

Provision	Section in franchise or other agreement	Summary
v. Choice of forum	FA: § 17.7	Mediation/arbitration must be in Solano County, California (subject to state law). Injunctive relief in any competent court of jurisdiction, if mediation and arbitration requirements are followed and filed at the same time.
w. Choice of law	FA: § 17.6	Except for Federal Arbitration Act and other federal law, California law applies (subject to state law). The non-competition provisions will be governed by the laws of the state where the Warehouse is located.

ITEM 18 PUBLIC FIGURES

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

ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS

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

I. KEY PERFORMANCE INDICATORS & MARKET SHARE ANALYSIS

Part I of this financial performance representation analyzes the impact of 2 key performance indicators ("KPIs") for 1-800-RADIATOR & A/C® Warehouses. As further explained in the footnotes which follow, this analysis is based on the actual operating results of 189 franchised 1-800-RADIATOR & A/C® Warehouses that operated during the 12 accounting periods ended December 28, 2024.

BASES AND ASSUMPTIONS

KPIs for the 1-800-RADIATOR & A/C® franchise model are: (1) having enough inventory in stock so that when a customer places an order, the part will be available for immediate delivery, and (2) making frequent sales visits to customers so that they buy more often, both of which are further explained below.

This KPI analysis is based on Metro Customers. Each 1-800-RADIATOR & A/C® Warehouse's territory is broken down into 2 areas – "Metro Areas" that receive deliveries the same day using the local franchisee's own delivery vehicles and/or contractors' (which contractors do not include

UPS or FedEx ground service) delivery vehicles, and “Non-Metro Areas” that receive next day deliveries, usually by UPS or FedEx ground service. A “Metro Customer” is a customer that is located in a Metro Area. In 2024, over 90% of franchisees’ sales were to Metro Customers.

Greater availability of inventory – Automotive repair shops want to do business with suppliers who deliver parts quickly so the shops can service their customers’ vehicles efficiently. To help franchisees stock appropriately, we have a very sophisticated software package that tracks incoming phone calls and sales by part number and by 1-800-RADIATOR & A/C® Warehouse so that each 1-800-RADIATOR & A/C® Warehouse has a uniquely customized inventory mix. The system allows franchisees to fine-tune their inventory stocking models to achieve very high in-stock rates of parts, while maintaining relatively lean inventories. We find that one of the best ways to keep customers loyal and grow the business is for 1-800-RADIATOR & A/C® Warehouses to minimize the percentage of time that they are out of stock on their fastest moving parts. During 2024, the best performing 1-800-RADIATOR & A/C® Warehouses (top 1/4) were out of stock 7% of the time for radiators and 6% of the time for air conditioning condensers, while the lowest performing 1-800-RADIATOR & A/C® Warehouses (bottom 1/4) were out of stock 12% of the time for radiators and 15% of the time for air conditioning condensers.

Frequent in-person sales visits and outbound calls – Once a 1-800-RADIATOR & A/C® Warehouse achieves great inventory coverage, it must then get the message out to all existing and prospective customers in its territory. Existing and prospective customers require regular in-person sales visits and outbound calls to establish, build, and retain their loyalty.

In 2024, the top 1/4 1-800-RADIATOR & A/C® Warehouses visited and/or made outbound calls to their Metro Customers an average of 5.2 times each, or about 1 visit or call every 9.5 weeks per Metro Customer. The bottom 1/4 1-800-RADIATOR & A/C® Warehouses made an average of 2.6 visits or calls per Metro Customer in 2024 – or about one visit or call every 20 weeks.

Our Manuals and system standards currently require franchisees (or their field sales representative) to make a required amount of sales visits and outbound calls annually to each Metro Customer in their territory. For example, a full-time field sales representative can make 20 to 30 visits per day, which is about 5,000 to 6,250 total visits annually. Therefore, a 1-800-RADIATOR & A/C® Warehouse with 1,003 Metro Customers must have, at minimum, one full-time sales representative. We may periodically adjust the minimum number of sales visits and outbound calls for Metro Customers and Non-Metro Customers, as well as the approved methods of communication for these visits.

In the following table, each 1-800-RADIATOR & A/C® Warehouse included in the financial performance representation is separated into one of 4 groups (1st, 2nd, 3rd, and 4th quartiles) based on average sales per Metro Customer. (For example, a territory with 1,000 Metro Customers doing \$1,000,000 in annual Metro Sales does \$1,000 per Metro Customer.)

