

FRANCHISE DISCLOSURE DOCUMENT

Outdoor Lighting Perspectives Franchisor, LLC
a Delaware limited liability company
2426 Old Brick Road
Glen Allen, VA 23060
1-800-722-4668
franchiseinfo@outdoorlivingbrands.com
www.outdoorlivingbrands.com
www.outdoorlightingfranchise.com
www.outdoorlights.com



The Franchisee will operate an outdoor lighting design and installation service and sales business (“**Outdoor Lighting Business**”).

The total investment necessary to begin operation of an Outdoor Lighting Business is ~~\$99,675~~ 179,000 to ~~\$214,200~~ 222,200, including the ~~\$32,175 to~~ \$59,500 to \$75,000 that must be paid to the franchisor and its affiliates.

The disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all agreements carefully. You must receive this disclosure document at least 14 days before you sign a binding agreement or make any payment in connection with the franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Rich Young at 2426 Old Brick Road, Glen Allen, Virginia 23060, VA 23294 and (800) 722-4668.

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. Information comparing franchisors is available. Call your state agency or your public library for sources of information. More information on franchising, such as “A Consumer’s Guide to Buying a Franchise,” is available from the FTC. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC’s home page at www.ftc.gov for additional information.

There may be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: January ~~26~~ 24, ~~2024~~ 2025

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit C.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor’s direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit A includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Outdoor Lighting Business in my area?	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What’s it like to be an Outdoor Lighting Business franchisee?	Item 20 or Exhibit C lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit D.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This Franchise*

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Virginia. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Virginia than in your own state.
2. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
3. **Sales Performance Required.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.
4. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

Certain states may require other risks to be highlighted. Check the “State Specific Addenda” (if any) to see whether your state requires other risks to be highlighted.

**NOTICE REQUIRED
BY
STATE OF MICHIGAN**

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This will not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise before the expiration of its term except for good cause. Good cause will include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

THIS MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This will not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause will include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to the Department of Attorney General, State of Michigan, 670 Law Building, Lansing, Michigan 48913, telephone (517) 373-7117.

THIS MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.

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<u>12.</u> <u>All notices and other communications relating to this Note shall be in writing and shall be deemed given upon the first to occur of (x) deposit with the United States Postal Service or overnight courier service, properly addressed and postage prepaid; (y) transmittal by electronic communication (including email, internet or intranet websites, or facsimile properly addressed (with written acknowledgment from the intended recipient such as "return receipt requested" function, return e-mail, or other written acknowledgment); or (z) actual receipt by an employee or agent of the other party. Notices hereunder shall be sent to the following addresses, or to such other address as such party shall specify in writing:</u>	<u>2</u>
<u>13.</u> <u>This Note and any claim, controversy, dispute, or cause of action (whether in contract, tort, or otherwise) based on, arising out of, or relating to this Note and the transactions contemplated hereby shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.</u>	<u>2</u>

14.	<u>Disputes.</u>	<u>2</u>
(a)	<u>Submission to Jurisdiction.</u>	<u>2</u>
(i)	<u>The maker irrevocably and unconditionally (A) agrees that any action, suit, or proceeding arising from or relating to this Note may be brought in the courts of the Commonwealth of Virginia nearest to Henrico County and (B) submits to the exclusive jurisdiction of such courts in any such action, suit, or proceeding. Final judgment against the maker in any such action, suit, or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.</u>	<u>3</u>
(ii)	<u>Nothing in this Section 14(a) shall affect the right of the holder to bring any action, suit, or proceeding relating to this Note against the maker or its properties in the courts of any other jurisdiction.</u>	<u>3</u>
(iii)	<u>Nothing in this Section 14(a) shall affect the right of the holder to serve process upon the maker in any manner authorized by the laws of any such jurisdiction.</u>	<u>3</u>
(b)	<u>Venue. The Borrower irrevocably and unconditionally waives, to the fullest extent permitted by law, (i) any objection that it may now or hereafter have to the laying of venue in any action, suit, or proceeding relating to this Note in any court referred to in Section 14(a), and (ii) the defense of inconvenient forum to the maintenance of such action, suit, or proceeding in any such court.</u>	<u>3</u>
(c)	<u>Waiver of Jury Trial. THE MAKER HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY RELATING TO THIS NOTE OR THE TRANSACTIONS CONTEMPLATED HEREBY, WHETHER BASED ON CONTRACT, TORT, OR ANY OTHER THEORY.</u>	<u>3</u>
15.	<u>This Note constitutes the entire contract between the maker and the holder with respect to the subject matter hereof and supersedes all previous agreements and understandings, oral or written, with respect thereto.</u>	<u>3</u>
16.	<u>No term of this Note may be waived, modified, or amended, except by an instrument in writing signed by the maker and the holder. Any waiver of the terms hereof shall be effective only in the specific instance and for the specific purpose given.</u>	<u>3</u>
17.	<u>No failure by the holder to exercise and no delay in exercising any right, remedy, or power hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, or power hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, or power. The rights, remedies, and powers herein provided are cumulative and not exclusive of any other rights, remedies, or powers provided by law.</u>	<u>3</u>
18.	<u>If any term or provision of this Note is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Note or render such term or provision invalid or unenforceable in any other jurisdiction.</u>	<u>3</u>
19.	<u>This Note and any amendments, waivers, consents, or supplements hereto may be executed in counterparts, each of which shall constitute an original, but all of which taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Note by facsimile or in electronic ("pdf" or "tif" or any other</u>	

electronic means that reproduces an image of the actual executed signature page) format shall be as effective as delivery of a manually executed counterpart of this Note. 3

20. The words "execution," "signed," "signature," and words of similar import in this Note shall be deemed to include electronic and digital signatures and the keeping of records in electronic form, each of which shall be of the same effect, validity, and enforceability as manually executed signatures and paper-based recordkeeping systems, to the extent and as provided for under applicable law, including the Electronic Signatures in Global and National Commerce Act of 2000 (15 U.S.C. §§ 7001-7031), the Electronic Signatures and Records Act of 1999 (N.Y. State Tech. Law §§ 301-309), and any other similar state laws based on the Uniform Electronic Transactions Act. 4

EXHIBITS:

- Exhibit A: ~~Audited~~ Financial Statements and Guarantee of Performance
- Exhibit B: Franchise Agreement
- Exhibit C: List of Franchisees and Former Franchisees
- Exhibit D: List of State Administrators and Agents for Service
- Exhibit E: State-Specific Addenda
- Exhibit F: Operations Manual Table of Contents
- Exhibit G: Statement of Franchisee
- Exhibit H: Promissory Note
- Exhibit I: State Effective Dates
- Exhibit J: Receipt

ITEM 1
THE FRANCHISOR AND ANY PARENT, PREDECESSORS AND AFFILIATES

To simplify the language in this Franchise Disclosure Document “Outdoor Lighting” or “we” means Outdoor Lighting Perspectives Franchisor, LLC, the Franchisor. “You” means the person, corporation, partnership or other business entity that buys the franchise, the Franchisee. If you are a business entity, “you” includes your owners.

The Franchisor and Predecessors

Outdoor Lighting is a Delaware limited liability company that was formed on August 31, 2021. Our current principal business address is 2426 Old Brick Road, Glen Allen, Virginia 23060 and our telephone number is (800) 722-4668. Exhibit D discloses our agents for service of process. We have been offering Outdoor Lighting franchises since September 2021. We do not sell franchises in any other line of business.

We acquired the franchise assets related to the OUTDOOR LIGHTING PERSPECTIVES system on September 9, 2021, as the result of a transaction between our parent company, Empower Brands Franchising, LLC, formerly known as Lynx Franchising, LLC, a Delaware limited liability company (“**Empower Brands**”), and our predecessors, Outdoor Lighting Perspectives Franchising, Inc. (“**OLPFI**”) and Outdoor Lighting Perspectives International, Inc. (“**OLPII**”). OLPFI was the franchisor of the OUTDOOR LIGHTING PERSPECTIVES system in the United States from October 2004 to September 2021. OLPFI was a North Carolina corporation formed on October 22, 2004, under the name Outdoor Lighting Perspectives Franchise Corporation, which subsequently changed its name to Outdoor Lighting Perspectives Franchising, Inc. in March 2005. OLPFI had not conducted a business of the type that you will operate, and had not offered franchises in any other line of business other than described in this Item 1.

Our other predecessor, OLPII, was the franchisor of the OUTDOOR LIGHTING PERSPECTIVES system outside the United States, and offered franchises from July 2005 to September 2021. As noted above, we acquired the assets of OLPII in September 2021. OLPII is a North Carolina corporation, formed on October 13, 2004, and had a principal business address of 2426 Old Brick Road, Glen Allen, Virginia 23060. OLPII had not conducted a business of the type that you will operate, and had not offered franchises in any other line of business other than described in this Item 1.

As of the issuance date of this disclosure document, we have no other predecessors required to be disclosed in this Item 1.

As described below, we grant franchises for the operation of design and installation businesses using the name “Outdoor Lighting Perspectives” (an “**Outdoor Lighting Business**”). We are not engaged in any other type of business activity.

Parent and Affiliates

We are a wholly-owned subsidiary of Outdoor Living Brands Holdco, LLC (“**OLB Holdco**”), a Delaware limited liability company with a principal business address of 2426 Old Brick Road, Glen Allen, Virginia 23060. OLB Holdco is a wholly-owned subsidiary of Empower Brands. Empower Brands was formerly known as Lynx Franchising, LLC from April 2019 to January 2023, and before that was known as Premium Franchise Brands, LLC until April 2019. Empower Brands is owned by Lynx-JP Holdings, Inc., a Delaware corporation (“**Lynx-JP Holdings**”). Lynx-JP Holdings was formerly known as Jan-Pro Holdings, Inc. and is owned by MidOcean BCAT Holdings, Inc. a Delaware corporation

("BCAT"). BCAT is owned by Bobcat Holdings Group, LP, a Delaware limited partnership ("**Bobcat**"). Bobcat is majority owned by MidOcean Associates V, LP ("**MidOcean**"). Empower Brands, Lynx-JP Holdings, BCAT and Bobcat each have a principal business address of 2520 Northwinds Parkway, Suite 375, Alpharetta, Georgia 30009. MidOcean has a principal business address of 245 Park Ave 38th Floor, New York, NY 10167. None of these entities has conducted a business of the type that you will operate, and have not offered franchises in any line of business except as otherwise described in this Item 1.

Affiliates That Provide Services to Franchisees

Our affiliate, Lynx Franchising Intellectual Property, LLC ("**Lynx IP**"), a Delaware limited liability company with a principal business address of 2520 Northwinds Parkway, Suite 375, Alpharetta, Georgia 30009, owns all of our rights, title and interest in and to the OUTDOOR LIGHTING PERSPECTIVES service mark, and other related trademarks, trade names, service marks and logos (the "**IP Assets**"), and we entered into a license agreement with Lynx IP granting us a perpetual right to use and sublicense others to use the IP Assets, including the OUTDOOR LIGHTING PERSPECTIVES service mark.

OLB Supply Chain, LLC ("**OLBSC**"), a Delaware limited liability company with a principal business address of 2426 Old Brick Road, Glen Allen, Virginia 23060, sources and distributes certain products for sale to our franchisees and certain affiliates' franchisees.

Empower Brands

Empower Brands is the parent company to the following franchisors, including us: Archadeck Franchisor, LLC ("**Archadeck**"), Bumble Roofing Franchisor, LLC ("**Bumble**"), Canopy Franchise Corporation ("**Canopy**"), Conserva Irrigation Franchisor, LLC ("**Conserva**"), FRSTeam, LLC ("**FRSTeam**"), Jan-Pro Franchising International, Inc. ("**JPI**"), Jan-Pro Enterprises, LLC ("**JPE**"), Koala Insulation Franchisor, LLC ("**Koala**"), Superior Fence and Rail Franchisor, LLC ("**Superior Fence**"), and Wallaby Windows Franchisor, LLC ("**Wallaby**"). Archadeck, Bumble, Canopy, Conserva, Koala, Superior Fence, and Wallaby have the same principal business address as us. FRSTeam, JPI, and JPE, each have a principal address of 2520 Northwinds Parkway, Suite 375, Alpharetta, Georgia 30009.

Archadeck is the franchisor of the ARCHADECK franchise system. ARCHADECK® franchises are businesses offering certain construction sales and services of outdoor living spaces and environments. In September 2021, Archadeck became affiliated with Empower Brands through an acquisition. Archadeck, through its predecessor, Archadeck Franchising Corporation ("**AD Corp.**") had offered ARCHADECK businesses since June 1980. As of September 30, ~~2023~~2024, there were ~~86~~105 ARCHADECK franchises (~~83~~103 located throughout the United States, and ~~3~~2 located in Canada). Archadeck has not conducted a business of the type that you will operate, and has not offered franchises in any other line of business other than described above.

Bumble is the franchisor of the Bumble Roofing franchise system. Bumble franchises are businesses offering roofing installation and repairs for residential and commercial customers. In March ~~2023~~2024, Bumble became affiliated with Empower Brands through an acquisition. As of September 30, 2023, there were ~~0~~55 franchised Bumble outlets. Bumble has not conducted a business of the type that you will operate and has not offered franchises in any line of business other than described above.

Canopy is the franchisor of the Canopy franchise system. Canopy franchises are businesses offering environmentally responsible, subscription-based, tech-enabled turf care services, including lawn applications such as turf fertilization, and weed control and prevention. In June 2023, Empower Brands became a majority equity owner in Canopy. As of September 30, ~~2023~~2024, there were ~~0~~37 franchised Canopy outlets.

Conserva is the franchisor of the CONSERVA IRRIGATION® franchise system in the U.S. CONSERVA IRRIGATION® franchises are businesses offering repair, maintenance, service, design and construction of irrigation systems for residential and commercial customers with an emphasis on water conservation. In September 2021, Conserva became affiliated with Empower Brands through an acquisition. Outdoor Living Brands, Inc. began offering royalty-free pilot licenses for CONSERVA IRRIGATION® businesses in April 2014. All pilot licensees were offered the opportunity to enter into franchise agreements with Conserva's predecessor Conserva Irrigation Franchising, LLC ("CI LLC") during 2017. As of September 30, ~~2023~~2024, there were ~~195~~202 CONSERVA IRRIGATION® franchises located throughout the United States. Conserva has not conducted a business of the type that you will operate, and has not offered franchises in any other line of business other than described above.

FRSTeam franchises businesses that provide specialty and emergency dry cleaning and laundry services for clothing and fabrics following a residential or commercial disaster, including damage due to smoke, fire, water and mold. As an option, Franchisees may also provide electronics restoration services following similar disasters. In June 2020, FRSTeam became affiliated with Empower Brands through an acquisition. FRSTeam. FRSTeam was incorporated as a California corporation on September 30, 2005, under the name "FRSTeam Corp." FRSTeam was converted to a California limited liability company under the name "FRSTeam, LLC" on August 20, 2020. FRSTeam has offered FRSTeam franchises since March 2006. As of September 30, ~~2023~~2024, there were ~~493~~36 franchised FRSTeam outlets in the United States. FRSTeam has not conducted a business of the type that you will operate and has not offered franchises in any other line of business.

