

TERRE

NILES INDUSTRIAL COATINGS Q2 NEWSLETTER

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Niles History

In 1958, Ronald L. Niles and his sons Ronald, Gary and Dan founded the Genesee Decorating Company, a union painting company, in Flint, Michigan. Over the next 40 years, it evolved into the Genesee Painting Company and expanded its reputation and business by earning client trust, building a culture of safety and successfully handling larger and larger projects.

In 2002, Ryan Niles (the son of Dan Niles) launched Niles Industrial and was joined by Genesee Painting's core management staff. After the first year, Niles Industrial sales hit a staggering \$6 million a year.

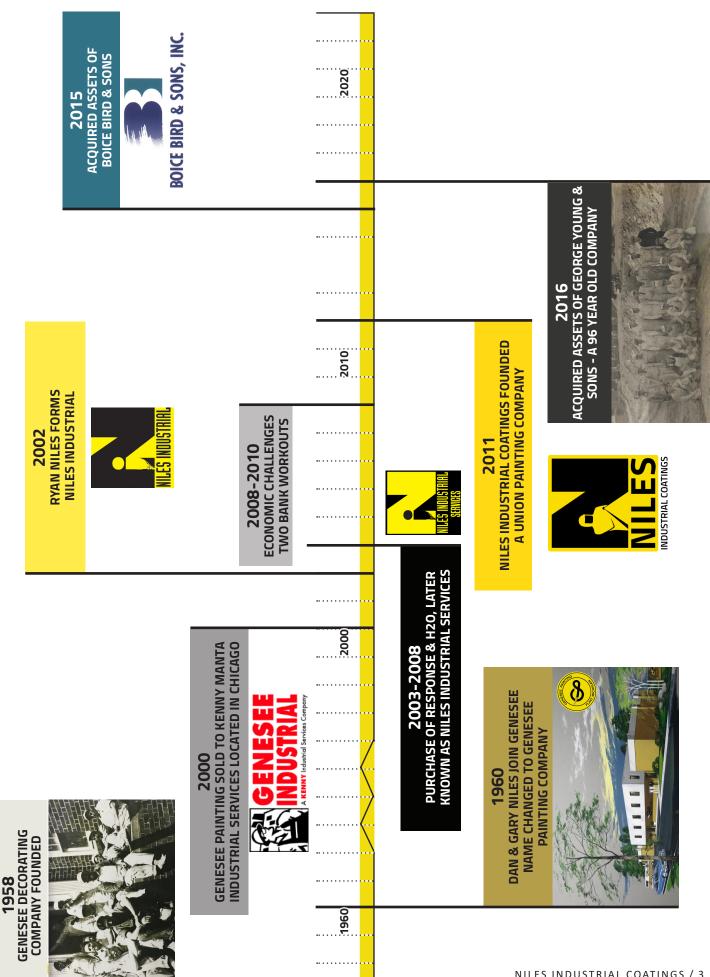
During challenging economic times between 2009 and 2011, the team at Niles went through two bank workouts and was forced to dig deep to stay in business. This period was truly a defining moment both for Ryan and for the company. Our team discovered how much grit and determination we had. This is when our culture was reborn and many of the lessons we hold dear today were learned. We shed several customers who were not good partners and strengthened relationships with customers who were. We adopted a model where working directly with an owner was preferred over working through General Contractors. We gained a deeper understanding of cash flow management, loyalty, investment in leadership and training, and we could better grasp what it takes to truly succeed. NIC protected vendors, strengthened our team, gained new customers, and developed our core values during this period.

In 2015, NIC acquired certain assets of Boice Bird and Sons Inc., a competitor. Boice Bird was a \$2,500,000 dollar a year painting contractor with a very talented team, a small blast yard operation, and some good equipment. NIC retained 80% of the team members and successfully onboarded them into our culture.

In 2016, NIC acquired certain assets of George Young and Sons in Peoria, IL. NIC had a small operation in Peoria before the acquisition. By purchasing GY&S and merging with our Peoria operations, we increased revenue and obtained new customers. In addition, we retained a strong project manager and much needed regional workforce.

Today, Niles Industrial Coatings remains family owned and operated. They adhere to the same time-honored traditions of safety, quality and workmanship that was started by Mr. Niles' grandfather over 80 years ago. Our growth and experience has led us to learn new lessons and adapt to a changing world, but the overall motto can be summed up as C.T.H. If you take the time to CARE, you can build TRUST, and then HELP.

Niles Industrial Coatings has grown to be one of the largest Industrial painting contractors in the country. Niles Industrial Coatings has earned several awards for its commitment to safety. At the same time, this company completed several high-profile projects across the country in large manufacturing plants, commercial institutions, chemical plants and stadiums. Grounded with a project manager mind set, Mr. Niles has developed and utilized cutting-edge technology to track the status of his projects and ensure their quality for each customer.



