluating the standard but does not expect it will have a material impact on the Company's consolidated financial statements.

In November 2015, the FASB issued ASU 2015-17 Balance Sheet Classification of Deferred Taxes, which requires that deferred tax liabilities and assets be classified as noncurrent in a classified statement of financial position. The amendment is effective for financial statements issued for annual periods after December 15, 2017. The Company is currently in the process of evaluating the standard but does not expect it will have a material impact on the Company's consolidated financial statements.

In May 2014, the FASB and the International Accounting Standards Board (IASB) issued a joint revenue recognition standard, ASU 2014-09 *Revenue from Contracts with Customers*. Under the new standard, an entity will recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the payment to which the entity expects to be entitled in exchange for those goods or services. The standard also will require enhanced disclosures and provide more comprehensive guidance for transactions such as service revenue and contract modifications. The ASU is effective for nonpublic companies beginning after December 15, 2017. Entities can transition to the standard either retrospectively or as a cumulative-effect adjustment as of the date of adoption. In 2015, the FASB issued ASU 2015-14, which defers the effective date of ASU 2014-09 to annual reporting periods beginning after December 15, 2018. The Company is currently in the process of evaluating the standard and has not determined the impact on the Company's consolidated financial statements.

AAMCO Transmissions LLC and Subsidiaries

Notes to Consolidated Financial Statements

(in thousands, except share data)

Note 3. Acquisition

On October 2, 2017, Icahn acquired 100% of the common stock of the Company for total allocated consideration of \$104,193, inclusive of the contingent earnout. This transaction has been accounted for using the purchase method. The excess purchase price over the fair value of net assets is recorded as goodwill. The purchase price has been preliminarily allocated as follows:

Cash	\$ 130
Accounts receivable	6,922
Notes receivable	3,132
Prepaid expenses and other	348
Inventories and supplies	48
Leasehold Interest	1,300
Tradenames	6,500
Franchise Agreements	59,000
Goodwill	50,106
Equipment and leasehold improvements	615
Assets acquired	<u>128,101</u>
Accounts payable and accrued expenses	1,153
Deferred income and other liabilities	2,696
Deferred tax liabilities	9,224
Notes payable	131
Due to parent company and affiliates	10,704
Liabilities assumed	<u>23,908</u>
	<u>\$ 104,193</u>

Note 4. Related Party Transactions

The Company shared certain services with Transom, the Company's parent during the Predecessor Period, and certain wholly owned subsidiaries of Transom, and the Company has both allocated and been allocated certain fees and expenses related to these services. The Company has been allocated its share of these charges, which are reflected as related party fees and expenses in the accompanying consolidated statements of operations. During the Predecessor Period, these charges amounted to \$528.

As of December 31, 2017, the Company had a payable to the AAMCO National Creative Committee (NCC) of approximately \$99, which is included in accounts payable and accrued expenses in the accompanying consolidated balance sheet. NCC is composed of all AAMCO franchisees, governed by twelve franchisees and three members of the Company's management.

Additionally, the Company has borrowed money in the form of a long-term intercompany loan from Icahn and its affiliates. The intercompany loan arrangement does not include a provision for an interest charge and has no set maturity payment date. The intercompany loan balances are classified as due to parent company and affiliates on the consolidated balance sheet.

AAMCO Transmissions LLC and Subsidiaries

Notes to Consolidated Financial Statements

(in thousands, except share data)

Note 5. Commitments and Contingencies

Leasing arrangements: The Company leases certain real property, equipment and automobiles under operating leases expiring through 2019. Future minimum lease payments for the ensuing fiscal years are as follows:

Years ending :	
2018	\$ 56
2019	49
Total future minimum lease payments	<u>\$ 105</u>

In addition, the Company shares certain office space and equipment under Icahn leasing arrangements. The Company's rent expense was \$108 for the Successor Period and \$379 for the Predecessor Period, relating to all leasing arrangements.