JPI sells "Jan-Pro" regional developer franchises that sell and support unit franchises that operate commercial cleaning businesses. JPI is a Massachusetts corporation incorporated on April 6, 1995. JPI has offered Jan-Pro commercial cleaning regional developer franchises since 1995. As of September 30, ~~2023~~2024, there were ~~106~~107 operating regional developer franchises in the United States. JPI has not conducted a business of the type that you will operate, and has not offered franchises in any other line of business.

JPE sells and supports JAN-PRO Franchise Development country master franchises and regional franchise development franchises that sell franchises and provide support services under the JAN-PRO Cleaning & Disinfecting™ brand for the operation of janitorial and building maintenance service franchises outside of the United States. JPE, was formed as a Delaware limited liability company on February 15, 2005. JPE has offered Jan-Pro franchises outside of the United States since February 2005. As of September 30, ~~2023~~2024, there were ~~eight~~seven country or international regional developer franchises operating outside of the United States. JPE has not conducted a business of the type that you will operate, and has not offered franchises in any other line of business.

Koala is the U.S. franchisor of the KOALA INSULATION® franchise system. Koala franchises are businesses currently specializing in providing insulation evaluation, installation, and certain energy efficiency / indoor air improvements to residential and commercial customers. In April 2023, Koala became affiliated with Empower Brands through an acquisition. Koala, through its predecessor Koala Franchise, LLC ("Koala LLC"), offered KOALA INSULATION franchises from January 2, 2020 to April 2023. As of September 30, ~~2023~~2024, there were ~~385~~395 Koala franchises located throughout the U.S., and ~~0 franchises~~1 franchise located in Canada. Koala has not conducted a business of the type that you will operate and has not offered franchises in any line of business other than described above.

Superior Fence is the franchisor of the SUPERIOR FENCE & RAIL® franchise system. SUPERIOR FENCE & RAIL franchises are businesses that sell, furnish and install wood, steel, aluminum and vinyl fencing and related garden products for residential and commercial customers In

December 2021, Superior Fence became affiliated with Empower Brands through an acquisition. Superior Fence, through its predecessor, Superior Fence & Rail Franchising, LLC had offered SUPERIOR FENCE & RAIL businesses since January 2017. As of September 30, ~~2023~~2024, there were ~~242~~283 SUPERIOR FENCE & RAIL franchises located throughout the United States. Superior Fence has not conducted a business of the type that you will operate, and has not offered franchises in any other line of business other than described above.

Superior Fence and Rail of NOFL, LLC (“**Superior NOFL**”) operates two company owned operations that perform fencing services under the SUPERIOR FENCE & RAIL brand. Superior NOFL is a Delaware limited liability company, with a principal business office of 510 Superior Commerce Point, Oviedo, Florida 32765. Superior NOFL has not offered franchises in any line of business.

Wallaby is the U.S. franchisor of the Wallaby Windows® franchise system. Wallaby franchises are businesses currently specializing in providing window installation, replacement, repair and related services. In April 2023, Wallaby became affiliated with Empower Brands through an acquisition. Wallaby, through its predecessor Wallaby Franchise, LLC (“**Wallaby LLC**”), offered Wallaby Window franchises from October 1, 2022 to April 2023. As of September 30, ~~2023~~2024, there were ~~45~~74 Wallaby franchises located throughout the U.S., and 0 franchises located in Canada. Wallaby has not conducted a business of the type that you will operate and has not offered franchises in any line of business other than described above.

Custom Commercial Dry Cleaners, LLC (“**CCDC**”) operates company owned CCDC restoration dry cleaning and electronics restoration businesses. In June 2020, CCDC became affiliated with Empower Brands through an acquisition. CCDC, with a principal business address of 3201 A Investment Blvd., Hayward, CA 94545, was incorporated as a California corporation on May 26, 1993 under the name “Custom Commercial Dry Cleaners, Inc.” CCDC was converted to a limited liability company under the name “Custom Commercial Dry Cleaners, LLC” on August 20, 2020. As of September 30, ~~2023~~2024, CCDC operated 11 company owned outlets. CCDC has not conducted a business of the type that you will operate and has not offered franchises in any line of business.

Other Affiliates with Franchise Programs

Through control with private equity funds managed by MidOcean Partners, a New York-based private equity firm, we are affiliated with the following franchise programs. None of these affiliates operate an Outdoor Lighting Perspectives franchise.

Grease Monkey Franchising, LLC (“**GMF**”), which operates under the names Grease Monkey Franchising, LLC, Grease Monkey, and FullSpeed Automotive, is a franchisor of automotive quick lube franchises operating under the Grease Monkey® trade name and business system. GMF is a Colorado limited liability company with a principal business address of 5575 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111. In January 2021, GMF became an affiliate through an acquisition. GMF has been offering Grease Monkey franchises since January 2006, and as of September 30, ~~2023~~2024, there were approximately ~~196~~205 franchises operating in the United States and ~~61~~58 international franchises. GMF has not conducted a business of the type that you will operate and has not offered franchises in any other line of business.

GMF acquired substantially all of its assets from Grease Monkey International, LLC (“**GMI**”), which was the franchisor of the Grease Monkey franchise system from approximately September 1978 through March 2006. Until 2022, GMI remained as the franchisor for franchises granted before April 2006, at which time GMI transferred those franchises granted before 2006 to GMF. In the past, GMF, and its predecessor, GMI, offered to franchisees the right to operate a car wash franchise with their

Grease Monkey Center. The car wash facility was called “Monkey Shine.” GMF no longer offers the right to operate a Monkey Shine car wash facility in connection with a Grease Monkey Center, although as of September 30, ~~2023~~2024, GMF still has ~~eight~~16 franchisee-owned Monkey Shine facilities.

GMI is a Delaware limited liability company with a principal business address of 5575 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111. In January 2021, GMI became an affiliate through an acquisition. As of September 30, ~~2023~~2024, GMI operated company-owned units under the following brand names: Grease Monkey, Speedee Oil and Auto, American LubeFast, ~~AutoLube~~, Economy Oil Change, ~~Fast Lube Plus~~, Grease Monkey, Herbert Auto Emissions, Herbert Automotive, Ingleside Auto, Insta-Quick, Kwik Kar, ~~Lambuth’s Quick Lube~~, ~~Master Lube~~, Minit Man, ~~Mobil 1 Express~~, ~~Pioneer Lube & Wash~~, ~~Premier~~, ~~Shop N Lube~~, Speedee, Super Lube Plus, Texas Express, Uncle Ed’s Oil Shoppes, ~~and Waterfall Car Wash~~. Some of the units are a non-Grease Monkey brand but are substantially similar to the Grease Monkey franchise. GMI has not conducted a business of the type that you will operate and has not offered franchises in any other line of business.

GMI Services S de RL de CV (“**GMI Mexico**”) is a subsidiary of GMI. GMI Mexico provides support services to franchisees operating in Mexico. GMI Mexico’s principal business address is Calzada del Valle 255, Office 233, San Pedro Garza García, N.L., CP 66220, México. GMI Mexico has not conducted a business of the type that you will operate, and has not offered franchises in any line of business.

Speedee Worldwide, LLC (“**Speedee**”) is a franchisor of automotive maintenance and repair services operating under the Speedee® trade name and business system. Speedee is a subsidiary of GMI. Speedee is a Delaware limited liability company with a principal business address of 5575 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111. In January 2021, Speedee became an affiliate through an acquisition. Speedee has been franchising since 1986, and as of September 30, ~~2023~~2024, there were ~~63~~65 franchises operating in the United States and ~~29~~22 franchises operating internationally. Until January 2017, Speedee also offered co-branding franchises under a separate Franchise Disclosure Document and different franchise agreement with its former parent, Midas International Corporation (“**Midas**”), for a Midas/Speedee co-branding shop. Speedee also operates 20 Speedee franchises in the United States which are co-branded with Midas, who is not an affiliate. Speedee has not conducted a business of the type that you will operate and has not offered franchises in any other line of business.

Except as described above, there are no other parents, predecessors or affiliates required to be disclosed in this Item 1.

The Business

We authorize you to use our trademarks and to operate an Outdoor Lighting Business. An Outdoor Lighting Business provides outdoor lighting design, automated lighting control equipment, installation services, lighting sales, and seasonal, holiday and event lighting sales and installation services to residential and commercial customers through a uniform system consisting of high standards of service, use of quality products, and under the business format created and developed by Outdoor Lighting (“**Outdoor Lighting System**”). A franchise for an Outdoor Lighting Business will typically have a protected territory of less than 700,000 people, but could have up to a population of 999,999. See Item 11 for the rights granted to you under the territory, and note it is not an “exclusive” territory.

To provide incentives to you for referring prospective franchisees to us, we have, in the past, provided referral fees in the form of credits or cash, at our discretion, towards Products to those franchisees referring new franchisees. There are no assurances that we will continue paying referral fees in the future. Persons who receive financial incentives to refer franchise prospects to us may be required to register as franchise brokers under the laws of some states.

At our option, you may be offered the opportunity to purchase additional Territories simultaneously with the purchase of your first Territory and/or purchase additional Territories at a later date. Each Territory must be purchased by paying the then-current Initial Franchise Fee, less any applicable discounts as outlined in the then current Franchise Disclosure Document, and by signing the then current Franchise Agreement. If you purchase multiple territories now, then you will sign the form of Franchise Agreement included in this disclosure document for each territory you purchase. If you subsequently purchase additional territories at a later date, then you would be required to sign our then-current form of franchise agreement, which may be different from the form of franchise agreement in this offering. At this time, we do not grant any special area development rights for multiple territories.

If you operate Outdoor Lighting Business in multiple contiguous Territories (as defined in Item 12) in the same market under separate Franchise Agreements, then you will be permitted sign our then-current aggregate reporting addendum (currently attached as an exhibit to the Franchise Agreement), which addresses certain overlap under the separate franchise agreements, such as being able to operate the Outdoor Lighting Businesses from a single location or submitting one royalty report for all of your Outdoor Lighting Businesses that operate from a single business location.

Regulations

There are specific regulations pertaining to this industry and you must comply with all local and national electric codes and regulations. You may be required by local and state authorities to obtain certain permits, registrations or licenses (for example, as an electrician or home improvement contractor) to operate an Outdoor Lighting Business. You should consult with local agencies and/or your attorney. In the event we are required to sit on your board in order for you to obtain the requisite permits, registrations or licenses, we will not acquire any ownership or voting rights on the board. However, as a condition to sitting on your board, we will require you to use a third party professional services organization that will be responsible for handling your payroll and to assist you with your obligations to comply with various state employment law. Once you obtain your own permits, registrations, and licenses, we will resign from your board. An Outdoor Lighting Business is designed to be run out of your home. We intend that you will devote your full time to your Outdoor Lighting Business or designate and train a business manager who will devote his/her full time to the Outdoor Lighting Business, and not operate any other business at the same time unless you were operating a home services contracting business. If you wish to operate an Outdoor Lighting Business in conjunction with another business (which must be a complimentary, non-competing enterprise, for example, a landscaping service), you must receive our prior approval, which we may grant or deny, in our sole discretion.

Market Competition

Outdoor Lighting Businesses presently focus on serving residential and commercial customers in urban and suburban areas. You may have to compete with other businesses including franchised operations, national chains and independently owned companies offering outdoor lighting services and lighting automation equipment and services to residential and commercial customers.

ITEM 2 BUSINESS EXPERIENCE

Our Executives

~~Group President – Residential Brands~~Chief Operating Officer: Thomas L. Welter

Mr. Welter has served as our Chief Operating Officer since October 2024. Prior to that, Mr. Welter served as Group President - Residential Brands ~~since~~from October 2022 to October 2024 in Glen Allen, Virginia. He ~~has~~ served as Group President of Archadeck, Bumble, Canopy, Conserva ~~and, Koala, OLP since October 2022, and as Group President of, Superior Fence~~ ~~since, and Wallaby from October 2022 to October 2022~~2024. Prior to that, Mr. Welter served as Vice President - Northern Florida for FirstService Residential from August 2021 to October 2022 in Miramar Beach, Florida. Mr. Welter served as Chief Executive Officer for Clean Streak Ventures from February 2020 to January 2021 in Altamonte Springs, Florida. From November 2017 to January 2020 Mr. Welter served as Lift Brands Chief Operating Officer in Chanhassen, MN while holding that same role globally for operations in AMEA and APAC in with offices in Canada, UK, New Zealand and Australia. Mr. Welter served as Vice President of Franchising at J.D. Byrider from March 2010 to November 2017 in Carmel, Indiana.

Senior Vice President of Finance and Accounting: Corey Schroeder, CFA

Mr. Schroeder has served as our Senior Vice President of Finance and Accounting since our inception in September 2021. He serves in this role for our Archadeck, Outdoor Lighting Perspectives, Conserva Irrigation franchise businesses and all related affiliates. He has served the same role for Superior Fence and its affiliates since December 2021. Prior to that, from January 2006 to September 2021, Mr. Schroeder served as the Senior Vice President, Chief Financial Officer, Director, Secretary and Treasurer of our predecessor, Outdoor Living Brands, Inc. and all its various affiliates. Mr. Schroeder's role in our predecessor's business included serving in his role for Mosquito Squad Franchising Corporation (2009 – 2018) and Renew Crew Franchise Corporation (2012 – 2020). In addition, Mr. Schroeder served as the Chief Financial Officer, Secretary, Treasurer and Director for Insurance Service Brands and its wholly owned subsidiary, National Restorations both in Richmond, Virginia from June 2010 until December 2016.

Vice President, Outdoor Lighting Perspectives: Rich Young

Mr. Young has been our Vice President since our inception in September 2021, and held that role for our predecessor from September 2008 to September 2021. From September 2008 to September 2021, he was also the Vice President of Outdoor Living Brands, Inc. in Richmond, Virginia. Before joining us, he spent 11 years working in various district and regional positions for Target and Home Depot.

~~Director~~Vice President of Franchise ~~Development: Tom McCombs~~Recruiting: Erin Zide

~~Mr. McCombs~~

Ms. Zide has been the Vice President of Franchise Recruiting since July 2024. Ms. Zide has also served as ~~our Director~~the Vice President of Franchise ~~Development~~Recruiting for Archadeck, Bumble Roofing and Conserva Irrigation since ~~October 2023~~July 2024. Prior to that, ~~Mr.~~Ms. McCombsZide served as our Director of ~~Operations from September 2019 to October 2023, and Field Support Consultant from November 2016 to December 2019.~~

Brand Marketing Consultant: Alexandra Mercer

~~Ms. Mercer has served as a Brand Marketing Consultant~~ Franchise Recruiting since our inception in September 2021, ~~to July 2024~~ and held that role for our predecessor ~~from October 2018 to September 2021.~~ ~~Ms. Mercer has also served as a Brand Marketing Consultant for Archadeck since September 2021, and held that same role for its predecessor from October 2018 to September 2021. Prior to joining us, Ms. Mercer was an Account Executive with circle S studio in Richmond, Virginia from March 2013~~ 2019 until ~~October 2018.~~

Director September 2021.

