

Provision	Section in franchise or other agreement	Summary
		any franchise agreement (or MUDA) is intended to disclaim the express representations made in this Disclosure Document.
u. Dispute resolution by arbitration or mediation	§ 17.1 (MUDA § 7)	All disputes are resolved by arbitration (except for injunctive relief) (subject to applicable state law).
v. Choice of forum	§§ 17.1; 17.5 (MUDA § 7)	Arbitration will take place where our headquarters is located (currently, Jacksonville, Florida) (subject to applicable state law). Any legal proceedings not subject to arbitration will take place in the District Court of the United States, in the district where our headquarters is then located, or if this court lacks jurisdiction, the state courts of the state and county where our headquarters is then located (subject to applicable state law).
w. Choice of law	§ 18.8 (MUDA § 7)	Florida (subject to applicable state law).

For additional disclosures required by certain states, refer to Exhibit H - State Addenda to Disclosure Document.

**Item 18  
PUBLIC FIGURES**

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

**Item 19  
FINANCIAL PERFORMANCE REPRESENTATIONS**

The FTC’s Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlets 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.

As of December 31, 2025, we had two affiliate-owned Children’s Art Classes locations, and we had 36 franchisees in operation.

Table 1 reflects historical financial information for the 2 affiliate-owned outlets and for the 12 franchisee-owned outlets that were open throughout the 2025 calendar year. Table 1 does not include information on the 24 franchisee-owned outlets that opened during the 2025 calendar year.

As indicated below, Table 2 reflects historical information from 2 affiliate-owned outlets, respectively. Except as noted in the footnotes to the tables below, we are not aware of any characteristics of these locations which will differ materially from those of the outlet that may be offered to you

For all tables, “Gross Sales” means the total revenue derived from the sale of goods or services less sales tax and discounts.

We prepared the information below from our information and from information provided by our franchisees and affiliates. These reported results are not audited, and we have not independently verified this data. However, we believe it to be accurate.

**Table 1-Gross Sales for 2022-2025**

The following table shows the historical reported information for the Gross Sales for the 2 affiliate owned locations and for the 12 franchisee owned locations that were open throughout the 2025 calendar year.

<b>Location</b>	<b>Date Opened</b>	<b>2022 Gross Sales</b>	<b>2023 Gross Sales</b>	<b>2024 Gross Sales</b>	<b>2025 Gross Sales</b>
Ponte Vedra Beach, FL*	2018	\$139,826	\$147,337	\$147,321	\$153,490
Jacksonville, FL*	2009	\$332,554	\$390,412	\$359,449	\$329,098
Nolensville, TN**	2/21/2018	\$177,253	\$260,449	\$232,370	\$301,486
Richmond, VA	9/19/2021	\$100,730	\$156,842	\$166,622	\$193,037
Geneva, IL	10/3/2021	\$53,040	\$64,201	\$81,754	\$85,906
Brownsburg, IN	2/1/2022	\$75,502	\$116,492	\$126,689	\$170,265
Hanover, MA	10/1/2023	NA	\$31,209	\$160,690	\$188,992
Greenville, SC	6/4/2023	NA	\$55,073	\$117,865	\$165,983
Sarasota, FL	6/3/2023	NA	\$51,530	\$165,592	\$201,960
Fairfield, CT	10/31/2023	NA	\$ 9,017	\$113,875	\$134,584
Murfreesboro, TN	10/31/2023	NA	\$27,464	\$118,616	\$146,803
Saratoga Springs, UT	9/8/2024	NA	NA	\$95,365	\$206,828
St. Petersburg, FL	9/3/2024	NA	NA	\$28,251	\$73,502
Manhattan, NY	9/29/2024	NA	NA	\$24,753	\$92,188

\* Affiliate owned locations

\*\* This outlet had a license agreement with an associate of ours and converted to a franchise outlet in 2022; however, during 2022, it operated in a similar manner as a franchise outlet.

### **Table 2-Summary Income Statement for Affiliate Owned Locations for 2025**

The following tables are a summary income statement for the 2 affiliate owned locations for 2018 through 2024. Beaches opened in September 2018, so the tables below include operating results only for 2019 through 2024, the years in which that was open for 12 full months. The affiliates whose performance is disclosed in this Item 19 are subject to the same territory and solicitation restrictions as the franchises being offered.