401(k) plan: The Company has a 401(k) retirement plan (the Plan) covering substantially all employees. The Plan provides for a discretionary employer matching contribution. No matching discretionary employer contributions were made in the Successor Period or the Predecessor Period.

Litigation and contingencies: The Company is a defendant in various legal matters and other claims arising in the normal course of business. In the opinion of management, the ultimate disposition of such matters (to the extent not provided for by insurance or otherwise) will not have a material adverse effect upon the Company's financial position, results of operations and cash flows.

Note 6. Income Taxes

The total income tax expense (benefit) for the periods October 2, 2017 through December 31, 2017 and January 1, 2017 through October 1, 2017 is made up of the following:

	Period from October 2, 2017 to December 31, 2017 (Successor)	Period from January 1, 2017 to October 1, 2017 (Predecessor)
Current provision (benefit):		
Federal	\$ -	\$ -
State	49	140
Foreign	-	-
Total	<u>49</u>	<u>140</u>
Deferred provision (benefit):		
Federal	(3,392)	-
State	89	(79)
Foreign	-	-
Total	<u>(3,303)</u>	<u>(79)</u>
Total income tax expense (benefit)	<u>\$ (3,254)</u>	<u>\$ 61</u>

The Company recorded no current or deferred foreign or domestic federal income tax expense or benefit for the Predecessor Period due to net operating losses incurred during the period. The Company recorded

AAMCO Transmissions LLC and Subsidiaries

Notes to Consolidated Financial Statements

(in thousands, except share data)

Note 6. Income Taxes (continued)

a nominal amount of state income tax expense for the Predecessor Period related to separate company state tax return filings. The major difference between the statutory federal tax rate and the effective tax rate for the Predecessor Period is primarily related to changes in valuation allowance against deferred tax assets.

The Company recorded no current foreign or domestic federal income tax expense or benefit for the Successor Period due to net operating losses incurred during the period. The Company recorded a nominal amount of state income tax expense for the Successor Period related to separate company state tax return filings. Additionally, the Company recorded \$3,254 of a federal tax benefit during the Successor Period related net operating losses incurred during the period for which the Company will benefit from. The major difference between the statutory federal tax rate and the effective tax rate for the Predecessor Period is primarily related to the impacts Tax Cuts and Jobs Act of 2017.

On December 22, 2017, the Tax Cuts and Jobs Act of 2017 (the "Act") was signed into law making significant changes to the Internal Revenue Code. Changes include, but are not limited to, a corporate tax rate decrease from 35% to 21% effective for tax years beginning after December 31, 2017, the transition of U.S. international taxation from a worldwide tax system to a territorial system and a one-time transition tax on the mandatory deemed repatriation of cumulative foreign earnings as of December 31, 2017. The Company has calculated a best estimate of the impact of the Act in the Successor Period income tax provision in accordance with the Company's understanding of the Act and guidance available as of the date of this filing and as a result have recorded \$3.7 million as additional income tax benefit in the Successor Period, the period in which the legislation was enacted. This provisional amount relates to the remeasurement of U.S. deferred tax assets and liabilities based on the rates at which they are expected to reverse in the future. The Company has analyzed the impact of the one-time transition tax on the mandatory deemed repatriation of cumulative foreign earnings as of December 31, 2017, and has recorded zero income tax expense due to the cumulative deficit of earnings and profits of the Company's Canadian subsidiaries'. On December 22, 2017, Staff Accounting Bulletin No. 118 ("SAB 118") was issued to address the application of U.S. GAAP in situations when a company does not have the necessary information available, prepared, or analyzed (including computations) in reasonable detail to complete the accounting for certain income tax effects of the Act. In accordance with SAB 118, the Company has determined that the deferred tax expense recorded in connection with the remeasurement of certain deferred tax assets and liabilities and the current tax expense recorded in connection with the transition tax on the mandatory deemed repatriation of foreign earnings are provisional amounts at December 31, 2017. Additional work is necessary to do a more detailed analysis of historical foreign earnings as well as potential correlative adjustments.