Vice President of Marketing: Jane Campbell

Ms. Campbell has served as our Vice President of Marketing since February 2024. Prior to that, Ms. Campbell served as our Director of Marketing since from December 2021 to February 2024. Ms. Campbell ~~has~~ also served as the Director of Marketing for Archadeck, ~~Conserva,~~ and Superior Fence ~~since~~ from December 2021, ~~to February 2024.~~ Ms. Campbell served as the Director of Marketing for Conserva from December 2021 to October 2024 Prior to that, Ms. Campbell served as our Digital Marketing Manager from September 2021 to December 2021, and held that role for our predecessor from February 2010 to September 2021. Ms. Campbell also served as the Digital Marketing Manager for Archadeck, Conserva, and Superior Fence September 2021 to December 2021, and held that role for Archadeck's predecessor from February 2010 to September 2021 and Conserva's predecessor from March 2017 to September 2021. Ms. Campbell served as Business Relationship Manager and Inbound Marketing Manager for Renew Crew Franchising Corporation from January 2009 to January 2020. Ms. Campbell also served as Business Relationship Manager and Inbound Marketing Manager for Mosquito Squad Franchising Corporation from January 2009 to December 2018.

Digital Marketing ~~Manager: Annena Ellis~~ Specialist - Lauren Core

Ms. ~~Ellis~~ Core has ~~served as our Digital~~ been our Digital Marketing Specialist since October 2024. Prior to that, Ms. Core served as Chief Marketing Officer at Park RVA in Richmond, VA from November 2023 to October 2024. From March 2022 to November 2023, Ms. Core was the Marketing Manager ~~since~~ December at Revee Aesthetics based in Richmond, VA. From May 2021, ~~to March 2022,~~ Ms. ~~Ellis~~ Core ~~also has served as the Digital~~ was Director of Marketing ~~Manager~~ for ~~Archadeck, Conserva, and Superior Fence since December 2021~~ Diamond Springs in Richmond, VA. Prior to that, Ms. ~~Ellis~~ Core served as ~~our Digital Marketing Consultant from September 2021 to December 2021, and held that role for our predecessor from April 2018 to September 2021.~~ ~~Ms. Ellis also served as the Digital Marketing Consultant for Archadeck, Conserva, and Superior Fence~~ a Media Associate for HD Bros in Richmond, VA from ~~September~~ January 2021 to ~~December 2021, and held that role for Archadeck's and Conserva's predecessors from April 2018 until September~~ May 2021. Prior to that, ~~she~~ Ms. Core was ~~a Digital Marketing Specialist at StyleCraftHomes from June 2016 to April 2018 in Richmond, Virginia~~ in Food & Beverage sales at Quirk Hotel in Richmond, VA from April 2019 to July 2020. From August 2020 to December 2020, Ms. Core was furloughed due to the COVID-19 pandemic.

Directors of Field Operations: Michael Glaeser

Mr. Glaeser has been our Director of Field Operations since October 2023. Prior to that, Mr. Glaeser serves as our Field Support Consultant since our inception in September 2021 to October 2023, and held that role for our predecessor from January 2020 to September 2021. Before joining us, Mr.

Glaeser served as the Superintendent of ~~Ground-s~~Grounds for Eagle Brook Church, in Centerville, Minnesota, from October 2009 to October 2018.

Creative Director: Steve Nguyen

Mr. Nguyen has served as our Creative Director since our inception in September 2021, and held that role for our predecessor from October 2019 to September 2021. Mr. Nguyen also has served as the Creative Director of Archadeck and Conserva since September 2021, and held that role for their predecessors from October 2019 until September 2021. Mr. Nguyen also has served as the Creative Director of Superior Fence since September 2021. Prior to his current position, he had been with Outdoor Living Brands, Inc. from February 2009 to September 2021 serving as Senior Graphic Designer.

Franchise Technology Solutions Manager: Erich Johnston

Mr. Johnston has served as our Franchise Technology Solutions Manager since our inception in September 2021, and held that role for our predecessor from April 2019 to September 2021. Prior to that, from July 2018 to March 2019, he was our predecessor's IT Support and Project Specialist. Mr. Johnston also has served as the Franchise Technology Solutions Manager of Archadeck and Conserva since September 2021, and held that role for their predecessors from April 2019 until September 2021. Mr. Johnston also has served as the Franchise Technology Solutions Manager of Superior Fence since September 2021. Mr. Johnston From November 2012 through June 2018, Mr. Johnston was the Account Manager at HindSite Software (CRM) in St. Paul, Minnesota.

Field Support Consultant: Chris Collier

Mr. Collier has served as our Field Support Consultant since September 2023. Prior to that, Mr. Collier served as our General Manager from June 2013 to September 2023 in Louisville, Kentucky.

~~Field Support Consultant: Chris Haile~~

~~Mr. Haile has served as our Field Support Consultant for Outdoor Lighting Perspectives since our inception in September 2021, and held that role for our predecessor from October 2020 to September 2021. Prior to that, Mr. Haile was the Operations Manager with Outdoor Lighting Perspectives of Greenville, South Carolina located in Greenville, South Carolina from April 2011 to September 2020.~~

Field Support Consultant: Scott Majeski

Mr. Majeski has served as our Field Support Consultant since June 2022. Prior to joining us, Mr. Majeski served as a franchise broker for FranNet from February 2017 to June 2022 in Downers Grove, Illinois.

Our Parent's Executives

Chief Executive Officer: Scott Zide

Mr. Zide has been the Chief Executive Officer of Empower Brands since March 2022. Mr. Zide was also the President, COO and a Director of each of Archadeck, Conserva, and OLP from September 2021 to March 2022, and the COO of their predecessor, Outdoor Lighting Perspectives Holdings Corporation ("OLPHC"), from January 2007 to September 2011 and President of OLPHC from September 2010 to September 2021. Mr. Zide was also the Chief Operating Officer and a Director of Superior Fence from December 2021 to March 2022. From September 2008 to September 2021, Mr. Zide

was also the COO of OLPHC's parent, Outdoor Living Brands, Inc., and served as its President from September 2010 to September 2021, in Richmond, Virginia. Mr. Zide also served as the President and Chief Operating Officer of Outdoor Living Brands Supply Corporation from December 2010 to September 2021, and OLP Commercial Services from June 2010 to September 2021, in Richmond, Virginia. Mr. Zide has owned and operated an Outdoor Lighting Perspectives® business in Richmond, Virginia since March 2014. From December 2018 to September 2021, Mr. Zide also served as President, COO, and a Director of CI LLC and as AD Corp.'s COO from September 2009 to September 2021, and as its President and a Director from September 2010 to September 2021. From February 2009 until December 2018, Mr. Zide served as Mosquito Squad Franchising Corporation's COO in Richmond, Virginia and as President and a Director from September 2010 until December 2018. From July 2012 to January 2020, Mr. Zide served as President and Chief Operating Officer of Renew Crew Franchise Corporation in Richmond, Virginia. Mr. Zide is based in Richmond, Virginia.

Vice President and Chief Financial Officer: Michael Borreca

Mr. Borreca has been the Vice President and Chief Financial Officer of Empower Brands since March 2017. From January 2015 to February 2017, Mr. Borreca was the Vice President, Corporate Finance and Treasurer of FOCUS Brands, Inc. in Atlanta, Georgia. From December 2007 to January 2015, Mr. Borreca held various positions with KPMG, LLP in Tampa and Miami, Florida. Mr. Borreca is based in Alpharetta, Georgia.

Chief Development Officer: R. Scott Sutton

Mr. Sutton has been the Chief Development Officer of Empower Brands since December 2022. From July 2021 to December 2022, Mr. Sutton was the Chief Growth Officer of Threshold Brands, LLC in Boston, Massachusetts. From August 2010 to July 2021, Mr. Sutton was VP of Business Development at Deluxe Corporation (d/b/a Safeguard Franchise Systems) in Dallas, Texas.

Chief Marketing Officer: Felicia Reeves

Ms. Reeves has been the Chief Marketing Officer of Empower Brands since January 2025. From October 2020 to January 2025, Ms. Reeves served as the Senior Vice President of Growth Marketing at TurnPoint Services, headquartered in Louisville, Kentucky. Prior to her years at TurnPoint, Felicia Reeves led Demand Generation and Marketing Operations at Orion Advisor Services, headquartered in Omaha, Nebraska, from March 2019 to October 2020. Ms. Reeves is currently based in Chester County, Pennsylvania.

Vice President, Information Technology: Andrew Forrest

Mr. Forrest has been the Vice President, Information Technology of Empower Brands since January 2018 and was the Director of Information Technology of Empower Brands from January 2017 to January 2018. From April 2016 to December 2016, Mr. Forrest was unemployed as he waited for his U.S. work permit to issue. During this time, he obtained a CAPM (Certified Associate Project Manager) certification, and a CSM (Certified Scrum Master) certification. From September 2009 to March 2016, Mr. Forrest worked for Abbey Protection Group in London, England, first as a Development Manager and then as Head of IT. Mr. Forrest is based in Alpharetta, Georgia.

Vice President, General Counsel: Sanjay B. Malhotra

Mr. Malhotra has served as Vice President, General Counsel for Empower Brands and its affiliates since August 2022. Mr. Malhotra is based in Richmond, Virginia. From June 2019 to August

2021, Mr. Malhotra was the Chief Legal Officer of Paris Baguette Bon Doux and its US and Canadian affiliates headquartered in Moonachie, New Jersey. From December 2014 to October 2018, Mr. Malhotra was the Global General Counsel of Le Pain Quotidien based in New York, NY and Brussels, Belgium.

ITEM 3 LITIGATION

Our Litigation

None.

Our Predecessor's Concluded Arbitration and Litigation

Outdoor Lighting Perspectives Franchising Inc. v. Outdoor Lights of Baltimore, LLC, Harry Nelson and Susan Nelson, DBA Lightscares of Maryland, Civil Action Number 3:14 CV 371 (United States District Court for the Eastern District of Virginia). We filed suit against a former franchisee and its owners ("Defendants") for breach of contract, trademark infringement, civil conspiracy, violation of the deceptive trade practices act and misappropriation of goodwill arising out of the Defendants' operation of a competitive business after termination and failure to comply with post termination obligations contained in the Defendants' franchise agreement. We sought a preliminary and permanent injunction. The Defendants failed to answer or otherwise respond to our complaint. On June 30, 2014, the court entered the preliminary injunction preventing the Defendants from operating a competitive business within their former territory for a period of two years, preventing the Defendants from using our trademarks and compelling Defendants to return all of our operations manuals, customer lists, customer records and other confidential information. On January 29, 2015 the parties entered into a settlement agreement and mutual release of claims. As part of the settlement, the Defendants agreed to abide by the terms of the court's preliminary injunction and pay us \$17,500 for the costs incurred in enforcing the franchise agreement.

Other than the actions disclosed above, no litigation is required to be disclosed in this Item 3.

ITEM 4 BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5 INITIAL FEES

Standard Franchise

If you purchase an Outdoor Lighting Business franchise, you pay a lump sum franchise fee ("**Initial Franchise Fee**") of \$59,500 for each Territory when you sign the Franchise Agreement.

Additional Population Fee

If we permit you to purchase additional geographic areas for a specific Territory so that the Territory exceeds 700,000 people, then you must pay us an additional fee in an amount equal to the population in your Territory in excess of 700,000 multiplied by \$0.071 (the "**Additional Population Fee**"). We do not anticipate granting a single Territory that exceeds 999,999 individuals. The Additional Population Fee is earned upon receipt and not refundable under any circumstances.

For example:

(1) if we permit you to purchase additional geographic areas for your Territory so that the individual Territory consists of a total population of 750,000 people, then you must pay us an Additional Population Fee equal to \$3,550, for a total Initial Franchise Fee of \$63,050 (which is equal to \$59,500 + \$3,550).

(2) if we permit you to purchase additional geographic areas for your Territory so that the individual Territory consists of a total population of 999,000 people, then you must pay us an Additional Population Fee equal to \$21,229, for a total Initial Franchise Fee of \$80,729 (which is equal to \$59,500 + \$21,229).

Add-On Discount for Existing Home Services Contracting Business

If you operate an existing business offering home automation services or landscape, irrigation, or lawn service business or other related home services contracting business, have continuously operated this business for at least the past two years, generated at least \$500,000 in revenue in the prior fiscal year, and agree to diversify your existing business by adding an Outdoor Lighting Perspectives franchise in an affiliated but separate legal entity, you may be eligible for an Initial Franchise Fee that is discounted by \$10,000 for each Territory when you sign the Franchise Agreement.

VetFran Discount

We are a member of the International Franchise Association (“IFA”), and we support and participate in IFA’s VetFran Program. If you are an honorably discharged veteran who meets our qualifications, we will discount the applicable Initial Franchise Fee by 15%. The VetFran discount may be used only once and only on one Territory, not on any additional Territory or additional franchise concepts that you may purchase.

Multi-Territory Discount. If you license two contiguous Territories from us at the same time (for which you are signing two separate Franchise Agreements), the Initial Franchise Fee under the second Franchise Agreement will be reduced to \$30,000 (i.e., a total Initial Franchise Fee of \$89,500 for the two Territories). For each additional contiguous Territory after the first two that you license, the Initial Franchise Fee for these additional Territories shall be reduced to \$30,000 (e.g., a total Initial Franchise Fee of \$119,500 for a total of three contiguous Territories). In the event that you purchase multiple contiguous Territories at the same time, and you are in the process of obtaining funding from a financial institution for the purpose of paying the total Initial Franchise Fees, then we may, in our discretion, permit you to pay the total Initial Franchise Fees in installments and upon signing of the Franchise Agreements as follows: (a) payment of the full Initial Franchise Fee for Territory 1 plus a minimum of \$5,000 for each additional Territory due at the time you sign the Franchise Agreements, and (b) the remainder to be paid for the additional Territories in full upon the earlier of (i) 90 days from the execution of the Franchise Agreements or (ii) the date you receive the funding. The initial payment is non-refundable. If you fail to pay the remaining balance of the total Initial Franchise Fees, then we have the right to terminate your Franchise Agreements.

Existing Franchisee: Additional Standard Territory Discount

If you are an existing Outdoor Lighting Perspectives franchisee that: (a) has been operating an Outdoor Lighting Business for at least 18 months, (b) has been in full compliance with your Franchise Agreement for at least 18 consecutive months, (c) meets our qualifications for expansion (as described in our Operations Manual), (d) is licensing an additional Standard Territory from us (for which you are

signing a separate Franchise Agreement), and (e) the purchase is not facilitated through a third-party broker, then we will discount the then-current franchise fee by 20%. This discount, if applicable, will be limited to one Outdoor Lighting Perspectives territory.

Existing Franchisee: Additional Concept Discount

As an existing member franchisee of an Empower Brands affiliate, as outlined in Item 1, you may be eligible to purchase a franchise from another affiliated brand at a discount as long as your existing Empower Brands franchise: (a) has been in full compliance under your franchise agreement for at least 2 consecutive years, (b) you meet the then-current qualifications for the affiliated Empower Brand, and (c) the new affiliated brand purchase is not facilitated through a third party broker. The discount offered will be 20% of the then current franchise fee of the affiliated brand. That discount, if applicable, is limited to one affiliated brand territory.