	2017	2018	2019		2020		2021	
	Baymeadows	Baymeadows	Baymeadows	Beaches	Baymeadows	Beaches	Baymeadows	Beaches
<b>Gross Sales</b>	<b>\$124,863</b>	<b>\$141,424</b>	<b>\$179,221</b>	<b>\$76,282</b>	<b>\$136,021</b>	<b>\$94,560</b>	<b>\$231,085</b>	<b>\$122,242</b>
<b>Operating Expenses</b>								
Art Supplies	(\$12,424)	(\$14,154)	(\$10,451)	(\$5,340)	(\$15,290)	(\$6,221)	(\$10,727)	(\$6,221)
Rent	(\$25,994)	(\$27,034)	(\$30,249)	(\$32,779)	(\$29,029)	(\$36,052)	(\$34,945)	(\$35,450)
Utilities	(\$3,202)	(\$2,611)	(\$2,059)	(\$937)	(\$1,758)	(\$1,131)	(\$3,166)	(\$786)
Insurance	(\$1,211)	(\$827)	(\$1,284)	(\$570)	(\$1,329)	(\$765)	(\$707)	(\$765)
Advertising (above Local Advertising Requirement)	(\$1,948)	(\$3,264)	(\$4,696)				(\$2,240)	(\$2,366)
Awards & Art Show	\$0	\$0	(\$1,594)	\$0	(\$225)	(\$600)	(\$452)	(\$425)
Miscellaneous	\$0	\$0	(\$5,532)	(\$166)	\$0	(\$1,634)	\$0	(\$500)
Cleaning								
Merchant Services Fee								
Technology Fee	(\$2,388)	(\$2,388)	(\$2,388)	(\$2,388)	(\$2,388)	(\$2,388)	(\$2,388)	(\$2,388)
Royalty Fee	(\$10,301)	(\$11,667)	(\$14,786)	(\$6,293)	(\$11,222)	(\$7,801)	(\$19,065)	(\$10,085)
Local Advertising Requirement	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)
<b>Total Expenses (including franchise costs)</b>	<b>(\$63,468)</b>	<b>(\$67,945)</b>	<b>(\$79,039)</b>	<b>(\$54,473)</b>	<b>(\$67,241)</b>	<b>(\$62,592)</b>	<b>(\$79,690)</b>	<b>(\$64,986)</b>
<b>Adjusted Discretionary Income</b>	<b>\$61,395</b>	<b>\$73,479</b>	<b>\$100,182</b>	<b>\$21,809</b>	<b>\$68,780</b>	<b>\$31,968</b>	<b>\$151,395</b>	<b>\$57,256</b>

	2022		2023		2024		2025	
	Baymeadows	Beaches	Baymeadows	Beaches	Baymeadows	Beaches	Baymeadows	Beaches
<b>Gross Sales</b>	<b>\$332,554</b>	<b>\$139,826</b>	<b>\$390,412</b>	<b>\$147,337</b>	<b>\$359,449</b>	<b>\$147,321</b>	<b>\$339,049</b>	<b>\$226,275</b>
<b>Operating Expenses</b>								
Art Supplies	(\$16,592)	(\$9,952)	(\$28,308)	(\$6,931)	(\$26,888)	(\$6,394)	(\$28,097)	(\$7,741)
Rent	(\$42,922)	(\$39,368)	(\$46,232)	(\$42,708)	(\$45,549)	(\$45,530)	(\$47,674)	(\$43,214)
Utilities	(\$5,011)	(\$3,962)	(\$3,230)	(\$1,397)	(\$3,252)	(\$2,437)	(\$6,122)	(\$4,966)
Insurance	(\$504)	(\$740)	(\$509)	(\$815)	(\$509)	(\$938)	(\$952)	(\$1,204)
Advertising (above Local Advertising Requirement)	(\$6,668)	(\$7,518)	(\$4,433)	(\$6,687)	(\$5,171)	(\$9,521)	(\$12,467)	(\$7,600)
Awards & Art Show	(\$1,578)	(\$813)	(\$1,613)	(\$900)	(\$1,149)	\$0	(\$1,611)	\$0
Miscellaneous	(\$3,077)	(\$2,961)	(\$6,191)	(\$8,548)	(\$6,479)	(\$5,975)	(\$7,737)	(\$3,005)
Cleaning	(\$2,800)	(\$1,685)	(\$2,934)	(\$1,245)	(\$3,230)	(\$2,600)	(\$4,905)	(\$3,457)
Merchant Services Fee	(\$10,446)	(\$4,385)	(\$12,205)	(\$4,599)	(\$11,862)	(\$4,420)	(\$7,136)	(\$5,899)
Technology Fee	(\$2,388)	(\$2,388)	(\$6,093)	(\$3,180)	(\$3,180)	(\$3,210)	(\$3,239)	(\$1,470)
Royalty Fee	(\$27,436)	(\$11,536)	(\$32,209)	(\$12,155)	(\$29,655)	(\$12,154)	(\$27,972)	(\$18,668)
Local Advertising Requirement	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)
<b>Total Expenses (including franchise costs)</b>	<b>(\$125,422)</b>	<b>(\$91,308)</b>	<b>(\$149,957)</b>	<b>(\$95,165)</b>	<b>(\$142,924)</b>	<b>(\$99,179)</b>	<b>(\$153,912)</b>	<b>(\$103,225)</b>
<b>Adjusted Discretionary Income</b>	<b>\$207,132</b>	<b>\$48,518</b>	<b>\$240,455</b>	<b>\$52,172</b>	<b>\$216,525</b>	<b>\$48,142</b>	<b>\$185,137</b>	<b>\$123,050</b>