AAMCO Transmissions LLC and Subsidiaries

Notes to Consolidated Financial Statements

(in thousands, except share data)

Note 6. Income Taxes (continued)

Temporary differences between the financial reporting carrying amounts and the tax bases of assets and liabilities give rise to deferred taxes. Total deferred tax assets and liabilities consist of the following at December 31, 2017:

	As of December 31, 2017 (Successor)
Deferred tax assets	
Net operating losses	\$ 204
Allowance for doubtful accounts	3,182
Fixed Assets	74
Other	11
Total deferred tax assets before valuation allowance	<u>3,471</u>
Less valuation allowance	<u>-</u>
	3,471
Deferred tax liabilities	
Amortization of intangibles	<u>(9,387)</u>
Total deferred tax liabilities	<u>(9,387)</u>
Net deferred tax liability	<u>\$ (5,916)</u>

The realization of the deferred tax asset depends upon the Company's ability to generate sufficient future taxable income. The Company has historically incurred net operating losses and is unable to carry back those net operating losses to previous tax years. Management concluded that based upon consideration of all applicable evidence it was more likely than not that no portion of the federal deferred tax asset would be realized and therefore recorded a full valuation allowance on federal deferred tax assets as of October 1, 2017. Management concluded that based upon consideration of all applicable evidence it was more likely than not that the state deferred tax asset would be realized and therefore has not recorded a valuation allowance on the state deferred tax assets as of October 1, 2017.

On October 2, 2017, Icahn Automotive Service LLC purchased all of the outstanding stock of the Company. The Company recorded additional GAAP basis intangibles and fixed assets for which no additional tax basis was recorded as a result of the acquisition. Accordingly, sufficient deferred tax liabilities were created in association with the acquisition and management concluded that based upon consideration of all applicable evidence it was more likely than not that the deferred tax assets would be realized and therefore has reversed the previously recorded valuation allowance as of December 31, 2017.

The Company recognizes tax benefits of uncertain tax positions only when the position is more likely than not to be sustained based solely on its technical merits and consideration of the relevant taxing authorities widely understood administrative practices and precedents. The Company has analyzed its tax positions and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for open tax years or expected to be taken on its current tax returns for periods ending October 1, 2017 and December 31, 2017. The Company is not aware of any tax positions for which it is reasonably possible that the total of amounts of unrecognized tax benefits will change in the next 12 months. The Company is no longer subject to U.S. federal and state tax examinations for years prior to 2014. There are no current U.S. federal, state, or foreign income tax examinations.

AAMCO Transmissions LLC and Subsidiaries**Notes to Consolidated Financial Statements**

(in thousands, except share data)

Note 7. Subsequent Events

The Company has evaluated its subsequent events (events occurring after December 31, 2017) through April 28, 2018, which represents the date the financial statements were issued, and the Company determined that there are no material subsequent events requiring adjustment to, or disclosure in, the consolidated financial statements for the year ended December 31, 2017.

Exhibit I
Operator's Manual Table of Contents



AAMCO Operations/Owners Manual

TABLE OF CONTENTS

SECTION	TITLE
1.....	AAMCO SERVICE PROGRAM INTRODUCTION
2.....	COMMON AAMCO CENTER TERMS
3.....	AAMCO TELEPHONE PROCEDURE
4.....	DAILY CUSTOMER REGISTER
5.....	CUSTOMER RECEPTION PROCEDURE
6.....	VEHICLE COURTESY CHECK
7.....	SERVICE RECOMMENDATION PROCEDURES
8.....	OVERCOMING OBJECTIONS
9.....	SERVICE STANDARDS
10.....	CAR DELIVERY
11.....	INTERSHOP
12.....	COMPLETE CUSTOMER SATISFACTION
13.....	CONSUMER AFFAIRS
14.....	MANUAL TRANSMISSION PROCEDURES
15.....	POS SYSTEM
16.....	PRODUCTION
17.....	NATIONAL FLEET ACCOUNTS
18.....	OUTSIDE SALES PROGRAM
19.....	ADVERTISING
20.....	RECRUITING
20A.....	HOW TO FIND & HIRE CSM GUIDE BOOK
20B.....	HOW TO FIND & HIRE TECHNICIAN GUIDE BOOK
21.....	INTRODUCTION TO BUSINESS MANAGEMENT
22.....	AAMCO FRANCHISE SUPPORT CENTER DIRECTORY