Discount for Employees of Franchisees

We have a discount program to reward qualified employees of our franchisees who have been recommended in writing by their employer, who have been employed in good standing by their employer for at least two years and who otherwise meet all of the qualification guidelines to be our franchisee. We offer a 5% discount off the applicable initial franchise fee for every year of service over two years, subject to a maximum discount of 50% off the applicable initial franchise fee as shown below:

Percentage Discount	Years of Consecutive Employment
10%	2
15%	3
20%	4
25%	5
30%	6
35%	7
40%	8
45%	9
50%	10 and more

Combination and Application of Discounts

We are a member of the International Franchise Association (“**IFA**”), and support and participate in IFA’s VetFran Program. If you are an honorably discharged veteran who meets our qualifications for new Outdoor Lighting Business franchises, we will discount the franchise fee by 15%. The VetFran discount may be used only once for one Territory. The VetFran discount may be applied towards the purchase of only one of the franchise concepts offered by us and our Affiliates.

In addition to the standard discount programs described above, we reserve the right, from the issuance date of this disclosure document to periodically reduce the franchise fee based on specific circumstances. In addition, in limited circumstances, we may offer to finance up to ~~50~~80% of your Initial Franchise Fee. Otherwise, the initial fees described above in this Item 5 are uniformly charged to all new franchisees. These initial fees are payable at the time you sign a Franchise Agreement and are not refundable under any circumstances.

Initial Inventory

You may elect to order certain initial lighting inventory and the night time sales demonstration kit required for the operation of your Outdoor Lighting Business before opening. You will purchase these non-refundable items from our affiliate, OLBSC. We estimate that the total cost of these items that you may purchase from our affiliate will range from ~~\$12,000 to~~ \$14,000 to \$16,000.

Miscellaneous

We will refund 50% of the Initial Franchise Fee you paid to us within 30 days after notice of termination by us if you do not complete your training program to our satisfaction. We will notify you in writing not later than five days after completion of your training program if we decide to terminate your franchise and give you a partial refund of such fees. There are no refunds under any other circumstances.

In addition, in limited circumstances, we may offer to finance up to 50% of your Initial Franchise Fee, as described in ITEM 10.

At our option, and based upon your demonstrated ability to operate more than one Outdoor Lighting Business, you may be offered the opportunity to purchase additional Territories. Each Territory must be purchased by paying the then current Initial Franchise Fee and by signing the then current Franchise Agreement. At this time, we do not grant any special area development rights for multiple Territories.

ITEM 6 OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty† (1)	<p>The greater of: (a) the sum of 7% of Gross Revenue; or (b) the Minimum Royalty of \$1,100 <u>1,400</u> per month.</p> <p>If Gross Revenue exceeds \$1,500,000 <u>1,000,000</u>, the Royalty Fee will be reduced to the greater of the Minimum Royalty or 5.5% <u>5%</u> of Gross Revenue from all sources for the remainder of that calendar year.</p> <p>If Gross Revenue exceeds \$2,500,000, the Royalty Fee will be reduced to the greater of the Minimum Royalty or 4.5% of Gross Revenue from all sources for the remainder of that calendar year.</p> <p>If Gross Revenue exceeds \$3,500,000, the Royalty Fee will be reduced to the greater of the Minimum Royalty or 3.5% of Gross Revenue from all sources</p>	Payable monthly on or before the tenth of each month	<p>Gross Revenues are all revenue from the Outdoor Lighting Business. If applicable and at our discretion, the Minimum Royalty may be abated during certain months of the year due to seasonal factors in your Territory. We will determine if seasonal factors apply to your Territory in our sole discretion. Seasonal factors apply to winter weather states in which adverse weather conditions do not allow franchisee to install outdoor lighting.</p> <p>If you operate Outdoor Lighting Businesses in multiple contiguous Territories in the same market under separate Franchise Agreements, you may aggregate your Gross Revenue from these contiguous Territories for purposes of calculating your Year-to-Date Gross Revenue in order to determine your required Royalty Percentage.</p>

Type of Fee	Amount	Due Date	Remarks
	for the remainder of that calendar year.		
National Branding & Marketing Fee† (2)	<p>21.5% on the first \$1,500,000 <u>1,000,000</u> of Gross Revenues in a calendar year.</p> <p>If Gross Revenue exceeds \$1,500,000 in a calendar year, the <u>No</u> National Branding & Marketing Fee will be reduced to 1%.</p> <p>If due on Gross Revenue exceeds \$2,500,000 <u>Revenues over \$1,000,000</u> in any <u>any</u> calendar year, the National Branding & Marketing Fee will be reduced to .5%.</p> <p>If Gross Revenue exceeds \$3,500,000 in a calendar year, the National Branding & Marketing Fee will be reduced to 0%.</p>	Payable monthly, same time as the Royalty	<p>We may increase the National Branding & Marketing Fee at any time up to a maximum of three percent of Gross Revenues.</p> <p>If you operate Outdoor Lighting Businesses in multiple contiguous Territories in the same market under separate Franchise Agreements, you may aggregate your Gross Revenue from these contiguous Territories for purposes of calculating your Year-to-Date Gross Revenue in order to determine your required National Branding & Marketing Fee.</p>
Digital Marketing Fee†	Our then-current fee, currently \$300 per month	Monthly	We may use this “ Digital Marketing Fee ” in our sole discretion as we deem appropriate, for the development, production, publication, or distribution of digital advertisements, marketing, or promotions. We may increase this fee upon 30 days’ prior written notice to you. See Item 11.
Individual Advertising Investment	<p>Minimum \$55,000 per calendar year for one Territory.</p> <p>Minimum \$100,000 per calendar year if you are granted two contiguous Territories, plus an additional \$35,000 per calendar year for each additional contiguous Territory.</p>	Payable to third-parties at times set by you	<p>The first calendar year will begin on the Operational Start Date and end on December 31st immediately following the Operational Start Date. During the first calendar year, your Individual Advertising Investment will be prorated.</p> <p>We will provide recommendations for local advertising. We have the right, but not the obligation, to collect up to the minimum required Individual Advertising Investment from you, after you commence operations, and administer it on marketing and advertising investments in your Territory on your behalf.</p> <p>“Operational Start Date” means the date you commence operations, which must be no later than 6 months from the date you sign the Franchise Agreement.</p>
Transfer Fee† (3)	\$10,000 Transfer from an individual to a wholly owned entity: \$1,500	Prior to acceptance of transfer	Payable before you transfer your franchise.
Bookkeeping Services Fee (4)	The then-current Bookkeeping Services Fee.	Monthly	You must pay this fee if you elect to use us or our affiliate for bookkeeping services. We may increase

Type of Fee	Amount	Due Date	Remarks
	Currently, \$350 per month, plus \$55 per hour of additional support		the Bookkeeping Services Fee upon notice to you to be up to \$500 per month and up to \$100 per hour for additional assistance.
Audit†	Cost of audit plus late fee of one and one-half percent interest per month on understatement	Thirty days after billing	Payable only if audit shows an under-statement of at least two percent of Gross Revenue for any month.
Fee for Lost Manuals†	\$500	Upon delivery	
Successor Franchise Fee†	10% of our then-current Initial Franchise Fee	Upon the extension of your rights to operate the Outdoor Lighting Business	
Indemnification†	Will vary under circumstances	As incurred	You must reimburse us if we are held liable for claims arising from your Outdoor Lighting Business operations
Insurance†	At a minimum, comprehensive general liability coverage and products liability	As incurred	Insurance requirements are set forth in Section 12.1(a) of the Franchise Agreement. Insurance requirements may be changed by us, in our sole discretion
Cost of Enforcement or Defense†	All costs including accounting and attorneys' fees, plus interest on such amounts.	Upon settlement or conclusion	You must reimburse us if we are required to incur any expenses in enforcing our rights against you under the Franchise Agreement
Technology Maintenance Expense	The then-current cost of purchasing required hardware and software upgrades. The estimated range of costs are \$0-\$5,000	At time of upgrade, which may be required at any time if we determine that the existing hardware and/or software is outdated	We impose no cap or limitation on the amount of expense you may incur for hardware and software upgrades
Annual Conference Fee	You must pay us our then-current mandatory conference fee (if any, between \$300 - \$750)	Monthly or incurred	We reserve the right to conduct annual or periodic meetings of all Outdoor Lighting franchisees that you must attend. In addition to any conference fee which we may collect monthly or in lump sums, you must also pay your expenses as well as the expenses your employees incur in attending these meetings. The estimated range of costs is \$500-\$2,500 plus materials estimated at \$50
Software License and Support Fee†	\$250 per month	Monthly	Payable on or before the tenth of the month at the same time you pay your Royalties
CRM License Fee	Currently, approximately \$225 per month	Monthly	We have worked with an outside vendor to develop a proprietary data management and CRM system. You are required to use the CRM software and to pay us or the outside vendor a regular license and access fee to support the software.
Additional Computer Training	Will vary based on length and type of course	Prior to training	You must take a computer training class at a local computer school if we determine that you do not have sufficient skills to operate your computer, understand how to use the software, and access email and the Internet
Late Fee†	\$100	As incurred	Due for any late payment, underpayment or late report (including certificates of insurance, financial statements and tax returns)
Insufficient Funds Fee	Our then-current service charge (ranging from \$10 - \$50), plus	As incurred	Due if there are insufficient funds in your account to collect amounts by a transfer of funds on the due

Type of Fee	Amount	Due Date	Remarks
	any fees and expenses incurred by us		date, or if a withdrawal is otherwise rejected for any reason
Interest†	Lesser of one and one-half percent per month or highest rate of interest allowed by law, whichever is less	As incurred	Begins to accrue after any payments are due and unpaid
Supplemental or Refresher Training†	Then-current fee	As incurred	Payable if we require you to attend any additional or supplemental training programs. We do not pay any travel expenses, lodging, meals, ground transportation or other personal expenses.
State License Fee	Our then-current fee, currently \$150 per month	Monthly	In limited circumstances in certain states, if you do not currently meet the qualifications to obtain the required license to operate the Outdoor Lighting Business, we may allow you to operate your Outdoor Lighting Business in connection with a license that we or our affiliates own; provided that you obtain your own license within 6 months after you meet the state experience qualifications. You also may hire an individual or partner with an individual that has the required license.
Commercial Business Development and Project Fee	Then-current fee, currently the greater or 5% of Gross Revenue or \$1,500	As determined by us	You must participate in any commercial accounts program we designate, and pay us any then-current fees associated with such program. As of the issuance date of this disclosure document, we are currently establishing our commercial accounts program. The Commercial Business Development and Project Fee is in addition to the Royalty Fee.
Early Termination Fee	An amount equal to 24 times the average monthly Royalty fees payable to Franchisor over (i) the last 12 months of the Franchised Business's active operations, or (ii) the entire period the Franchised Business has been open for business, whichever is the shorter period.	Within 30 days of the early termination date	We may require you to pay us early termination fees in the event the Franchise Agreement is terminated prior to its natural expiration date.

† Denotes fees which are imposed and payable to us. All of these fees are non-refundable under any circumstances once paid. Fees paid to vendors or other suppliers may or may not be refundable depending on your vendors and suppliers. The fees and costs are uniform as to all persons currently being offered a franchise.

Notes:

(1) Royalty. For the first 12 months of the operation of your Outdoor Lighting Business we will waive the Minimum Royalty but you must pay us the percentage royalty. The Minimum Royalty per Territory begins in the 13th full month of operation and is \$1,400 per month per Territory. Due to the Minimum Royalty, in some instances it is possible for the Royalty to exceed 7% of Gross Revenue when computed on an annualized basis. If applicable and at our sole discretion, the Minimum Royalty may be abated during certain months of the year due to seasonal factors in your Territory. Seasonal factors apply to winter weather states in which adverse weather conditions do not allow you to install outdoor lighting. We will determine if seasonal factors apply to your Territory in our sole discretion.

(2) Advertising Through National Branding and Marketing Fund. We have formed a National Branding and Marketing Fund for advertising. Advertising materials and services will be provided to the Franchisee through the National Branding and Marketing Fund. The Franchise Agreement allows us to increase the amount of your monthly Advertising through the National Branding and Marketing Fund up to 3% of your Gross Revenues in our discretion. This contribution must be made in addition to your Individual Advertising Investment, including the Start-Up Advertising.

(3) Transfer Fee. If you engage a broker to assist you in selling your Business, or if you ask that we assist you in the sale of your Business and we engage a broker, you will be responsible for any commission or fees that the broker charges in connection with the sale.

(4) Bookkeeping Services Fee. You are required to use an approved vendor for bookkeeping services for your first two years of operations. If you elect to use us or our affiliate, then you must pay us our then-current bookkeeping services fee (“**Bookkeeping Services Fee**”). The Bookkeeping Services Fee is a monthly fee that is currently charged at \$350 per month. The Bookkeeping Services Fee covers up to 5 hours of bookkeeping assistance per month; however, if you require more than 5 hours of bookkeeping assistance per month, we will charge you our then-current hourly fee for additional assistance. We may increase the Bookkeeping Services Fee upon notice to you. If you use an approved third-party vendor, then you will pay them their then-current fees directly.

ITEM 7
ESTIMATED INITIAL INVESTMENT
YOUR ESTIMATED INITIAL INVESTMENT

Standard Franchise

Type of Expense	Amount		Method of Payment	When Due	To Whom Payment is Made
	Low	High			
Initial Franchise Fee (1)	\$32,175	\$59,500	Lump Sum	At Franchise Agreement Signing	Outdoor Lighting
Initial Marketing Collateral (2)	\$2,000 -	\$3,000	As Incurred	At Delivery	Suppliers
Vehicle Wrap (3)	\$3,000	\$4,000 = \$5,000	As Incurred	At Delivery	Suppliers
Trade Show Booth (4)	\$1,500 -	\$2,000	As Incurred	At Delivery	Suppliers
Travel and Living Expense While Training (5)	\$2,000 -	\$3,500	As Incurred	As Incurred During Training	Airlines, Hotels, Restaurants
Tools and Equipment (6)	\$1,000 -	\$2,000	Lump Sum	At Delivery	Suppliers
Computer Hardware and Software (7)	\$0 -	\$1,200	Lump Sum	At Delivery	Suppliers, Vendors
Inventory (8)	\$13,000	\$14,000 = \$16,000	Prior to Opening and as Needed	At Delivery	OLBSC
Start-up Marketing and Advertising (for the First Ninety Days After Satisfactorily Completing the Initial Training) (9)	\$25,000 -	\$55,000	As Incurred	Varied Times	Vendors
Vehicle (10)	\$0	\$50,000 - <u>\$55,000</u>	Monthly Fee or Lump Sum	Varied Terms	Auto Dealer
Additional Funds (three months) (11)	\$20,000		As Incurred	Varied Times	Suppliers, Utilities
TOTAL (12)	\$99,675	\$214,200 <u>\$179,000</u> - <u>\$222,200</u>			

Notes:

- (1) Initial Franchise Fee. The Initial Franchise Fee is not refundable except as otherwise described in this Disclosure Document. We do not offer a refund of any other expenses except as otherwise described in this Disclosure Document. ~~The low end of the estimated range includes the combination of an Existing Franchisee Additional Concept Discount and the VetFran discount (for a total discount of 35% off the Initial Franchise Fee).~~ In limited circumstances, we may offer to finance up to ~~50~~80% of your Initial Franchise Fee. If you are granted a Territory with a population in excess of 700,000, then you will need to pay the Additional Population Fee. For example, if your Territory contains a population of 999,999 people, then you will need to pay an Additional Population Fee equal to \$21,300.
- (2) Initial Marketing Collateral. The Initial Marketing Collateral includes stationery, flyers, yard signs and all other start-up collateral purchased for the business.
- (3) Vehicle Wrap. This estimate includes production of the vehicle graphic and installation.
- (4) Trade Show Booth. This estimate includes production and delivery of a tradeshow booth.
- (5) Travel and Living Expenses While Training. This estimate includes 11 nights in a hotel, up to two flights, and all meals. You will also be required to attend a separate holiday lighting training course during the summer before your first holiday lighting season. There is no separate fee for this training course, but you will be responsible for all travel and living expenses for this course.
- (6) Tools and Equipment. This estimate includes the cost of required drills, electrical supplies, general tools, and a ladder.
- (7) Computer Hardware and Software. Includes the cost of Licensing Quick Books and a desktop or laptop computer and printer.
- (8) Inventory. This represents an estimate of your initial lighting inventory ordering requirements and your night time sales demonstration kit. There are different types of inventory that you can purchase, but the inventory and demo kit generally includes lighting fixtures, bulbs, gutter mount, timer, small transformer, and various accessories. The above estimate includes inventory that you may purchase before you commence operations as well as during the first three months of operations.
- (9) Start-Up Marketing and Advertising. The Start-up Marketing and Advertising includes the cost of all direct mail activities, pay-per-click campaigns, newspaper, radio, television, magazine, and all other efforts implemented during the first 90 days of operation after you have completed our Initial Training Program. You must invest at least \$25,000 on approved start-up advertising. The \$25,000 will be credited toward the \$55,000 you must invest annually on approved local marketing.
- (10) Vehicle. If you do not already own a van, then you must lease or purchase a van. The van can be leased or financed, depending on your credit and the auto dealer, with an approximate \$500 deposit and monthly payments negotiated with the auto dealer. If it is not leased or financed, the approximate value to purchase new vehicle is estimated at \$50,000.
- (11) Additional Funds. Estimate of your start-up expenses for an initial three-month period. These expenses do not include payroll costs or your living expenses. This estimate includes \$500 to \$750 for your first quarterly insurance payment, up to \$300 for business licenses and permits, \$500 for organizational costs, up to \$300 for the quarterly cost of renting a storage facility, plus \$20,000 for miscellaneous working capital. No retail or commercial location will be required. The expenses listed

do not include acquisition, lease or improvement of any real estate. Your costs will depend on how much you follow our methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for our products and/or services; the prevailing wage rate; competition; and the sales level reached during the initial period.