2024 Results

In 2024, the average Metro Sales per Metro Customer for all 1-800-RADIATOR & A/C® Warehouses in this analysis was \$1,311, the median Metro Sales per Metro Customer was \$1,164, the highest Metro Sales per Metro Customer was \$3,039, and the lowest Metro Sales per Metro Customer was \$167. The number of 1-800-RADIATOR & A/C® Warehouses in this financial performance representation that met or exceeded the average totaled 80 (42.3%).

	1st Quartile		2nd Quartile		3rd Quartile		4th Quartile		2024 YE Average	2024 YE Median
	Average	Median	Average	Median	Average	Median	Average	Median		
Warehouses	48	48	47	47	47	47	47	47	189	189
Metro Sales Per Metro Customer*	\$2,125	\$2,012	\$1,508	\$1,526	\$994	\$1,002	\$599	\$598	\$1,311	\$1,164
Metro Customers	1,182	1,116	1,459	1,141	1,284	1,129	1,263	976	1,296	1,103
Metro Sales**	\$2,474,150	\$2,444,995	\$2,188,476	\$1,681,329	\$1,261,051	\$1,105,037	\$755,585	\$613,029	\$1,674,071	\$1,224,687
Total Sales ***	\$2,762,852	\$2,670,768	\$2,493,539	\$1,973,676	\$1,431,218	\$1,234,563	\$872,011	\$701,219	\$1,894,524	\$1,473,568
Gross Margin	50%	48%	48%	48%	48%	47%	48%	49%	49%	48%
Visits and Outbound Calls Per Metro Customer	5.2	5.3	4.8	4.8	3.8	3.6	2.6	2.7	4.1	3.7
Radiator OOS%	7%	4%	7%	6%	8%	6%	12%	8%	8%	6%
Condenser OOS%	6%	4%	7%	6%	8%	6%	15%	10%	9%	7%
Compressor OOS%	7%	6%	10%	7%	12%	10%	22%	13%	13%	8%

* For the 1st Quartile, the highest Metro Sales per Metro Customer were \$3,039, and the lowest Metro Sales per Metro Customer were \$1,825.

* For the 2nd Quartile, the highest Metro Sales per Metro Customer were \$1,811, and the lowest Metro Sales per Metro Customer were \$1,164.

* For the 3rd Quartile, the highest Metro Sales per Metro Customer were \$1,161, and the lowest Metro Sales per Metro Customer were \$816.

* For the 4th Quartile, the highest Metro Sales per Metro Customer were \$813, and the lowest Metro Sales per Metro Customer were \$167.

* The highest 2024 year Metro Sales per Metro Customer were \$3,039, and the lowest 2024 year Metro Sales per Metro Customer were \$167.

** For the 1st Quartile, the highest Metro Sales were \$7,907,472, and the lowest Metro Sales were \$369,783.

** For the 2nd Quartile, the highest Metro Sales were \$5,897,541, and the lowest Metro Sales were \$480,978.

** For the 3rd Quartile, the highest Metro Sales were \$3,491,153, and the lowest Metro Sales were \$174,207.

** For the 4th Quartile, the highest Metro Sales were \$2,630,881, and the lowest Metro Sales were \$127,154.

** The highest 2024 year Metro Sales were \$7,907,472, and the lowest 2024 year Metro Sales were \$127,154.

*** For the 1st Quartile, the highest Total Sales were \$8,867,878, and the lowest Total Sales were \$381,672.

*** For the 2nd Quartile, the highest Total Sales were \$6,534,717, and the lowest Total Sales were \$697,061.

*** For the 3rd Quartile, the highest Total Sales were \$3,819,260, and the lowest Total Sales were \$361,344.

*** For the 4th Quartile, the highest Total Sales were \$2,821,017, and the lowest Total Sales were \$146,724.

*** The highest 2024 year Total Sales were \$8,867,878, and the lowest 2024 year Total Sales were \$146,724.

The following chart indicates the number and percentage of franchisees that were above or below the average in each KPI category.