Total pages in manual = 256

FRANCHISEE PURCHASE CONFIRMATION

As you know, AAMCO Transmissions, LLC (“we” or “us”), and you are preparing to enter into a Franchise Agreement for the operation of an AAMCO Center. The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we have not authorized, or that may be untrue, inaccurate or misleading, in order to be certain that you have been properly represented in this transaction and that you understand the limitations on claims you may make arising from the purchase and operation of your franchise. **You cannot sign or date this Questionnaire the same day as the receipt for the Franchise Disclosure Document; instead, you must sign and date it the same day you sign the Franchise Agreement and pay your franchise fee.** Please review each of the following questions carefully and provide honest responses to each question. If you answer “No” to any of the questions below, then please explain your answer on the back of this sheet.

- Yes__ No__ 1. Have you received and personally reviewed the Franchise Agreement and each attachment or schedule attached to it?
- Yes__ No__ 2. Have you received and personally reviewed the Franchise Disclosure Document we provided?
- 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 the information contained in the Franchise Disclosure Document and Franchise Agreement?
- Yes__ No__ 5. Have you reviewed the Franchise Disclosure Document and Franchise Agreement with a lawyer, accountant or other professional advisor?
- Yes__ No__ 6. Have you discussed the benefits and risks of developing and operating an AAMCO Center with an existing franchisee?
- Yes__ No__ 7. Do you understand the risks of developing and operating an AAMCO Center?
- Yes__ No__ 8. Do you understand the success or failure of your franchise will depend in large part upon your skills, abilities and efforts and those of the persons you employ as well as many factors beyond your control such as competition, interest rates, the economy, inflation, labor and supply costs and other relevant factors?
- Yes__ No__ 9. Do you understand all disputes or claims you may have arising out of or relating to the Franchise Agreement must be arbitrated in Pennsylvania?
- Yes__ No__ 10. Do you understand that you must satisfactorily complete the initial training course before we will allow your AAMCO Center to open, or otherwise before we will consent to a transfer of your AAMCO Center?

- Yes__ No__ 11. Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the costs involved in operating an AAMCO Center 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__ 12. Do you agree that no employee or other person speaking on our behalf made any statement or promise to you, or any agreement with you, other than those matters addressed in your Franchise Agreement, concerning advertising, marketing, media support, marketing penetration, training, support service or assistance that is contrary to, or different from, the information contained in the Franchise Disclosure Document?
- Yes__ No__ 13. Do you agree that no employee or other person speaking on our behalf made any statement or promise 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 an AAMCO Center will generate, 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__ 14. Do you understand that the Franchise Agreement and attachments to the Franchise Agreement contain the entire agreement between us and you concerning the franchise for the business, meaning any prior oral or written statements not set out in the Franchise Agreement or the attachments to the Franchise Agreement will not be binding? When considering this question, please note that nothing in the Franchise Agreement or the attachments to the Franchise Agreement will disclaim or require you (the franchisee) to waive reliance on any representation that we made in our most recent franchise disclosure document (including its exhibits and amendments) delivered to you or your representative.

[Signature Page Follows.]

Exhibit J

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.