(12) We relied on our predecessor's experience franchising Outdoor Lighting Businesses and the experience of certain officers of the company in the outdoor lighting business to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. You pay no other fees to us or our Affiliates to begin operation of your Outdoor Lighting Business. Except as described otherwise in this Disclosure Document, we do not refund any fees. Fees paid to any third party may be refundable, depending upon the contract, if any, between you and the third party.

Except as described otherwise in this Disclosure Document, neither we nor any of our Affiliates provide or assist with financing arrangements for you. If you obtain financing from others to pay for some of the expenditures necessary to establish and operate the franchise, the cost of financing will depend on your creditworthiness, collateral, lending policies, financial condition of the lender, regulatory environment, and other factors.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must establish and operate your Outdoor Lighting Business in compliance with your Franchise Agreement and the standards and specifications contained in the Outdoor Lighting Perspectives confidential operations manual ("**Operations Manual**") we loan to you.

You must provide specified services and sell specified products. The services provided to both residential and commercial customers include outdoor lighting design, installation and maintenance service; holiday lighting design, installation and maintenance services; and automated lighting control design, installation and maintenance services and sales (collectively "**Services**"). The products include all lighting fixtures and transformers and automated lighting control systems ("**Products**"). We reserve the right to require that you sell additional or different Services and Products in your Outdoor Lighting Business on 30 days' prior written notice to you. You must provide the Services and sell the Products per our specifications and standards. We reserve the right to change standards and specifications on three months' prior written notice to you.

Our affiliate, OLBSC, may periodically be named as a designated or approved supplier for your franchise. During our last fiscal year, which ended September 30, ~~2023~~2024, based on internal records, we and our respective affiliates derived revenues from the sale of the required products and services to our franchisees of \$~~8,627,500~~8,570,364 and received rebates from our franchisees' purchases of required products and services in the amount of \$~~252,600~~293,631. These amounts represent ~~62.8~~63.2% of the total \$~~14,138,600~~14,022,788 in revenue we and our affiliates received in connection with the Outdoor Lighting Perspectives system in the last fiscal year ending September 30, ~~2023~~2024.

Some of our officers own an indirect interest in Empower Brands or its subsidiaries. We and OLBSC are wholly owned subsidiaries of OLB Holdco, which is a wholly-owned subsidiary of Empower Brands. Otherwise, there are no suppliers in which one of our officers owns an interest.

We have standards and specifications for your equipment, uniforms, fixtures, supplies, vehicle, inventory goods, signage, forms, Products, Services, advertising materials, accounting systems, bookkeeping service, and most other services and products used in, sold or provided through your

Outdoor Lighting Business. In order to maintain our standards of consistent, high quality products, customer recognition, advertising support, value and uniformity in Outdoor Lighting Businesses, you must purchase or lease all of your required equipment, vehicle, supplies, fixtures, uniforms, inventory, goods, advertising materials, services and Products used in or sold through your Outdoor Lighting Business, per our specifications and standards, only from us, our Affiliates or our approved suppliers and distributors. Currently, we or our Affiliates are the only supplier for initial lighting inventory, the night time sales demonstration kit, certain software programs, and vehicle wraps.

Franchisees must license from our designated supplier (currently, Service Minder) the CRM Software. If you have a pre-existing data base you wish to migrate, there will be a one-time additional cost of \$199, which you must pay directly to our designated supplier. The purchase of the CRM Software license may include technical support from us or our designated supplier.

You must also purchase computer hardware and software from suppliers that meet our standards and specifications (“**Computer System**”) or obtain our written approval to purchase other equipment. We will respond to requests for approval to purchase equipment other than the Computer System within 30 days from the date the request is received. The Computer System will cost approximately \$1,200.

During the first two full years of operations, you are required to use a bookkeeping service approved by us. We and our affiliate are an approved, but not required, supplier for bookkeeping services. If we are required to sit on your board in order for you to obtain the requisite permits, registrations or licenses to operate an Outdoor Lighting Business, we will require you to use a third party professional services organization that will be responsible for handling your payroll and to assist you with your obligation to comply with various state employment law.

We will establish approved suppliers and specifications and standards that you must follow. Approved suppliers are set forth in our Operations Manual. Approved suppliers and specifications and standards are determined based on the current needs for operating Outdoor Lighting Businesses. We evaluate existing and potential approved suppliers based on price, service, quality, warranty, delivery terms, and other commercially reasonable benchmarks. The identity of approved suppliers and these specifications and standards are updated periodically by modifying the Operations Manual, and notifying you these updates. We have procedures for approving suppliers you recommend based on the criteria described above. We will notify you within 90 days of your request to evaluate an alternative supplier of our approval or disapproval of that supplier. ~~Currently, we~~We do not charge a fee to evaluate an alternative supplier, ~~but we reserve the right to charge a fee in the future.~~ We may revoke our approval of any supplier with 30 days’ prior written notice to you.

You must procure and maintain, at your own expense, insurance policies protecting you, us, our designated affiliates (including our parent, Outdoor Living Brands) and the officers, directors and employees of us and our designated affiliates against any loss, liability, personal injury, death, property damage, or expense resulting from the operation of your ~~Irrigation~~Outdoor Lighting Business and all services you provide in connection with the operation of your ~~Irrigation~~Outdoor Lighting Business as we may require for your and our protection in our sole discretion in amounts set forth in the Operations Manual and Franchise Agreement (which may be adjusted periodically in our sole discretion).

Currently, you must procure and maintain, at your own expense, general liability insurance with coverage of at least \$1,000,000 per occurrence and \$2,000,000 in the aggregate, and commercial automobile insurance and hired and non-owned auto liability insurance coverage of at least \$1,000,000. Although not mandatory, we strongly encourage obtaining an umbrella liability coverage plan with at least \$1,000,000 in coverage. You must also procure and maintain all other insurance required by state or federal law, including workers compensation insurance and unemployment insurance.

The policies must also stipulate that we shall receive a thirty-day prior written notice of cancellation and must contain endorsements by the insurance companies waiving all rights of subrogation against us. You must provide us with all proof of insurance we require, including original or duplicate copies of all insurance policies, certificates of insurance, original endorsements affecting the coverage required by us, together with proof of payment within ten days of issuance. You shall also furnish us with proof of insurance, including certificates and endorsements evidencing this insurance coverage within ten days after each of the following events: (i) at all policy renewal periods, no less often than annually, and (ii) at all instances of any change to, addition to, or replacement of any insurance. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All proof of insurance is subject to approval by us. If you fail to procure and maintain the required insurance coverage, we have the right and authority to procure the insurance coverage and charge you, which charges, together with a reasonable fee for our expenses incurred in this procurement, you will pay immediately upon notice.

The purchase of inventory, fixtures, equipment and supplies from our approved suppliers and distributors will likely represent approximately 25% to 50% percent of your overall purchases to establish and operate your Outdoor Lighting Business. We may derive revenue from your purchases or leases of inventory, fixtures, supplies and equipment from our designated suppliers and distributors.

We and our affiliates reserve the right to collect rebates and other consideration from third party designated and approved suppliers. During our fiscal year ended ~~2022~~2024, we ~~and our predecessor~~ received rebates ranging from 0% to 10% of franchisee purchases of products and services. The payment of these rebates or consideration may or may not be reasonably related to services we or our affiliates provide to these third parties.

We currently negotiate purchase arrangements with suppliers or vendors to obtain price terms and/or other benefits of a buying cooperative for its franchisees. We do not provide material benefits, such as renewing or granting additional franchises to franchisees, based on their use of designated or approved suppliers.

We do not have any purchasing or distribution co-operatives as of the issuance date of this disclosure document.

ITEM 9 FRANCHISEE’S OBLIGATIONS

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this franchise disclosure document.

Obligation	Section in Franchise Agreement	Item in Franchise Disclosure Document
a. Site selection and acquisition/lease	Definitions	ITEMS 11 & 12
b. Pre-opening purchases/leases	Sections 8, 9	ITEMS 8 & 11
c. Site development and other pre-opening requirements	Section 8 and Attachment 1	ITEMS 6, 7 & 11
d. Initial and ongoing training	Sections 7, 8	ITEM 11
e. Opening	Section 8	None
f. Fees	Sections 5, 6, 11, 15	ITEMS 5 & 6
g. Compliance with standards and policies/operating manual	Sections 7, 8, 9	ITEM 11
h. Trademarks and proprietary information	Sections 10, 14	ITEMS 13 & 14
i. Restrictions on products/services offered	Sections 8, 9	ITEMS 8 & 16
j. Warranty and customer service requirements	Section 8	ITEM 11

Obligation	Section in Franchise Agreement	Item in Franchise Disclosure Document
k. Territorial development and sales quotas	Section 4 and Attachment 1	ITEMS 11 & 12
l. Ongoing product purchases	Sections 8, 9	ITEM 16
m. Maintenance, appearance and remodeling requirements	Sections 3, 8	ITEM 7, note 2
n. Insurance	Section 12	ITEM 8
o. Advertising	Sections 8, 11	ITEM 11
p. Indemnification	Section 12	None
q. Owners participation/Management/ staffing	Section 8	ITEM 15
r. Records/reports	Section 6	ITEMS 6 & 17
s. Inspection/audits	Section 6, 8	ITEM 6
t. Transfer	Section 15	ITEM 17
u. Renewal	Section 3	ITEM 17
v. Post-termination obligations	Sections 10, 14, 17	ITEM 17
w. Non-competition covenants	Section 14	ITEM 17
x. Dispute resolution	Section 20	ITEM 17

ITEM 10 FINANCING

Except as indicated below, we require that the Initial Franchise Fee be paid to us in cash at the time of signing the Franchise Agreement.

Under limited and special circumstances, we may allow for a partial deferral or make optional financing available to qualifying existing franchisees. In those situations, we may finance up to ~~50~~80% of your ~~Initial Franchise Fee for a standard Outdoor Lighting Perspectives~~ franchise fee for up to ~~36~~24 months, provided you sign the Promissory Note (“**Note**”) attached as Exhibit H to this Franchise Disclosure Document at the time you sign the Franchise Agreement. The effective annual interest rate will be four percentage points above the prime interest rate on the effective date of the Franchise Agreement. For those franchisees subject to California law, the highest interest rate permitted under California law is 10% per year. There is no prepayment penalty and the rule of 78 does not apply (the rule of 78 is a method of computing interest which requires the interest originally calculated to still be paid even if prepaid). No security interest is required and no person other than you and, if you are an entity, those individuals who are required to sign the form Guarantee and Assumption of Franchisee’s Obligations attached as Attachment B to the Franchise Agreement, must sign the Note.

If you accept financing from us and sign the Note, you will be required to waive and excuse presentment for acceptance and payment, notice of dishonor, and protest of dishonor. Other than as mentioned in the previous sentence, neither the Note, nor any other financing document you sign will contain any waiver of defense or similar provision. In the event payment of the Note is not made under its terms we may either accept a late payment, together with a late charge equal to 10% of the late payment, or declare the entire balance of the Note immediately due. If the balance of the Note is accelerated, we must give written notice to you and, if the balance is not paid within 10 days after notice is given, you must pay us interest at the maximum legal rate (not to exceed 18%) plus any attorneys’ fees and other costs we incur in collecting the monies owed. We also have the right to terminate the Franchise Agreement if we accelerate the Note and the Note is not paid within the 10 days after acceleration. We have not in the past and do not currently intend to sell, assign or discount to any third party the Note or any other financing document you sign.

We will comply with all appropriate laws governing any direct financing we offer to you including, if applicable, the California Finance Lenders Law.

Other than as described above, we do not offer direct or indirect financing, do not guarantee your loans, lease or other obligations, and do not receive payments or other consideration for the placement of financing. We do not intend to sell, assign, or discount to a third party all or part of the financing arrangement. We reserve the right to terminate our financing program at any time, offer different terms or assist franchisees in obtaining financing in the future.

**ITEM 11
FRANCHISOR’S ASSISTANCE, ADVERTISING,
COMPUTER SYSTEMS, AND TRAINING**

Except as listed below, we are not required to provide you with any assistance.

Pre-Opening Obligations.

Before you begin your Outdoor Lighting Business, we will:

1. As applicable, designate your Territory, and, if applicable, a seasonal abatement period for the Minimum Royalty. (See Section 7.3(a) of Franchise Agreement).
2. Provide you, at your cost, with the Initial Marketing Collateral, vehicle wrap and tradeshow booth. (See Section 7.3(b) of Franchise Agreement).
3. Within 60 days of your signing the Franchise Agreement, train you and one other person during a required initial training program (“**Initial Training Program**”) described below. (See Section 7.3(d) of Franchise Agreement).
4. We are not contractually obligated to assist you with selecting a site to operate your Outdoor Lighting Business. After designating your Territory, we do not select or approve an area within your Territory from which you must select a site. You may operate your Outdoor Lighting Business from your home; however, we do recommend that you operate from a commercial location.

Post-Opening Obligations.