KPI Category	Above/Below Average						% Above/Below Average
		1st Quartile	2nd Quartile	3rd Quartile	4th Quartile	Grand Total	
Metro Sales Per Metro Customer	Above	17	24	26	23	90	48%
Metro Sales Per Metro Customer	Below	31	23	21	24	99	52%
Metro Customers	Above	22	17	19	18	76	40%
Metro Customers	Below	26	30	28	29	113	60%
Metro Sales	Above	24	15	17	16	72	38%
Metro Sales	Below	24	32	30	31	117	62%
Total Sales	Above	22	16	18	17	73	39%
Total Sales	Below	26	31	29	30	116	61%
Gross Margin %	Above	20	18	19	26	83	44%
Gross Margin %	Below	28	29	28	21	106	56%
Visits and Outbound Calls Per Metro Customer	Above	21	19	21	24	85	45%
Visits and Outbound Calls Per Metro Customer	Below	27	28	26	23	104	55%
Radiator OOS %	Above	14	17	18	11	60	32%
Radiator OOS %	Below	34	30	29	36	129	68%
Condenser OOS %	Above	19	17	20	13	69	37%
Condenser OOS %	Below	29	30	27	34	120	63%
Compressor OOS %	Above	13	17	21	14	65	34%
Compressor OOS %	Below	35	30	26	33	124	66%

Footnotes to Financial Performance Representation

- a) We based the above financial performance representations on the actual operating results of 189 franchised 1-800-RADIATOR & A/C® Warehouses that operated during the 12 accounting periods from December 31, 2023 through December 28, 2024. There were 193 franchised 1-800-RADIATOR & A/C® Warehouses that were open and operating as of December 28, 2024. We excluded from the results of Part I of this financial performance representation the 4 1-800-RADIATOR & A/C® Warehouses that did not submit Metro Sales and other KPI results to us for all 12 accounting periods from December 31, 2023 through December 28, 2024. Also excluded is the 1 1-800-RADIATOR & A/C® Warehouse that closed during 2024 (which Warehouse operated for more than 12 months). We obtained the above information for franchised 1-800-RADIATOR & A/C® Warehouses from our WIZMO® Software System. All franchised 1-800-RADIATOR & A/C® Warehouses in this analysis operate in industrial locations within greater metropolitan areas of U.S. cities. These franchised 1-800-RADIATOR & A/C® Warehouses use the prototypical business format and operating procedures for a 1-800-RADIATOR & A/C® Warehouse that form the basis of the franchise opportunity that we offer in this disclosure document. The franchised 1-800-RADIATOR & A/C® Warehouses in the 2024 results operated for an average of 10 years, 4 months.
- b) "Metro Sales per Metro Customer" is "Metro Sales" divided into the "Metro Customers," and "Metro Customers" is the total number of potential Shops a territory has in its Metro Area. Metro Customer count includes all active buying customers and the non-buying Shops. Metro Sales per Metro Customer gives the best indication of the market share because it describes the average revenue each 1-800-RADIATOR & A/C® Warehouse can sell to its entire customer base. The customer counts used are all potential customers in a given Metro Area, including active buying customers as well as non-buying customers.

- c) "Metro Customers" measures the number of automotive repair and related businesses ("Shops" or "customers") inside a 1-800-RADIATOR & A/C® Warehouse's Metro Area. This analysis includes all Shops likely to be doing auto repair work or selling parts (such as Napa®, Auto Zone®, and other parts sellers). It excludes Shops that are out of business or that typically do not do much repair work, such as car washes and gas stations without repair bays. (In our system, we mark these Shops with the marketing statuses of X, M and V. All are excluded from the active Metro Shop count.) These counts are maintained by each franchisee at the local level, and we have not sought to verify their accuracy.
- d) "Metro Sales" represents net sales to Shops within the 1-800-RADIATOR & A/C® Warehouse's Metro Area, based on assigned zip codes. "Sales" includes the sum of: (i) sales from parts delivered by the 1-800-RADIATOR & A/C® Warehouse; (ii) sales from parts shipped into the 1-800-RADIATOR & A/C® Warehouse's territory by other 1-800-RADIATOR & A/C® Warehouses; and (iii) miscellaneous collections from customers. It excludes revenues collected from the 1-800-RADIATOR & A/C® Warehouse's sale of inventory to neighboring franchisees, as described in footnote e).
- e) "Total Sales" are the total combined net sales to Metro and Non-Metro Customers within the 1-800-RADIATOR & A/C® Warehouse's territory. Net sales are sales after discounts, returns, coupons and most other promotions. Rebates for certain customers may not be included in these totals, which in some cases would reduce the stated sales numbers. Also not included in these sales numbers are inter-1-800-RADIATOR & A/C® Warehouse inventory transfers ("drop-ship warehouse" or "DW's"), which would increase the sales numbers. Within our 1-800-RADIATOR & A/C® franchise system, franchisees may buy inventory from and sell inventory to neighboring 1-800-RADIATOR & A/C® Warehouses. This typically happens when 1-800-RADIATOR & A/C® Warehouses are out of stock on parts locally and need to source product from a neighboring franchised 1-800-RADIATOR & A/C® Warehouse. The shipping 1-800-RADIATOR & A/C® Warehouse may apply a mark-up at its discretion, which the receiving 1-800-RADIATOR & A/C® Warehouse must pay. If the shipping 1-800-RADIATOR & A/C® Warehouse charges a markup on the cost of the part, the mark-up becomes income for the shipping 1-800-RADIATOR & A/C® Warehouse and would be added to the Cost of Goods line item in the receiving 1-800-RADIATOR & A/C® Warehouse's profit and loss statement. The receiving 1-800-RADIATOR & A/C® Warehouse is also responsible for freight costs. In 2024, there were no royalties charged on DW inventory-only revenues. For 2024, there were approximately \$13.3 million of DW revenues within the entire 1-800-RADIATOR & A/C® network, which include royalty-free income collected by shipping 1-800-RADIATOR & A/C® Warehouses of approximately \$3.3 million, which is then billed to the receiving 1-800-RADIATOR & A/C® Warehouses and added to their Cost of Goods. The additional DW fees added to Cost of Goods are reflected in the Gross Margin %.
- f) "Gross Margin %" is Total Sales less Cost of Goods divided by Average Total Sales. The method for determining Cost of Goods is the sum of the total cost of products sold by the 1-800-RADIATOR & A/C® Warehouses during the time period including any markups charged by neighboring 1-800-RADIATOR & A/C® Warehouses when parts are out of stock locally. There is also an additional 1% subtracted from Gross Margin % to account for vendor freight and warranty expenses incurred by each 1-800-RADIATOR & A/C® Warehouse. The above financial performance representation does not reflect