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Project Highlight



PRAXAIR ONTARIO, CA LICENSE #: 1035782

100 Ton Sphere Tank:

- 4 Week Project
- Pressure Wash
- 1 Coat of Epoxy
- 1 Coat of Urethane

Miscellaneous Work:

- Piping
- Stairway
- Handrail

CtS

CURRENT & UPCOMING PROJECTS ACROSS THE UNITED STATES







ACTION WATER SPORTS - FENTON, MICHIGAN **BIG RIVER RESOURCES - GALVA, ILLINOIS BUCKEYE - STOCKTON, CALIFORNIA** BUCKEYE - TAYLOR, MICHIGAN CATERPILLAR - EAST PEORIA, ILLINOIS • CATERPILLAR - MAPLETON, ILLINOIS CATERPILLAR - PEORIA, ILLINOIS CITY OF CONGERVILLE - CONGERVILLE, ILLINOIS CITY OF HENRY - HENRY, ILLINOIS • COUNTRY CLUB OF PEORIA - PEORIA, ILLINOIS DOW - PEVELY, MISSOURI EAST JORDAN FOUNDRY - GAYLORD, MICHIGAN ENERFAB - CINCINNATI, OHIO GENERAL MOTORS - ARLINGTON, TEXAS GENERAL MOTORS - PONTIAC, MICHIGAN • GENERAL MOTORS - SPRING HILL, TENNESSEE MARATHON - CHARLOTTE, NORTH CAROLINA MARATHON - COVINGTON, KENTUCKY MARATHON - DETROIT, MICHIGAN MICHELS PIPELINE - CLYDE & WADSWORTH, OHIO NISSAN - SMYRNA, TENNESSEE PEORIA PARK DISTRICT - PEORIA, ILLINOIS SENECA FOODS - PRINCEVILLE, ILLINOIS

• WJR RADIO STATION - DETROIT, MICHIGAN



Safety isn't just our top priority. It isn't just everyone's job. It isn't just something that is practiced. Here, safety is everything. Because without it, nothing else matters.

Most industrial painting companies do not have a full-time safety professional on staff. Often, they have a project manager or a field craft worker who "covers" safety. NIC employs three full-time dedicated safety professionals. We has a competitive advantage because our safety team is structured as a standalone department and able to perform much of the training that other companies have 3rd party vendors perform. Niles insures that EVERY employee's questions are answered promptly, that we are always in compliance with OSHA guidelines and customer site requirements, incidents and claims are handled professionally and properly, and lastly, customers can be assured that we are the experts in our field.

Niles is proud to have received and been recognized for the following 2017 and 2018 safety related awards:

- TAUC Thomas J. Reynolds Award 2017 Winner
- CAM Construction Association of Michigan Honorable Mention Safety Achievement Award 2017
- FCA Finishing Contractors Association Crest Award Top 3 Finalist for Industrial Coatings, More than 150,000 Hours 2017
- RCA (Risk Control Assessment) completed on February 5 and 6, 2018 with Strategic Safety Incorporated. Received an overall score of 95.56/100. Received written commendation by the Niles Industrial Coatings insurance carrier, VP of Risk Control.
- Hersman, Deborah. "2017 CEOs Who Get It." Safety + Health Vol. 195, No. 2 Feb. 2017: 40. Print.
- "These CEOs walk the safety walk. They talk the safety talk.": OSHA Compliance Advisor Feb. 27, 2017: 3. Print.







SUMMER SAFETY TRAININGS

JUNE:

Start Smith Driving School Training Hand and Power Tool Safety Fall Protection Respirator Fit &Training (Inspections & Maintenance)

JULY:

Smith Driving Continues Walking Working Surfaces Spotters and Ground Watch Roles and Responsibility Lock Out Tag Out

AUGUST:

Smith Driving Continues Confined Space Refresher Silica and Dust Control Hazcom & Hazwoper





Niles Culture Spring training

March 2, 2018 - Niles Industrial • Coatings held their annual Spring Training in Fenton, MI. The participants learned about the following:

• Leadership and Company Information

Ryan Niles, CEO, and Scott • Avendt, VP of Operations, updated the team on company information, including: vehicles and equipment in the fleet, safety history, company strategy, leadership tools, and more.

• Niles Branding Guidelines

Lauren Dunigan and Scott Avendt presented on Niles Branding The quidelines. presentation included the importance correctly of representing the corporate logo on supplied clothing, company trucks, equipment, and on social media accounts.

Safety Handbook and Regulations

Safety Director, Gino Soave, presented the new and improved safety handbook to the team. They also presented on the dangers of silica.

