

			unless Franchisor fails to exercise its option to submit such claim or dispute to mediation, or such mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) as a result of a written declaration by Franchisor. Franchisor's rights to mediation, as set forth herein, may be specifically enforced by Franchisor. Each party shall bear its own cost of mediation and Franchisor and Franchisee shall share the mediator's costs equally. This agreement to mediate shall survive any termination or expiration of this Agreement.
v.	Choice of forum	Section XIX(F)	All claims not subject to mediation must be brought before a court of general jurisdiction in New Castle County, Delaware, or the United States District Court for the District of Delaware. You consent to the personal jurisdiction and venue of any court of general jurisdiction in New Castle County, Delaware, and the United States District Court for the District of Delaware (subject to state law).
w.	Choice of law	Section XIX (G)	The franchise agreement is governed by the laws of the State of Delaware (subject to state law).

ITEM 18 **PUBLIC FIGURES**

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

ITEM 19 **FINANCIAL PERFORMANCE REPRESENTATIONS**

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

BACKGROUND

In this Item 19, we disclose the Sales achieved by two (2) System locations that were operated on a full-time basis over the 2023 and 2024 calendar year (each, a "Primary Operator"). Of the two (2) System locations, one (1) of the locations was owned and operated by our affiliate (the "Affiliate Business") over the 2023 and 2024 calendar year.

We excluded seven (7) System franchisees that were operating on less than a full time basis. These System franchisees operate under a part-time model that is a different business model than what is currently being offered. This information was recorded and reported to us by the owners of the Affiliate Business and the

Franchised Business being disclosed in this Item.

We have not independently audited this information. Written substantiation of the data used in preparing this information will be made available upon reasonable request.

Some outlets have sold this amount. Your individual results may differ. There is no assurance you will sell as much.

Sales Generated By Primary Operators in the 2023 Calendar Year

	Affiliate	Franchised Location
Total Income	\$437,617	\$1,007,018
COGS- Supplies Purchased	\$85,335	\$201,406
Gross Profit	\$352,282	\$805,612
Expenses		
Total Advertising/Brand Fund	\$912 ¹	\$30,000 ⁴
Auto/ Truck Expenses	\$10,076	\$20,156
Insurance Expense	\$12,274	\$20,640
Payroll Expenses/Administration	\$87,250	\$179,872
Rent/Property Taxes	\$2,716 ³	\$20,400
Royalties	\$26,257 ¹	\$62,928 ⁴
Utilities	\$3,286	\$2,484
Total Expense⁶	\$147,901	\$359,021
Net Ordinary Income⁷	\$204,381	\$446,591

Sales Generated By Primary Operators in the 2024 Calendar Year

	Affiliate	Franchised Location
Total Income	\$688,765	\$1,176,144
COGS- Supplies Purchased	\$224,058	\$262,162
Gross Profit	\$464,707	\$913,982
Expenses		
Local Advertising Spend	\$2,592	\$56,454
Brand Fund Contribution	\$6,888 ¹	\$11,761 ⁴
Auto/ Truck Expenses	\$20,540	\$29,451
Administrative Fee²	\$27,551	\$47,046
Insurance Expense	\$12,626.39	\$23,144
Payroll Expenses/Administration	\$90,762.00	\$196,491
Rent/Property Taxes	\$4,147 ³	\$20,400
Royalties	\$48,214 ¹	\$82,330 ⁴
Technology Fee⁵	\$7,140	\$7,140
Utilities	\$10,322.45	\$2,964
Total Expense⁶	\$218,155	\$541,989
Net Ordinary Income⁷	\$246,552	\$371, 993

GENERAL NOTES TO ITEM 19

Note 1. The affiliate is the founders' location, and the Royalty and Brand Fund is added above, but was not collected. This affiliate is not required to pay royalties or contribute to the Brand Fund, as set forth in the current version of our franchise agreement. We have included this amount to illustrate what the contribution would be based upon the current version of our franchise agreement requiring a 7% Royalty and a 1% Brand Fund contribution.

Note 2. The affiliate and franchised location are not required to pay the Administrative Fee of 4%. We have included the Administrative Fee to represent what you would expect to pay under the current version of our agreement.

Note 3. Rent is included in this Item 19, but is not collected or paid, as the founders own the building and need only pay property taxes.

Note 4. This franchisee operates under a previous version of the franchise agreement. Under their version of the franchise agreement, they are required to pay a Royalty of 8%, or \$94,092, and 2% Brand Fund contribution, or \$23,523, resulting in a Total Expense of \$577,274 and Net Income of \$336,708.

Note 5. The affiliate and franchisee are not required to pay the Technology Fee of \$595 per month, as set forth in the current version of our franchise agreement. Also, the affiliate and franchisee do not use CRM, as it is not mandated under their agreements. Your franchise agreement will require you to pay the Technology Fee and use our CRM.

Note 6. Both the affiliate and the franchisee reported only certain ordinary expenses associated with the operation of an Affiliate Business and a Franchised Business, respectively. Neither the affiliate nor the franchisee reported costs and fees associated with obtaining licenses or permits that are required to operate your business. You will have costs associated with obtaining licenses and permits. This also does not include repairs, maintenance and equipment depreciation.

Note 7. Net Income is defined as Gross Profit less Total Expense as set forth hereinabove, and does not include taxes.

NOTES REGARDING THE AFFILIATE BUSINESS

The Affiliate Business has been operated by our principal in the area of Ogden, Utah since 2005. It transitioned to and commenced operating under the Proprietary Mark STEEL COATED FLOORS® in early 2019 and has actively operated under the Proprietary Marks since that time. The Affiliate Business does not have a franchise agreement or license agreement with Steel Coated Floors International, LLC. Accordingly, our affiliate does not pay us a royalty fee, brand fund contribution, or other ongoing fee that would be required for a franchised business operating pursuant to our current form of Franchise Agreement that you will be required to enter into with us. In addition to epoxy coatings, the Affiliate Business also offers painting services in connection with a wide range of projects including new construction, remodels, additions, basements, repaints, garages, and large commercial projects. Client Projects comprised solely of these additional services and products were not included in this financial performance representation, and all Gross Revenue derived from the sale of these additional products and services was excluded from the data reported in the chart above.

Other than the foregoing, we do not make any representations about a franchisee's future financial

performance or the past financial performance of company-owned or franchised outlets. 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 our Chief Executive Officer, Kevin Longe 19500 Victor Parkway, Livonia, MI 48152 or by phone at (248)798-8029, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table 1

System-Wide Outlet Summary

For Fiscal Years 2022, 2023, and 2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	17	16	-1
	2023	16	8	-8
	2024	8	8	0
Company-Owned	2022	1	1	0
	2023	1	1	0
	2024	1	1	0
Total Outlets*	2022	18	17	-1
	2023	17	9	-8
	2024	9	9	0