the cost of sales, operating expenses or other costs or expenses that must be deducted from the Total Sales to obtain your net income or profit, including costs and expenses related to labor, leases and rent, insurance, utilities, supplies and other additional purchased materials that are not sellable inventory, licenses and permits, and professional fees.

- g) "Visits and Outbound Calls per Metro Customer" divides the total in-person sales visits and/or calls per 1-800-RADIATOR & A/C® Warehouse by the total number of Metro Customers for that same 1-800-RADIATOR & A/C® Warehouse. The in-person sales visits and outbound calls are the visits and outbound calls entered into the WIZMO® Software System by each 1-800-RADIATOR & A/C® Warehouse.
- h) "Radiator OOS%" is the rate at which each 1-800-RADIATOR & A/C® Warehouse is out of stock on its fastest moving radiator parts. The WIZMO® Software System tracks each phone call and quote and the availability of the requested part. This information is used to enhance and improve each franchisee's marketing efficiencies. Since this KPI measures only a specific set of the fastest moving parts in each 1-800-RADIATOR & A/C® Warehouse's territory, it is not an in-stock rate for the entire line of all radiator parts being marketed.
- i) "Condenser OOS%" is the same KPI described in footnote "h," except it measures the out of stock performance for the air conditioning condensers part category.
- j) "Compressor OOS%" is the same KPI described in footnote "h," except it measures the out of stock performance for the air conditioning compressors part category.

II. SALES TO COST ANALYSIS

Part II of this financial performance representation reflects the average sales, certain expenses and income for the period from December 31, 2023 through December 28, 2024 for the 112 franchised 1-800-RADIATOR & A/C® Warehouses that participated in our survey for 2024. We surveyed all 1-800-RADIATOR & A/C® Warehouse franchisees regarding their business expenses for 2024. We received responses for 112 1-800-RADIATOR & A/C® Warehouses (which were operated by 56 franchisees). The 1-800-RADIATOR & A/C® Warehouses in Part II of this financial performance representation have operated for an average of 11 years, 7 months.

The 1-800-RADIATOR & A/C® Warehouses included in the results below are characteristic of the typical 1-800-RADIATOR & A/C® Warehouse locations in our franchise system. The number of 1-800-RADIATOR & A/C® Warehouses by state are as follows: 2 in Alabama, 5 in Arizona, 1 in Arkansas, 11 in California, 1 in Colorado, 1 in Delaware, 13 in Florida, 5 in Georgia, 5 in Illinois, 1 in Indiana, 2 in Kansas, 2 in Kentucky, 1 in Louisiana, 4 in Maryland, 2 in Michigan, 1 in Minnesota, 3 in Mississippi, 2 in Missouri, 1 in Nebraska, 3 in New York, 6 in North Carolina, 1 in Ohio, 1 in Oklahoma, 5 in Pennsylvania, 2 in Puerto Rico, 4 in South Carolina, 1 in Tennessee, 14 in Texas, 6 in Virginia, 2 in Washington, 1 in West Virginia, and 3 in Wisconsin.