During the operation of your Outdoor Lighting Business, we will:

1. Research new products, services and methods and provide you with information concerning developments of this research. (See Section 7.3(i) of Franchise Agreement).
2. Loan you a copy of our confidential Operations Manual, which contains mandatory and suggested specifications, standards, operating procedures and rules, and required product and service warranties, as prescribed by us. (See Section 7.3(j) of Franchise Agreement). The Operations Manual is confidential and remains our property. (See Section 14.1(a) of Franchise Agreement). We may modify the Operations Manual, but the modification will not alter your status and rights under the Franchise Agreement. (See Section 7.3(j)(i) of Franchise Agreement). We may provide you with the Operations Manual and updates in electronic format. The Operations Manual contains 283 pages. The Table of Contents of the Manual is attached as Exhibit F.
3. We will make a representative available to speak with you on the telephone during regular business hours to discuss your operational experiences. (See Section 7.3(e) of Franchise Agreement).

4. We may hold annual conferences to discuss sales techniques, bookkeeping, new product developments, new service suggestions, accounting, inventory control, performance standards, advertising programs merchandising procedures, or any other topics we deem appropriate. There is a conference fee and you must pay all of your travel and living expenses while attending a conference. We currently require franchisees to attend these conferences, may require your employees to attend them as well, which are held at our Richmond, Virginia headquarters or at a location chosen by us. In addition, we may send to you, on a monthly basis, a copy of the then current newsletter. (See Section 7.3(f) of Franchise Agreement).

5. We will design advertising and marketing materials, which you will purchase from our approved suppliers. We may use outside advertising and marketing agencies to create advertising material.

6. A representative of ours may, in our sole discretion, visit your Outdoor Lighting Business during the first six months of operations. (See Section 7.3(g) of Franchise Agreement).

We may, but are not required to, provide you ~~with~~with assistance in establishing minimum and/or maximum prices (to the extent permitted by law).

Advertising Programs

You may not independently advertise on the Internet without prior approval. We intend that any franchisee Web Site be accessed only through our home page, unless we grant you specific approval. At the present time, advertising placement is done on a local basis, typically by local advertising agencies hired by you. Fees related to advertising are to be raised by you.

You must invest a minimum amount in approved local marketing during each 12-month period (“**Individual Advertising Investment**”), which is based upon the number of Territories you are granted. (See Item 6). If you operate one standard Outdoor Lighting Perspectives franchise, the Individual Advertising Investment is \$55,000. You must invest \$25,000 of the Individual Advertising Investment on start-up advertising for the first 90 days after you satisfactorily complete the initial training program (“**Start-Up Advertising**”).

We have the right, but not the obligation, to collect up to the minimum required Individual Advertising Investment from you and spend it on marketing and advertising investments in your Territory on your behalf.

You must submit monthly reports to us reflecting your advertising expenditures. The Individual Advertising Investment must be used by you for local advertising, to be selected and placed by you, in the market in which you operate. These funds are reserved only for marketing, promotions and advertising of your Outdoor Lighting Business. You must obtain our prior approval of all of your marketing, promotional, and advertising materials.

We do not require you to participate in or to contribute to a local or regional advertising cooperative.

We have formed a national branding and advertising fund (“**National Branding and Marketing Fund**”). You must contribute to the National Branding and Marketing Fund (“**National Branding & Marketing Fee**”). This contribution must be made in addition to your Individual Advertising Investment, including your Start-Up Advertising (if applicable). The amount of your National Branding & Marketing Fee is currently 21.5% of your first \$~~1,500,000~~1,000,000 of Gross Revenue in any calendar

year. If in any calendar year, your Gross Revenue exceeds \$1,500,000, ~~the National Branding & Marketing Fee will be reduced to 1% for the remainder of that calendar year. If in any calendar year, your Gross Revenue exceeds \$2,500,000, the National Branding & Marketing Fee will be reduced to .5% for the remainder of that calendar year. If in any calendar year, your Gross Revenue exceeds \$3,500,000~~1,000,000, the National Branding & Marketing Fee will be reduced to 0% for the remainder of that calendar year. The Franchise Agreement allows us to increase the amount of your monthly National Branding & Marketing Fee up to 3% of your Gross Revenues in our discretion.

We may occasionally provide for placement of advertising on behalf of the entire Outdoor Lighting System, including franchisees, through the National Branding and Marketing Fund. We reserve the right to use advertising fees from the National Branding and Marketing Fund to place advertising in national media (including broadcast, print or other media) in the future. Advertising funds are used to promote the products sold by franchisees and are not used to directly sell additional franchises. (See Sections 11.1, 11.2 and 11.3 of the Franchise Agreement). All company owned Outdoor Lighting Business, if any, will contribute to the National Branding and Marketing Fund. Unless required by law, we will not be required to deposit the National Branding and Marketing Fund in a separate bank account, commercial account or savings account and we may place the National Branding and Marketing Fund in our general accounts. The National Branding and Marketing Fund will be administered by us, in our discretion, and we may use a professional advertising agency or media buyer to assist us.

We may reimburse ourselves, our authorized representatives or our Affiliates from the National Branding and Marketing Fund for administrative costs, independent audits, reasonable accounting, bookkeeping, reporting and legal expenses, taxes and all other reasonable direct or indirect expenses that may be incurred by us or our authorized representatives and associated with the programs funded by the National Branding and Marketing Fund. We assume no other direct or indirect liability or obligation to collect amounts due to the National Branding and Marketing Fund or to maintain, direct or administer the National Branding and Marketing Fund. Any unused funds in any calendar year will be applied to the following year's funds, and we reserve the right to contribute or loan additional funds to the National Branding and Marketing Fund on any terms we deem reasonable. Since we do not have this fund audited, audited financial statements are not available to Franchisees. Upon request, we will make available to you an annual accounting for the National Branding and Marketing Fund that shows how the National Branding and Marketing Fund proceeds have been spent for the previous year.

We may use the National Branding and Marketing Fund for the creation, production and placement of commercial advertising; agency costs and commissions; creation and production of video, audio and written advertisements and training materials; administering multi-regional advertising programs, direct mail and other media advertising; in-house staff assistance and related administrative costs; local promotions; supporting public relations; market research; and other advertising and marketing activities, including participating at trade shows. Advertising may be placed in local, regional or national media of our choice, including print, direct mail, radio or television. We do not guarantee that advertising expenditures from the National Branding and Marketing Fund will benefit you or any other franchisee directly, on a pro rata basis, or at all.

During our last fiscal year ending September 30, ~~2023~~2024, we spent the following amounts from ~~its~~our National Branding & Marketing Fund: ~~43.48~~38.84% was used for advertising, ~~30.12~~27.67% was used for ~~others~~software and technology, ~~6.81~~15.59% was used for creative disbursements, ~~5.94~~10.09% was used for conferences and trade associations, ~~5.92~~5.16% was used for ~~video and photo~~payroll, ~~4.17~~4.39% was used for ~~technology~~other, and ~~3.56~~1.26% was used for ~~website hosting~~video and ~~development~~photo production.

You must also pay us our then-current Digital Marketing Fee, which is currently \$300 per month. We may use the Digital Marketing Fee in our sole discretion as we deem appropriate, including, without limitation for: (a) the development, production, publication, or distribution of digital advertisements, marketing, or promotions; (b) search engine optimization; (c) local digital marketing efforts; or (d) any other digital or electronic marketing related programs, technologies, or concepts. We may increase the Digital Marketing Fee upon 30 days' prior written notice to you. As with the National Branding & Marketing Fund, we do not guarantee that advertising expenditures from the Digital Marketing Fee will benefit you or any other franchisee directly, on a pro rata basis, or at all.

Currently we do not have an advertising council composed of Franchisees that advises on advertising policies.

Advertising Cooperative

Currently, we do not have a local or regional advertising cooperative (“**Cooperative**”) composed of franchisees that advises us on advertising policies. However, we have the power to require advertising Cooperatives to be formed, changed, dissolved or merged. We will notify you in writing if a cooperative is formed for your area and the amount of your advertising Cooperative contributions.

Schedule for Opening

Typically, you will open your Outdoor Lighting Business one to four months after you sign the Franchise Agreement. The factors that affect this time frame are the ability to obtain a lease if a location outside of the home is desired obtaining necessary licenses, permits, and certifications, financing, zoning and local ordinances, weather conditions, shortages, and delayed delivery of equipment, fixtures, inventory and vehicle. You may operate your Outdoor Lighting Business from any location. We do not select or approve a site for the Business. The office for the Business may be located in a residence provided that there is a dedicated office space within the residence. You must open your Outdoor Lighting Business no later than 6 months from the date you sign the Franchise Agreement, or we will have the right to terminate your Franchise Agreement.

Required Warranty

You must provide to your customers with a warranty on all Products and Services in accordance with the Operations Manual. If you acquire your Outdoor Lighting Business from an existing franchisee, or a previously owned Territory with existing customers from us, you must honor all warranties for work done by the previous franchisee, including labor, materials, and providing all other required services. All dealing and transactions with customers and suppliers must be fair and honest.

Software and Computer Equipment

You must purchase and use the Computer System which meets our specifications and requirements. Currently, you are required to purchase a personal computer which runs on the Windows XP, or later, or the Macintosh operating system (“**Hardware**”). You must also license the CRM Software detailed below, designated by us to track leads and place customer orders and must also license the landscape and holiday lighting design software (collectively “**Software**”). You will purchase the Computer System from our designated suppliers and distributors. You must have access to the Internet and maintain an email account that allows us to communicate with you on a regular basis. You must check your email account at least once every day.

You must have sufficient computer skills to be able to operate your computer, understand how to use the Software, and access email and the Internet. If we determine that you require additional computer training, you must take and pay for, at your own expense, a computer training course at a local computer training school. You must complete this training within 90 days of the day we advise you of this requirement, and you must present us with a certificate acceptable to us to show that you passed the course.

We have worked with an outside vendor (currently, ServiceMinder) to develop a proprietary data management and CRM system (“**CRM Software**”). You are required to use the CRM Software and to pay us or the outside vendor a regular license and access fee to support the CRM Software. These fees are currently approximately \$225 per month.

Once completed, this Intranet Software will permit us to receive information on a timely basis concerning sales and customers for your Outdoor Lighting Business. We will have the right to independently access your electronic information and data through our proprietary data management and the Intranet Software, and to collect and use your electronic information and data in any manner we choose to promote the development of the Outdoor Lighting System and the sale of franchises. There is no contractual limitation on our right to receive or use information through our proprietary data management and Intranet Software.

You must purchase or lease, use, maintain and update computer and other systems and software programs which meet our specifications as they evolve over time and which, in some cases, may only be available through designated suppliers in the future. For example, you must use the accounting system and bookkeeping services that we require. We may change the designated suppliers from time to time on written notice to you. You must maintain your systems network and you must promptly update and otherwise change your Hardware and Software as we require from time-to-time, at your expense. We may designate additional computer software and hardware from time to time. You will pay all amounts charged by any supplier or licensor of the Software and systems used by you, including charges for use, maintenance, support and/or updates of these Software or Systems. We place no caps or limits on the amount you may be required to spend on such charges, upgrades, or additional purchases.

You acknowledge that we may receive a rebate or commission in connection with the Computer Systems purchased, leased, or obtained by you from designated suppliers and that the benefit of such rebate or commission may not necessarily be passed onto you and that we are entitled to keep such rebates or commissions for our own use and benefit.

You are solely responsible for protecting yourself from viruses, computer hackers, and other communications and computer-related problems, and you may not sue us for any harm caused by such communications and computer-related problems.

We estimate the cost of purchasing the Computer System will be approximately \$1,200. In addition, you will need to pay a monthly Intranet Software License and Support Fee equal to \$250 per month. This fee covers the cost of ongoing maintenance to the Computer System. Other than as described in the Franchise Agreement, we have no contractual obligation to provide you with support services, maintenance, repairs, upgrades, or updates.

Training Program.

The initial training program applies to all Outdoor Lighting Businesses. You or your designated business manager must attend and successfully complete the Initial Training Program to Franchisor’s satisfaction. (See Section 8.1(b) of Franchise Agreement). The Initial Training Program is divided into two phases, as follows:

INITIAL TRAINING PROGRAM

Phase I – Richmond, Virginia

Subject	Hours Of Classroom Training	Hours Of In The Field Training	Location
Pre-Launch	2-12	0	Richmond, Virginia
Marketing and Advertising	8	0	Richmond, Virginia
Trade Alliances	2	0	Richmond, Virginia
Technology	4	0	Richmond, Virginia
Sales Training	8	0	Richmond, Virginia
Product and Design Training	8	16	Richmond, Virginia
Business Management	3	0	Richmond, Virginia
Service and Maintenance	1	0	Richmond, Virginia
Office Administration and Client Service	3	0	Richmond, Virginia
Design and Product Knowledge	8	0	Richmond, Virginia
Controls	1	0	Richmond, Virginia
Total	48-58	16	

Phase II – Richmond, Virginia (Typically August/September)

Subject	Hours Of Classroom Training	Hours Of On The Job Training	Location
Product Knowledge	3	0	Richmond, Virginia
Marketing and Advertising	1	0	Richmond, Virginia
Sales Methodology	1	0	Richmond, Virginia
Field Installation	2	15	Richmond, Virginia
Business Management	1	0	Richmond, Virginia
Technology	1	0	Richmond, Virginia
Total	9	15	

The Initial Training Program and other on-going training will be conducted by training personnel under the direction of Rich Young, our Vice President and business unit leader. Prior to becoming our Vice President - OLP, Mr. Young was Director of Franchise Support for OLP (parent and predecessor) from April 2006 until September 2008, at which time he became our Vice President of Franchise Services. We may change or substitute training personnel as necessary, and we may delegate our duties and share our responsibilities with regard to training. Many of the individuals described in Item 2 above serve as trainers in our training program. We use the Operations Manual and online training modules as our primary instructional material during training.

We do not charge for the Initial Training Program but you must pay for travel, lodging and meals for you and one additional person to travel twice to Richmond, Virginia, for the Initial Training Program. (See Section 7.3(d) of Franchise Agreement). You must also pay all other costs required to complete the Initial Training Program, including salaries, benefits and other expenses for you and your employee(s) attending the training session. Because of scheduling issues for most training classes, there may be a period of one to seven months in between Phase I and Phase II.

You will be deemed fully trained and ready to open your Outdoor Lighting Business upon completing Phase I of the Initial Training Program to our satisfaction. If you purchase a franchise for an Outdoor Lighting Business before July 31 of any calendar year, you will be required to attend Phase II training for holiday lighting during the Phase II training program offered in August or September of that year. If you purchase a franchise for an Outdoor Lighting Business after July 31 in the calendar year,

you will not be required to attend Phase II training until the next calendar year. After completion of the Initial Training Program, on-the-job training and assistance will be limited to telephone assistance. Assistance with respect to pre-opening and opening activities shall be conducted as reasonably determined by us prior to and including the first week of operation of your business. (See Section 7.3(e) of Franchise Agreement).

We may require that you or your operating manager attend all supplemental and refresher training programs that we designate. We may charge our training fee for any supplemental and refresher training programs. You must pay the then-current fee for such training programs, if any, and all personal travel and living expenses.