Blast One Presentation & Hands-On

A trainer from Blast One focused on Garnet Abrasive blasting. Garnet abrasive is a naturally occurring silicate mineral deposit. It is one of the most effective, safe, and versatile medias for blast cleaning.





The Niles Safety Team welcomes Jeremy Hurd, Regional Safety Director, to the Niles Family!

Welcome, Jeremy!



JEREMY HURD REGIONAL SAFETY DIRECTOR

I was born in Bay City, MI and later moved to midland MI when I was 5 years old. I currently reside in Midland. I have worked at Dow Corning and Dow Chemical for the past 9 years as a safety and Loss Prevention Officer and a Emergency Responder.

I have a wife and two daughters, ages 6 months and almost 2 years old. My hobbies are hunting, fishing and camping. I am very excited to be able to be a part of the Niles team and looking forward to what the future has to offer!

Calendar of Events:

October 5th- Girl's Day Out November 2nd - Fall Retreat December 2nd - Christmas Party The Foundation has created a "Wish Program" to help current employees and their families going through a hardship or tragedy.



NILES FOUNDATION Wish Program

Wishes cannot happen on their own! The Niles Foundation Wish Program is only able to help Niles employees, family, and friends with your help! We rely on team member donations, no matter how big or small. Please consider donating today!

We rely on referrals from you! They allow us to reach more people who are in need and grant them a wish that could change their life! If you have anyone in mind, please do not hesitate to refer them to the Niles Foundation Wish Program.

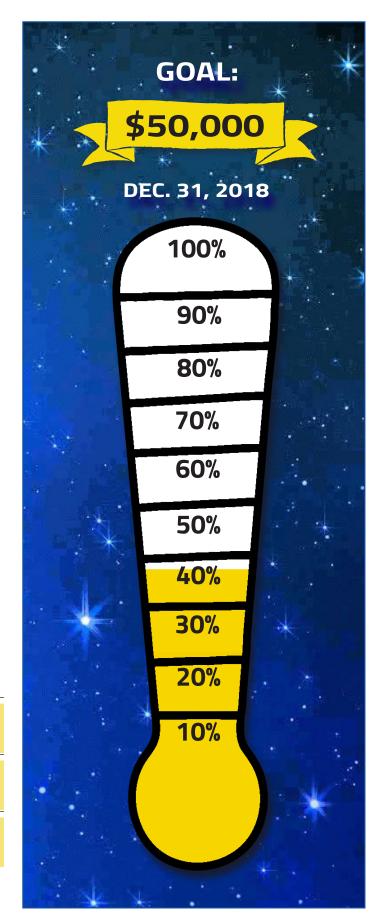
If you would like to donate or send in an inquiry, please Email nilesfoundation@gmail.com or call (810) 593-7000.

The Niles Foundation has been able to provide the following donations thanks to your help:

Q1 DONATION - JANUARY 2018
 EMPLOYEE HOUSE FIRE AND MEDICAL COSTS
 Q2 DONATION - APRIL 2018

EMPLOYEE FAMILY MEDICAL & FUNERAL COSTS

• Q2 DONATION - APRIL 2018 EMPLOYEE FUNERAL COSTS



Remember Your Resources

If you have any questions, please reach out to the appropriate person below:

EMERGENCY CONTACTS

Gino Soave	810-691-1956
Jeremy Hurd	989-574-7384
Jordan Bush	810-224-1317
Dave Murphy	989-402-7094
Lacey Duus	989-589-7316

ADDITIONAL RESOURCES

Scott Avendt	810-614-4017
Angella Latsch	810-228-1767
Jim Ray	810-287-0649
Craig Reynolds	810-624-4895

Ryan Hiuser	810-516-0550
Craig Brooks	810-533-5421
Gerry Tower	810-656-0504

NACE QUESTIONS

Tony Schlaud	989-922-1472
Jason Derus	989-448-1722

OFFICE STAFF

Valerie Disch	810-714-5912
Eric Hotchkiss	810-714-5922
Lauren Dunigan	810-714-5936





201 S. ALLOY DRIVE STE A FENTON, MI 48430

LETTER FROM THE PRESIDENT *Leadership Checklists*

C T H CARE. TRUST. HELP.

Team,

At the Spring Training in March, we put together a Leadership Checklist based on your feedback. Since then, it has been an active tool in the field. The checklist was created to help increase your safety, efficiency, and productivity! As you complete the checklists, turn them into your supervisor to be saved in the job file.

At the Annual Picnic on June 7th, our leaders voted on the most impressive checklists we have received so far. Congratulations to 1st Place - Al Winters, 2nd Place - Mike Studer, and 3rd Place - Sabrina Haley!

If you have any comments or suggestions on the checklists, please let your supervisor know! They were created to help you out in the field, every day. We hope that it becomes a stronger tool as we move forward.

Ryan Niles