The survey asked for franchisees' operational expenses only. Our WIZMO® Software System provided the figures for Sales, DW Income earned and Cost of Goods ("COGS") to complete the chart below.

We used our WIZMO® Software System to obtain this information because in most cases our franchisees classify DW revenues in their sales and COGS lines in their profit and loss statements that are unrelated to the core business described throughout this disclosure document. Furthermore, no royalties and marketing fees are charged on these DW inventory-only revenues. In order to give prospective franchisees an accurate perspective into the unit economics of this business model without those DW revenues, we decided to collect from our franchisees expense detail only and then match sales and COGS information to each franchisee to complete the chart below. A series of supporting footnotes describe each line item in the chart in more detail. The chart summarizes the average expenses and EBITDA information of all the respondents in our survey.

# of Survey Respondents	112	Total Above	Total Below	Total Above %	Total Below %
Sales Per Metro Shop*	\$ 1,398	59	53	53%	47%
Metro Shops	1,344	44	68	39%	61%
Sales + DW Income**	\$ 2,150,588	37	75	33%	67%
COGS	\$ 1,058,661	43	69	38%	62%
Gross Profit	\$ 1,091,927	35	77	31%	69%
Gross Margin %	50%	42	70	38%	63%
Royalties & Fees	\$ 206,715	43	69	38%	62%
Automobile	\$ 43,046	48	64	43%	57%
Labor	\$ 476,775	34	78	30%	70%
Communications	\$ 9,743	49	63	44%	56%
Advertising & Marketing	\$ 23,021	38	74	34%	66%
General Office	\$ 10,651	32	80	29%	71%
Insurance	\$ 16,162	43	69	38%	62%
Occupancy	\$ 95,239	41	71	37%	63%
Shipping & Postage	\$ 27,420	44	68	39%	61%
Other Above Line Expenses	\$ 42,480	30	82	27%	73%
EBITDA \$***	\$ 167,319	46	66	41%	59%
EBITDA %	8%	57	55	51%	49%

* The median Sales Per Metro Shop was \$1,478.

** The highest Sales Per Metro Shop was \$2,544.

* The lowest Sales Per Metro Shop was \$167.

** The median Sales + DW Income was \$1,707,065.

** The highest Sales + DW Income was \$8,900,534.

** The lowest Sales + DW Income was \$309,549.

*** The median EBITDA \$ was \$110,239.

*** The highest EBITDA \$ was \$819,379.

*** The lowest EBITDA \$ was -\$478,113.

Footnotes to Financial Performance Representation

1. “Sales + DW Income” are total sales delivered into the Metro Areas and Non-Metro Areas combined plus the DW revenues earned by marking up inventory and selling to neighboring 1-800-RADIATOR & A/C® Warehouses. For the 112 1-800-RADIATOR & A/C®

Warehouses in the survey results, the “DW Income” represents an average 0.9% of the Sales + DW Income figures.

2. “COGS” includes an allowance for vendor freight and scrapped/warrantied parts of an additional 1%. The amounts are estimates based on our franchisees’ experience during the period. Your actual costs may vary significantly depending on the level of inventory your Warehouse carries as well as your policy of accepting returns from your customers.
3. “Gross Margin %” equals Sales less COGS, divided by total Sales.
4. “Royalties & Fees” are the total royalties, local marketing and national marketing fees paid by the franchisees that participated in the survey. This also includes call center charges and credit card/payment processing fees.
5. “Automobile” are all automotive expenses including gas, insurance, maintenance, major repairs, mileage, and other items. It does not include loan payments related to vehicle purchases.
6. “Labor” includes all labor costs, but not any draw or salary for the franchisee. The typical labor roles franchisees hire for their 1-800-RADIATOR & A/C® Warehouses are:
 - a. Customer Service Representatives or Inside Sales – Franchisees hire someone to answer inbound phone calls coming in from customers looking to order products. In most cases, this role is also able to help around the 1-800-RADIATOR & A/C® Warehouse with staging deliveries, receiving product from suppliers and also making outbound marketing telephone calls during down time.
 - b. Field Sales Representatives or Outside Sales – Each franchisee needs to visit all Metro Customers at least 4 times per year, but this can be more, depending on the type of customer, as well as differences in categories of inventory. The average field sales representative can make and enter into our system 20 to 30 visits per day depending on the size of the territory. Accordingly, one full time field sales representative can cover a territory between 1,250 to 1,875 Metro Shops.
 - c. Drivers – Franchisees hire and/or contract drivers to deliver product to customers. In many instances, franchisees have a mixture of employed drivers, contract delivery services, and/or on-demand delivery options in order to better control their costs with the seasonal swings of their businesses. Most franchisees have at least one full time driver for every \$300,000 to \$500,000 of revenue. This item includes contract services, health insurance, state and federal taxes, Social Security, and other labor-related costs.
7. “Communications” are all phone and Internet service costs. This includes phone lines, faxes, and cellular services.
8. “Advertising & Marketing” includes the cost of materials such as candy, notepads, flyers, stickers and all other advertising and marketing supplies.
9. “General Office” includes the cost of general office supplies such as paper, ink, staples, toiletries, pens, uniforms, and other items.