Signature of Franchise Applicant

Signature of Franchise Applicant

Name (please print)

Name (please print)

Dated

Dated

Signature of Franchise Applicant

Signature of Franchise Applicant

Name (please print)

Name (please print)

Dated

Dated

EXPLANATION OF ANY NEGATIVE RESPONSES [REFER TO QUESTION NUMBER]:

State Effective Dates

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

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	April 30, 2020 (exemption)
Hawaii	
Illinois	April 30, 2020 (exemption)
Indiana	April 30, 2020 (exemption)
Maryland	May 4, 2020 (exemption)
Michigan	April 30, 2020
Minnesota	
New York	April 30, 2020 (exemption)
North Dakota	
Rhode Island	May 1, 2020 (exemption)
South Dakota	April 30, 2020
Virginia	
Washington	
Wisconsin	April 30, 2020

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.

Exhibit K

**ITEM 23
RECEIPT (YOUR COPY)**

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

If AAMCO Transmissions, 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. **[New York and Rhode Island require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we 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 AAMCO Transmissions, 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington D.C., 20580 and to the applicable state agency at any of their offices. See Exhibit D.

The franchisor is AAMCO Transmissions, LLC, located at 201 Gibraltar Road, Horsham, PA 19044. Its telephone number is (610) 668-2900.

Issuance Date: April 30, 2020

The name, principal business address, and telephone number of each franchise seller offering the franchise:

Franchisor: 201 Gibraltar Road Horsham, PA 19044 Telephone: (610) 668-2900 Fax: (215) 956-0340 www.aamcotransmissions.com	Franchise Seller(s): Name of Individual(s) negotiating on behalf of Franchisor: Brian O'Donnell and _____ Franchise Development Manager AAMCO Transmissions, LLC, 201 Gibraltar Road, Horsham, PA 19044, Telephone: (610) 668-2900, Fax: (610) 471-0442, www.aamcotransmissions.com, franchise@aamco.com _____ Franchise Broker (if any) _____
--	--

If an additional broker or other franchise seller is involved in a particular transaction, their name, principal business address and telephone number shall be inserted above. If the information is left blank, then there is no additional franchise seller involved in the transaction with the prospective franchisee who signs the receipt.

Exhibit K

AAMCO Transmissions, LLC authorizes the persons or entities or respective state agencies identified on Exhibit E to receive service of process for it in the particular state.

I received a disclosure document dated April 30, 2020, that included the following exhibits:

Exhibit A-1	AAMCO Franchise Agreement
Exhibit A-2	EDAC Agreement (for franchisees in NETWORK prior to 10/1/06)
Exhibit A-3	Deposit Agreement
Exhibit A-4	Lease Rider
Exhibit A-5	Advertising Commitment Letter
Exhibit A-6	Advertising Pool Installment Note
Exhibit A-7	Sample Advertising Pool Agreement
Exhibit A-8	Electronic Funds Transfer (EFT)
Exhibit A-9	Personal Guaranty
Exhibit A-10	General Release
Exhibit A-11	DAC Phone Redirect Agreement
Exhibit A-12	POS System License
Exhibit B	State Addenda to FDD Item disclosures
Exhibit C	State Amendments to Franchise Agreement
Exhibit D	State Administrators/Agents for Service of Process
Exhibit E	List of State and Local Laws
Exhibit F	List of Franchised Outlets
Exhibit G	List of Former Franchisees
Exhibit H	Financial Statements
Exhibit I	Operator's Manual Table of Contents
Exhibit J	Franchisee Purchase Confirmation
Exhibit K	Receipts

I received this disclosure document on the following date ____/____/____

YOUR SIGNATURE: _____ DATED: _____

PRINT NAME: _____

RETAIN THIS COPY FOR YOUR RECORDS

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I received this disclosure document on the following date ____/____/____

YOUR SIGNATURE: _____ DATED: _____

PRINT NAME: _____

RETURN THIS COPY TO US -- YOU MAIL THE EXECUTED ORIGINAL TO US AT THE ABOVE ADDRESS; FAX US A SIGNED COPY OF THIS RECEIPT TO THE FAX NUMBER SHOWN ABOVE; OR PDF THE SIGNED COPY AS AN ATTACHMENT TO AN E-MAIL DIRECTED TO FRANCHISE@AAMCO.COM