ITEM 12 TERRITORY

Standard Franchise

If you purchase an Outdoor Lighting Perspectives franchise, you will receive a protected territory to sell the Products and Services you are authorized to sell by the Franchise Agreement (“**Territory**”). The Territory will be delineated by zip codes. You are not required to reside in or have your commercial location, if any, within the Territory. The size of the Territory depends on population density, zip codes, counties, median household income and economic development. A typical Territory will have a population of less than 700,000 people (“**Population Limit**”). If you are granted a Territory in excess of the Population Limit, then you will need to pay us an Additional Population Fee, which equals \$0.071 per individual in the Territory in excess of 700,000 individuals. We will use the most recent population information available in the U.S. Census Data, or other population statistical sources of our choosing to determine populations. You will maintain rights to your Territory even though the population in your Territory may increase or decrease. We have the exclusive right to determine the boundaries of your Territory in our sole discretion. We reserve the right to change, modify, or delete the Population Limit in our sole discretion. We will use our business judgment to determine whether the Population Limit makes good business sense for us and all of our franchisees. Enforcing the Population Limit may not be practical when considering limitations on geography, housing availability, natural physical boundaries and population and demographic shifts. In the event that utilizing a Population Limit does not make good business sense as determined by us we may delete the Population Limit in our sole discretion.

All Franchises

You have no right of first refusal or similar rights to acquire additional franchises. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own or from other channels of distribution or competitive brands we control.

However, you will receive a protected territory. We will not operate Outdoor Lighting Businesses or grant franchises for an Outdoor Lighting Business within your Territory unless you do not meet your sales quota (“**Minimum Annual Sales Quota**”) in any year:

Year	Standard Franchise Minimum Annual Sales Quota
First Year	No Minimum Annual Sales Quota
Second Year	\$250,000
Third Year	\$350,000
Fourth Year and Subsequent Years	\$500,000+

If you fail to meet your Minimum Annual Sales Quota, we have the right to reduce the size of your Territory, grant additional franchises within the Territory or to terminate your franchise upon 30 days' written notice. If you have multiple Franchise Agreements, and therefore multiple territories, then you must meet the Minimum Annual Sale Quota in each Territory. We may not operate a company-owned Outdoor Lighting Business or grant another franchise for an Outdoor Lighting Business in an existing Territory, but there are no other restrictions on us regarding operating company-owned Outdoor Lighting Businesses or on granting franchised businesses for a similar or competitive business within a defined Territory.

If you sign a Successor Franchise Agreement, your Minimum Annual Sales Quota will be the Minimum Annual Sales Quota you were required to satisfy during the last year of your Initial Term unless our then-current form of Franchise Agreement specifically requires the satisfaction of a different Minimum Annual Sales Quota.

We reserve the right to modify your Territory at the time you execute a Successor Franchise Agreement to conform the size of your Territory to our then-current standards for protected territories that are being granted to new franchisees, for example, if there has been an increase or decrease in the population or number of qualified households within your original Territory, or if we use different standards or calculations in determining the size of protected territories. If at the time you intend to sign a Successor Franchise Agreement your original Territory encompasses more than one protected territory based upon our then-current standards for determining protected territories, we may require you to execute multiple Successor Franchise Agreements if you wish to continue operating within the entire original Territory.

You do not receive the automatic right to acquire additional franchises. Provided you are meeting your Minimum Annual Sales Quota, you will maintain rights to your Territory(ies) even though the population may increase.

You may be granted, in our sole discretion, express permission to sell Products and Services to customers in an unsold Territory adjacent to your Territory ("**Adjacent Territory**"). Regardless of the type of franchise you own, you may not use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing to make sales in any Adjacent Territory or otherwise outside of your Territory at any time. You must account for and pay Royalty fees on all Gross Revenues generated from sales from Adjacent Territories using a separate "**End of Month Reporting Form.**" You must agree that when this Adjacent Territory is granted to another franchisee, you will, upon receipt of written notice from us, cease all sales and service efforts within the Territory, and return to us, within ten days of the notice, all customer and prospect information related to the Adjacent Territory. You do not have any first claim on the Adjacent Territory.

You may relocate your Outdoor Lighting Business to another location within the Territory if you receive a notice of default or termination under your lease or mortgage or if there is any proposed taking of the Outdoor Lighting Business location or any portion through the exercise of the power of eminent domain. If you open a new Outdoor Lighting Business at another location in accordance with our standards and general specifications within one year of the closing of the old Outdoor Lighting Business, the new one shall be deemed to be the Outdoor Lighting Business licensed under the Franchise Agreement.

We have and retain the right under the Franchise Agreement to develop and establish other franchise systems for the same, similar, or different products, or services utilizing proprietary marks not now or in the future designated as part of the Outdoor Lighting System licensed under the Franchise

Agreement, and to grant licenses for these other franchise systems without providing you any right in it. We retain the right to open, operate, sell, manage and/or franchise Outdoor Lighting Businesses outside the Territory.

We are not restricted with respect to the pursuit of any other business concept other than Outdoor Lighting Businesses, or the distribution of outdoor lighting equipment and supplies or holiday and event lighting equipment and supplies to wholesalers or other distribution outlets (other than Outdoor Lighting Businesses), or by Internet commerce (e-commerce), mail order or otherwise, whether inside or outside the Territory.

We reserve for ourselves the exclusive right to market any other products or services utilizing the Proprietary Marks or other marks over the Internet. If we elect to sell the Products that we require you to sell in your Outdoor Lighting Business utilizing the Marks over the Internet (e-commerce) to a customer in your Territory, our supplier or distributor may provide you with a credit in an amount determined by us, in our sole discretion. We are not required to compensate franchisee for any solicitation or acceptance of orders inside your territory.

We may acquire, merge with, or be acquired by any other business, including a business that competes directly with your Outdoor Lighting Business, or to acquire and convert to the System operated by us any businesses offering the installation of low voltage outdoor lighting and/or automated lighting control systems including a lighting business or automated lighting control business operated by competitors located, inside or outside of the Territory, or otherwise operated independently or as part of, or in association with, any other system or chain, whether franchised or corporately owned.

We may use the Marks and Outdoor Lighting System in connection with the provision of other services and products or in alternative channels of distribution, without regard to location.

We reserve the rights to any Web Sites utilizing a domain name incorporating one or more of the words “Outdoor Lighting Perspectives.” You may not independently market on the Internet, or use any domain name, address, locator, link, metatag, or search technique, with words or symbols similar to the Marks. We retain the sole right to market on the Internet, including all use of Web Sites, domain names, URL’s, linking, advertising, and co-branding arrangements, and in all other forms of electronic media. You will provide us content for our Internet marketing, and sign our Internet and Intranet usage agreements, if any. We also retain the sole right to use the Marks on the Internet, including on Web Sites, as domain names, directory addresses, metatags, and in connection with linking, advertising, co-branding, and other arrangements. We retain the right to approve any linking or other use of our Web Site. You may not establish a presence on or market using the Internet or other form of electronic media (including social technology, social media and social networking platforms) except as we may specify, and only with our prior written consent. We intend that any franchisee site be accessed only through our home page. Your general conduct on the Internet or other forms of electronic media, including your use of the Marks or any advertising, is subject to the terms and conditions of the Franchise Agreement and any other rules, requirements or policies that we may identify from time to time.

We or our affiliates have the right to sell and enter into agreements with Commercial Accounts, both inside and outside the Territory. A “**Commercial Account**” means those customers or accounts we designate, in our sole and absolute discretion, which may include large projects, customers that have multiple locations in more than one franchised or company-owned territory or market, or customers that desire centralized billing. You must participate in any national accounts program (the “**Commercial Accounts Program**”) we designate, and comply with the terms of the Commercial Accounts Program as described in the Operations Manual or as we otherwise describe in writing. You understand that we will establish the rules under which you will participate, and be compensated for participation, in the

Commercial Accounts Program and that we may terminate, modify or replace the Commercial Accounts Program at any time. You must pay us any then-current fees associated with the Commercial Accounts Program.

If a Commercial Account contacts you directly, you must refer the Commercial Account to us. We will negotiate all contracts with Commercial Accounts and you will not have any right to negotiate any contract or provide services to the Commercial Account without our express written consent.

ITEM 13 TRADEMARKS

We grant you the right to operate an Outdoor Lighting Business under the name “Outdoor Lighting Perspectives.” You may also use our other current or future trademarks to operate your business. By trademark, we mean trade names, trademarks, service marks and logos used to identify your business.

Our affiliate, Lynx IP, owns the following service marks registered on the Principal Register with the United States Patent and Trademark Office (“USPTO”) and it intends to file all required affidavits and renewals:

Mark	Filing/Registration Date	Serial/Registration Number	Status
OUTDOOR LIGHTING PERSPECTIVES	June 12, 2007	Reg. No. 3,250,972	Registered on the Principal Register

Lynx IP has granted us the perpetual right to use and sublicense others to use the principal Marks, as well as other Marks under a trademark license agreement with an effective date of September 9, 2021. Lynx IP may terminate the trademark agreement if any misuse of these Marks materially impairs the goodwill associated with these Marks, if we violate any provision of the license agreement or we do not comply with Lynx IP’s instruction concerning the quality of these Marks. If the trademark agreement is terminated, any then-existing sublicenses (franchises) will continue for the term of the sublicenses, provided that the sublicensees (franchisees) comply with all other terms of their franchise agreements. The trademark license agreement contains no other limitations.

You must follow our rules when you use any of these Marks. You cannot use these Marks as part of a corporate name or with modifying words, designs or symbols except for those which we license to you. You may not use our Marks or any variation of it, in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by us.

You may not use any of the Marks alone or with modifying words, designs or symbols as part of a corporate or business name or in any form on the Internet, including but not limited to URLs, domain names, email addresses, locators, links, metatags or search techniques. You must get our prior written approval of your company name before you file any registration documents. You must indicate, as required in the Franchise Agreement and specified in the Operations Manual, that you are an independent operator. Guidelines regarding proper trademark use and notices are in the Operations Manual and will be updated periodically in our discretion.

No currently effective litigation affects Lynx IP’s use or ownership rights in the Marks. We reserve the right to control any litigation or proceeding related to the Marks and we have the sole right to decide to pursue or settle any infringement actions related to the Marks. There are no currently effective material determinations of the patent and trademark office, trademark trial and appeal board, the

trademark administrator of any state or court pending infringement, opposition or cancellation, or pending material litigation involving the Marks.

No currently effective agreements, other than the License Agreement, limit our right to use or license the use of the Marks.

You must notify us immediately when you learn about an infringement of or challenge to your use of the Marks. We will take the action that we deem necessary to protect the unauthorized use of the trademarks.

You must modify or discontinue the use of a Mark if we modify or discontinue using the Mark. You must not directly or indirectly contest our or Lynx IP's right to the Marks, trade secrets or business techniques that are part of our business.

We do not know of any infringing uses that could materially affect your use of our Marks. You should understand that there could be other businesses using trademarks, trade names, or other commercial symbols similar to our Marks with superior rights to our rights. Before opening your Outdoor Lighting Business, you should research this possibility, using telephone directories, trade directories, Internet directories, or otherwise to avoid the possibility of having to change your Outdoor Lighting Business name.

ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

No patents are material to the franchise.

We claim common law rights and copyright protection for our Operations Manual, promotional materials, advertising materials and training materials.

Your entire knowledge of the operation of an Outdoor Lighting Business and Outdoor Lighting System is derived from information disclosed to you by us and certain of the information is proprietary and a trade secret of ours. You must maintain the absolute confidentiality of all proprietary information and trade secrets during and after the term of the franchise and shall not use any of the information in any other business or in any manner not specifically authorized or approved by us in writing.

You may only divulge confidential information to your employees as necessary. All information which we designate as confidential shall be deemed confidential except information which you can demonstrate was a part of the public domain, through publication or communication by others.

You must also promptly tell us when you learn about unauthorized use of our proprietary information and trade secrets. We are not obligated to take any action but will respond to this information as we think appropriate.

We own all records with respect to the customers, suppliers, and other service providers of, and/or related in any way to, your Outdoor Lighting Business including all databases (whether in print, electronic, or other form), including all names, addresses, phone numbers, email addresses, customer purchase records, etc., and may use, assign or transfer these records in any way we wish, both before and after any termination, expiration, repurchase, transfer or otherwise. We may contact any and/or all of your customers, suppliers and other service providers for quality control, market research and such other purposes as we deem appropriate, in our sole discretion.

You must disclose to us all ideas, techniques and products concerning the development and operation of the Outdoor Lighting Business you or your employees conceive or develop during the term of the Franchise Agreement. You must grant to us and agree to obtain from your owners or employees a perpetual, non-exclusive and worldwide right to use these ideas, techniques and products concerning the development and operation of Outdoor Lighting Business that you or your employees conceive or develop during the term of the Franchise Agreement in all outdoor lighting design and installation related products and service businesses that you operate. We will have no obligation to make any lump sum or on-going payments to you with respect to any idea, concept, method, technique or product. You must agree that you will not use nor will you allow any other person or entity to use any of these ideas, techniques or products without obtaining our prior written approval.

ITEM 15
OBLIGATION TO PARTICIPATE IN THE ACTUAL
OPERATION OF THE FRANCHISE BUSINESS

The franchisee must be an entity by the time you commence operations. The direct, on-site supervision of your Outdoor Lighting Business must be done by a designated business manager. The designated business manager is not required to own a beneficial interest in the business entity.

If we believe you lack sufficient business experience, you must designate an operating manager for your Outdoor Lighting Business. We must approve the selection of the operating manager prior to signing the Franchise Agreement. The operating manager must attend and successfully complete the Initial Training Program, and must abide by the obligations in the Franchise Agreement and the Operations Manual. The operating manager must agree to the same confidentiality and non-competition obligations that you are required to abide by and must sign a confidentiality and non-competition agreement in a form we approve.

Each individual who owns, directly or indirectly, a five percent or greater interest in the franchisee entity (and, if you sign the Franchise Agreement as an individual, your immediate family defined as your spouse and domestic partner) must sign the Guaranty and Assumption of Franchisee's Obligations assuming and agreeing to discharge all of your obligations and comply with all restrictions under the Franchise Agreement.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell only those Products and Services that we have approved and that meet the standards and specifications set by us.

You must offer all Products and Services that we designate as required for all franchisees within your market area. We have the right to change the Products and Services that you must offer in your area, with prior notice to you.

You must purchase supplies and equipment used in your Outdoor Lighting Business from a vendor approved by us that meets the standards and specifications set by us.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this Franchise Disclosure Document.

