

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

This Item 19 provides certain historical data provided by our franchisees. As of December 31, 2024, there were 198 Centers in the United States (see Item 20). These Centers offer products and services to both consumers and business customers. The following table provides information about the sales performance in 2024 of those Centers that have been open for more than 12 consecutive months as of December 31, 2024. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

For purposes of this Item 19, "Gross Sales" has the same meaning as defined in the Franchise Agreement. It means revenue from the sale of all products and/or services, revenue generated by the Franchisee's use of the Center's products or services for businesses unrelated to the Center, and all other income or consideration of every kind and nature, received by the Center, whether for cash, barter, or credit, and regardless of collection in the case of credit. Gross Sales also includes: (1) at least seventy percent (70%) of the full retail value of any product and/or service used by Franchisee, or its officers or owners, for personal use; (2) at least seventy percent (70%) of the full retail value of any product and/or service provided by Franchisee to another individual and/or entity, which has been discounted over thirty percent (30%) off of the full retail price; (3) at least seventy percent (70%) of the full retail value of any gift certificate or coupon sold for use at the Center discounted over thirty percent (30%) off of the retail prices (fees retained by or paid to third party sellers of such gift certificates or coupons are not excluded from this calculation); and (4) at least seventy percent (70%) of the full retail value of any product and/or service provided by Franchisee to another individual and/or entity in exchange for barter services such as advertising or marketing benefits to Franchisee. Gross Sales does not include any sales taxes or other taxes collected by the Franchisee from Center customers and thereafter paid directly to the appropriate taxing authority.

The term "Average," also known as the "Mean," refers to the sum of all data points in a set, divided by the number of data points in that set.

The term "Median" refers to the data point that is in the center of all data points used. That number is found by examining the total number of data points and finding the middle number in that set. In the event that the number of data points is an odd number, the median will be the center number. If the dataset contains an even number of data points, the median is reached by taking the two numbers in the middle, adding them together, and dividing by two.