1. “Miscellaneous” expenses include phone, post office box, and accounting expenses.

2. Expenses includes the royalty fee (the greater of \$500 per month or 8.25% of gross sales) that these outlets would have paid if they were franchises.

3. A franchisee is also required to spend money on local marketing (\$1,000 per month unless a school has at least 150 enrolled students in which case the requirement is only \$500 per month). Because both locations had over 150 enrolled students for all years reflected in this Table, this spending is shown as \$500 per month and is reflected under “Local Advertising Requirement”. We deducted the same amount from the “Advertising” actually spent on the outlets. Therefore, to calculate the amount actually spent on adverting by each outlet, you would add “Advertising (above Local Advertising Requirement)” and the “Local Advertising Requirement” (except for Beaches in 2019, which spent \$4,699 on advertising; Beaches for 2020, which spent \$5,210 on advertising; and Baymeadows in 2020, which spent \$5,018 on advertising). The Advertising expense includes print and digital paid ads as well as our affiliate’s website.

4. We currently do not require franchisees to contribute to the Brand Development Fund, but we have the right to start a Brand Development Fund in the future and require franchisees to pay up to 1% of gross sales to the fund.

5. “Adjusted Discretionary Income” is Gross Sales minus Total Expenses (including franchise costs). It does not reflect any interest on loans, taxes, depreciation, or amortization.

The foregoing tables are historic financial performance representation.

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

**Some outlets 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 representation, CAC Franchising, LLC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting Stephanie Larsen, 5000 US Hwy. 17S, Suite 18#104, Fleming Island, FL 32003, and 904.962.4292, the Federal Trade Commission, and the appropriate state regulatory agencies.

**Item 20**  
**OUTLETS AND FRANCHISEE INFORMATION**

**Table 1**  
**Systemwide Outlet Summary**  
**For Years 2023 to 2025**

<b>Column 1 Outlet Type</b>	<b>Column 2 Year</b>	<b>Column 3 Outlets at the Start of the Year</b>	<b>Column 4 Outlets at the End of the Year</b>	<b>Column 5 Net Change</b>
Franchised	2023	6	9	+3
	2024	9	12	+3
	2025	12	36	+24
Company-Owned*	2023	2	2	0
	2024	2	2	0
	2025	2	2	2
<b>Total Outlets</b>	<b>2023</b>	<b>8</b>	<b>11</b>	<b>+3</b>
	<b>2024</b>	<b>11</b>	<b>14</b>	<b>+3</b>
	<b>2025</b>	<b>14</b>	<b>38</b>	<b>+24</b>

**Table 2**  
**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)**  
**For Years 2023 to 2025**

<b>Column 1 State</b>	<b>Column 2 Year</b>	<b>Column 3 Number of Transfers</b>
N/A	2023	0
	2024	0
	2025	0
<b>Total</b>	<b>2023</b>	<b>0</b>
	<b>2024</b>	<b>0</b>
	<b>2025</b>	<b>0</b>