10. “Insurance” is the cost of insurance (e.g., general liability, property, and workers compensation). It does not include health or automobile insurance. We included the costs of automobile insurance in the “Automobile” line item, and the costs of health insurance in the “Labor” line item.
11. “Occupancy” are costs that include rent, building maintenance, alarms, and all other utilities like electric, gas, water, and trash service.
12. “Shipping & Postage” is the cost that includes packing and shipping supplies and postage expenses related to customer purchases.
13. “Other Above Line Expenses” are the expenses of all other costs directly related to the business. These costs include travel, meals and entertainment, professional fees, and new furniture and equipment.
14. “EBITDA \$” are the amounts that remain for franchisees when all expenses listed in the table are subtracted from Sales + DW Income. “EBITDA” stands for “Earnings Before Interest, Depreciation and Amortization.”
 - a. We have not included depreciation, amortization, and debt service.
 - b. Franchisees may have depreciation/amortization deductions from certain equipment and costs to acquire their 1-800-RADIATOR & A/C® Warehouses.
 - c. We have not made any provisions in the table for debt service related to these or other items.
 - d. This table does not include an allowance for general administrative costs such as bookkeeping, accounting, collections, and maintenance because generally franchisees personally perform these duties.
15. “EBITDA %” is EBITDA \$ / Sales + DW Income.
16. “Sales per Metro Shop” are “Metro Sales” divided into the “Metro Shops,” and “Metro Shops” is the total number of potential Shops a territory has in its Metro Area. Metro Shop count includes all active buying customers and the non-buying Shops. “\$/Metro Shop” gives the best indication of market share because it describes the average revenue each 1-800-RADIATOR & A/C® Warehouse can sell to its entire customer base. The Shop counts used are all potential customers in a given Metro Area, including active buying customers as well as non-buying customers.
17. “Metro Shops” measures the number of automotive repair and related businesses (“Shops” or “customers”) inside a 1-800-RADIATOR & AC® Warehouse’s Metro Area. This analysis includes all Shops likely to be doing auto repair/collision work and selling parts (such as Napa®, Auto Zone®, and other parts sellers). It excludes Shops that are out of business or that typically do not do much repair work, such as car washes and gas stations without repair bays. (We mark these Shops with the marketing statuses of X, M and V. All are excluded from the active Metro Shop count.) These counts are maintained by each franchisee at the local level, and we have not sought to verify their accuracy.

* * * * *

Prospective franchisees and sellers of franchises should note that no certified public accountant has audited these figures or expressed his or her opinion concerning their contents or form.

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

Some 1-800-RADIATOR & A/C® Warehouses have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.

Other than the preceding financial performance representations, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing 1-800-RADIATOR & A/C® Warehouse, however, we may provide you with the actual records of that 1-800-RADIATOR & A/C® Warehouse. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Scott O'Melia, 440 South Church Street, Suite 700, Charlotte, North Carolina 28202, (704) 377-8855, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

All figures in the following tables are as of our fiscal year ends of December 28, 2024, December 30, 2023, and December 31, 2022. The "Company-Owned" outlet referenced in the tables below is A/C Corporation's outlet.

Table No. 1

Systemwide Outlet Summary For years 2022 to 2024

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year*	Column 5 Net Change
Franchised	2022	193	193	0
	2023	193	194	+1
	2024	194	193	-1
Company-Owned	2022	1	1	0
	2023	1	1	0
	2024	1	1	0
Total Outlets	2022	194	194	0
	2023	194	195	+1
	2024	195	194	-1