THE FRANCHISE RELATIONSHIP

Provision	Section in Franchise Agreement	Summary
a. Length of Franchise Term	Section 3.1	Seven years
b. Renewal or extension of the term	Section 3	Equal to our then-current initial term (but no less than 5 years)
c. Requirements for Franchisee to renew or extend	Section 3	Requirements include: sign our then-current successor franchise agreement (“ Successor Franchise Agreement ”) for the Successor Term, and this new Franchise Agreement may have materially different terms and conditions (including, <i>e.g.</i> higher royalty or monthly brand licensing fees and advertising contributions) from the Franchise Agreement that covered your original term, be current in all payments, not have committed 2 breaches in the 24 months before the end of the term, sign release, pay renewal fee, meet our qualifications for new and renewing franchisees, provide notice, upgrade the computer system and vehicle, and provide proof of current licenses, insurance and permit.
d. Termination by Franchisee	Not Applicable	Not applicable However, you may terminate under any grounds permitted by law
e. Termination by Franchisor without cause	Not Applicable	Not applicable
f. Termination by Franchisor with cause	Section 17	Can terminate upon certain violations of the Franchise Agreement by you
g. “Cause” defined - curable defaults	Section 17	You have 30 days to cure the defaults listed in Section 17.2 of the Franchise Agreement including, but not limited to, failure to submit monthly Gross Revenue statements, failure to comply with the Operations Manual, failure to pay your Note when due, and failure to obtain our prior consent when required
h. “Cause” defined – non-curable defaults	Section 17	The non-curable defaults set out in Section 17.1 of the Franchise Agreement, including repeated defaults even if cured, abandonment, trademark misuses, unapproved transfers, and failure to open the Business by the Operational Start Date.
i. Franchisee’s obligations on termination/non-renewal	Sections 10, 12 14, 17	Obligations include complete de-identification, payment of amounts due and return of all Confidential Information and records
j. Assignment of contract by Franchisor	Section 15.1	No restriction on our right to assign
k. “Transfer” by Franchisee – definition	Section 15	Includes transfer of contract or assets or ownership change
l. Franchisor approval of transfer by Franchisee	Section 15	We have the right to approve all transfers
m. Conditions for Franchisor approval of transfer	Section 15.7	New franchisee qualifies (new franchisee must travel to our headquarters at its own expense as part of our approval process), transfer fee paid, purchase agreement approved, training arranged, release signed by you and current Franchise Agreement signed by new franchisee

Provision	Section in Franchise Agreement	Summary
n. Franchisor's right of first refusal to acquire Franchisee's business	Section 16	We can match any offer for your Outdoor Lighting Business
o. Franchisor's option to purchase Franchisee's business	Section 16	We may, but are not required to, purchase your inventory and equipment at fair market value if your franchise is terminated for any reason
p. Death or disability of Franchisee	Section 15.9	Your estate or legal representative must apply to us for the right to transfer to the next of kin within 120 days
q. Non-competition covenants during the term of franchise	Section 14	No involvement in outdoor lighting business (subject to state law)
r. Non-competition covenants after the franchise is terminated or expires	Section 14	No involvement in outdoor lighting business for 2 years (i) in the Territory or any other Franchisee's Territory; (ii) 10 miles of the Territory or any other Franchisee's Territory or (iii) 10 miles of any of our or our affiliate owned Businesses (subject to state law)
s. Modification of agreement	Section 21.11	No modifications of Franchise Agreement during term generally, unless mutually agreed to by the parties in writing, Operating Manual subject to change
t. Integration/merger clause	Section 21.5	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 20	Except for certain claims, all disputes must first be submitted to non-binding mediation, and if unsuccessful, then arbitrated in Virginia, subject to state law.
v. Choice of forum	Section 20.1	Mediation, arbitration and litigation must be in Virginia, except as provided in the State Specific Addenda (See Exhibit E)
w. Choice of law	Section 21.1	Virginia law applies, except as provided in the State Specific Addenda (See Exhibit E)

ITEM 18 PUBLIC FIGURES

We do not currently 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 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.

Written substantiation of the data used in preparing the financial performance representations included in this ITEM 19 will be made available to you upon reasonable request.

A. Average Gross Revenues for Outdoor Lighting Businesses for the 12 Months Ending September 30, ~~2023~~2024

The following table presents Gross Revenue information realized by certain Outdoor Lighting Perspectives franchisees in the United States during the period between October 1, ~~2022~~2023 and September 30, ~~2023~~2024 (“Reporting Period”). The information provided in the table below was compiled from ~~69~~76 Outdoor Lighting Perspectives franchisees that were operational during the Reporting Period, including Outdoor Lighting Perspectives franchisees operating in the United States and one in Canada. These franchisees operated ~~110~~124 franchise territories during the Reporting Period.

~~19~~22 of the franchisees operated in 2 Territories under 2 different Franchise Agreements during the entire reporting Period and report Gross Revenue to us for both Territories on the same report, ~~six~~seven franchisees operated 3 Territories under different Franchise Agreements and report Gross Revenue to us for all Territories on the same report, two franchisees operated 4 Territories under different Franchise Agreements and report Gross Revenue to us for all Territories on the same report, ~~one franchisee operated 5 Territories under different Franchise Agreements and report Gross Revenue to us for all Territories on the same report,~~ and one franchisee operated 7 Territories under different Franchise Agreements and report Gross Revenue to us for all Territories on the same report.

The data excludes ~~19~~11 franchise territories that commenced operations during the Reporting Period, and ~~one~~two franchise territory that ceased operations during Reporting Period, and four franchise territories that did not report sales during the entire Reporting Period. For the data that we received from the Canadian franchisee, we calculated their Gross Revenue in local currency and converted to US Dollars.

All Operational Franchisees						
Sales Volume	Number of Franchisees	Minimum	Average	Maximum	Median	# of Franchisees Above Average (and %)
Greater than \$1.0M	18	\$1,024,278	\$1,650,576	\$3,064,209	\$1,453,050	8 (44%)
Between \$1.0M – \$600K	16	\$618,272	\$797,546	\$991,477	\$780,155	7 (44%)
Between \$600K – \$300K	19	\$314,560	\$430,799	\$591,676	\$392,369	8 (42%)
Less than \$300K	16	\$68,844	\$210,361	\$296,734	\$239,984	9 (56%)
Totals	69		\$782,928		\$591,676	25 (36%)

All Operational Franchisees							
	Count	Min	Average	Max	Median	# above average	% above average
Top Quartile	19	924,177	1,545,654	3,011,490	1,244,269	6	32%
Second Quartile	19	493,338	731,673	903,826	715,665	9	47%
Third Quartile	19	350,996	417,281	492,912	428,363	11	58%
Bottom Quartile	19	89,754	214,346	337,320	200,879	9	47%
Totals	76		\$ 727,238		\$ 493,125	28	37%

The information provided in the table below was compiled from ~~40~~44 single-territory Outdoor Lighting Perspectives franchisees that were operational during the Reporting Period, including Outdoor Lighting Perspectives franchisees operating in the United States and one in Canada. The data excludes ~~29~~32 franchisees that were operational during the Reporting period but operated more than one Territory during the entire Reporting Period and report gross revenue to us for all Territories on the same report, and franchisees that either began operations or ceased active operations during the Reporting Period.

Single-Territory Franchisees						
Sales Volume	Number of Franchisees	Minimum	Average	Maximum	Median	# of Franchisees Above Average (and %)

Greater than \$750K	10	\$761,537	-\$1,190,207	\$1,883,529	\$1,068,715	3 (30%)
Between \$750K—\$500K	8	\$506,405	\$599,882	\$714,669	\$604,974	4 (50%)
Between \$500K—\$250K	12	\$252,054	\$353,389	\$463,793	\$350,787	6 (50%)
Less than \$250K	10	\$68,844	\$169,924	\$245,745	\$179,314	6 (60%)
Totals	40		\$566,026		\$405,503	15 (38%)

Single Territory Franchisees							
	Count	Min	Average	Max	Median	# above average	% above average
Top Quartile	11	873,539	1,321,254	2,503,998	1,182,417	4	36%
Second Quartile	11	444,217	597,818	841,716	573,879	5	45%
Third Quartile	11	303,345	376,045	435,219	375,499	5	45%
Bottom Quartile	11	89,754	173,563	273,952	148,688	4	36%
Totals	44		\$ 617,170		\$ 439,718	16	36%

The information provided in the table below was compiled from the 2932 multi-territory Outdoor Lighting Perspectives franchisees that were operational during the Reporting Period, each of which operate in more than one Territory under different Franchise Agreements. These 2932 Outdoor Lighting Perspectives franchisees reported Gross Revenue to us for all Territories on the same report. As a result, for the purposes of the table below, each of these 2932 Outdoor Lighting Perspectives franchisees was considered to be 1 franchisee even though they operate in more than one Territory.

Multi-Territory Franchisees						
Sales Volume	Number of Franchisees	Minimum	Average	Maximum	Median	# of Franchisees Above Average (and %)
Greater than \$1.2M	10	\$1,201,591	\$1,926,222	\$3,064,209	\$1,707,824	4 (40%)
Between \$1.2M—\$600K	10	\$734,923	\$867,051	\$1,163,803	\$802,698	4 (40%)
Less than \$600K	9	\$256,156	\$383,143	\$554,779	\$391,246	5 (56%)
Totals	29		\$1,082,104		\$807,768	11 (38%)

Multi-territory Franchisees							
	Count	Min	Average	Max	Median	# above average	% above average
Top Third	11	893,105	1,591,282	3,011,490	1,203,436	4	36%
Middle Third	10	493,338	699,817	862,778	678,214	4	40%
Bottom Third	11	185,032	328,397	447,976	350,996	7	64%
Totals	32		\$ 878,583		\$ 678,214	11	34%

The Average Gross Revenue figures presented above represent the total dollar value of customer installation contracts and ongoing maintenance services sold during the Reporting Period by the Outdoor Lighting Perspectives franchisees identified above.

~~B. Average Gross Revenues of certain Outdoor Lighting Businesses for the 12 months ending December 31, 2022~~

~~The following table presents information for Outdoor Lighting Perspectives franchisees that conducted their first full calendar year of operations in 2019, 2020, 2021 or 2022. As of December 31, 2022, there were 7 Franchisees that opened in 2018 and conducted their first full calendar year of operations in 2019 (“2019 New Franchisees”), there were 9 Franchisees that opened in 2019 and conducted their first full calendar year of operations in 2020 (“2020 New Franchisees”), there were 9 Franchisees that opened in 2020 and conducted their first full calendar year of operations in 2021 (“2021 New Franchisees”), and there~~

were 9 Franchisees that opened in 2021 and conducted their first full calendar year of operations in 2022 (“2022 New Franchisees”). The table also shows Gross Revenues for each of these groups for their respective first three full years of operation, to the extent applicable.

	Number of Reporting Franchises	Average Sales - First Three Years			Average Sales - First Three Years			Median Sales - First Three Years			Maximum to Minimum Sales - First Three Years		
		First Year	Second Year	Third Year	First Year	Second Year	Third Year	First Year	Second Year	Third Year	First Year	Second Year	Third Year
2019 New Franchisees	7	\$ 217,172	\$ 348,863	\$ 474,285	4 (57%)	4 (57%)	3 (43%)	\$ 232,765	\$ 384,340	\$ 461,171	\$448,831 - 11,766	\$593,749 - 28,905	\$717,100 - 56,660
2020 New Franchisees	9	\$ 298,709	\$ 501,534	\$ 402,915	2 (22%)	3 (33%)	3 (33%)	\$ 240,941	\$ 401,919	\$ 277,642	\$851,397 - 97,744	\$1,342,489 - 121,339	\$1,519,771 - 0
2021 New Franchisees	9	\$ 434,856	\$ 576,838		4 (44%)	3 (33%)		\$ 381,729	\$ 428,210		\$1,060,511 - 100,382	\$1,650,063 - 175,938	
2022 New Franchisees	9	\$ 327,382			3 (33%)			\$ 290,635			\$506,575 - 192,534		

Of the 7 2019 New Franchisees, one (14%) operated more than one territory. Of the 9 2020 New Franchisees, three (33%) operated more than one territory. Of the 9 2021 New Franchisees, two (22%) operated more than one territory. Of the 9 2022 New Franchisees, one (11%) operated more than one territory.

The Average Gross Revenue figures presented above represent the total dollar value of customer installation contracts and ongoing maintenance services sold during the respective calendar year by the Outdoor Lighting Perspectives franchisees identified above. The financial performance representations above do not reflect the costs of sales, royalties or operating expenses that must be deducted from the Gross Revenue figures to obtain a net income or owner’s profit number. The best source of cost and expense data may be from current or former franchisees as listed in this disclosure document.

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B. Benchmarking Study for Outdoor Lighting Businesses for the 12 Months Ending December 31, 2022

~~In 2023~~

In 2024, we conducted a financial Benchmarking Study for Outdoor Lighting Perspectives franchisees. The Benchmarking Study was conducted solely on a voluntary basis and was offered only to franchisees who had been operating their Outdoor Lighting Businesses at least twelve months at the time of the Benchmarking Study. As a result, 7 franchisees who joined the system in 2022 were ineligible to participate in the Benchmarking Study. Interested franchisees were required to submit their income statements for the year ending December 31, 2022 (“Benchmarking Reporting Period”). We then calculated certain financial metrics to allow participants to compare their financial performance against their peer group of Outdoor Lighting Perspectives franchisees. 5860 Reporting Franchisees operating 94103 Territories out of 118121 (7785%) Outdoor Lighting Perspectives franchised Territories as of December 31, 2022, participated in the Benchmarking Study. All of the 5860 Outdoor Lighting Perspectives Reporting Franchisees were located in the United States or Canada. We have reviewed the composition of franchise participants and believe it contains a random, representative sampling of Outdoor Lighting Perspectives franchised Territories based on level of sales, years in the business and geography.

Part 1: Average Total Revenue Less Average COGS and Average Certain Expenses of Reporting Franchisees Operating for at Least Two Years as of December 31, 2022

While the information in Part 2 through 6 focus on expenses by the applicable Reporting Franchisees that had been open and operating throughout 2021, this Part 1 presents information for

those [4555](#) Reporting Franchisees operating in [7596](#) territories that had been open and operating on a full-time basis for at least two full years as of December 31, ~~2022~~[2023](#). [1925](#) of the [4555](#) reporting franchises contained in the chart below operate in multiple territories. The Chart below reflects the average revenues, certain costs, and expenses in the ~~2022~~[2023](#) calendar year by these [4555](#) Reporting Franchisees.

REVENUE MINUS COGS AND CERTAIN MARKETING & OPERATING EXPENSES		
	Average	% of Revenue
Revenue	903,654	100.0%
Cost of Goods Sold		
Labor	150,976	16.7%
Material	266,949	29.5%
Gross Profit Margin	485,729	53.8%
Certain Marketing & Operating Expenses		
Royalties	63,256	7.0%
Local Marketing Investments	74,799	8.3%
National Brand Marketing Fund Investmen	13,555	1.5%
Office Manager Compensation	57,891	6.4%
Small Tools, Equipment & Uniform Expens	7,233	0.8%
Vehicle Expense	36,216	4.0%
Bank Service Charges & Merchant Fees	17,620	1.9%
Insurance	18,313	2.0%
Licenses & Permits	904	0.1%
IT & Telephone	13,390	1.5%
Total Revenue Less Cost of Goods Sold and Certain Required Marketing & Operating Expenses	182,551	20.2%

***NOTE:** Royalties & NBMF shown at the actual rates based on 2022 FDD (higher than the avg/median of the cohort).

REVENUE MINUS COGS AND CERTAIN MARKETING & OPERATING EXPENSES		
	Average	% of Revenue
Revenue	886,323	100.0%
Cost of Goods Sold		
Labor	146,109	16.5%
Material	239,062	27.0%
Gross Profit Margin	501,152	56.5%
Certain Marketing & Operating Expenses		
Royalties	62,043	7.0%
Local Marketing Investments	82,174	9.3%
National Brand Marketing Fund Investments	13,295	1.5%
Overhead Salaries and Wages Expense	64,145	7.2%
Small Tools, Equipment & Uniform Expense	2,775	0.3%
Vehicle Expense	36,367	4.1%
Bank Service Charges & Merchant Fees	20,871	2.4%
Insurance	22,273	2.5%
Licenses & Permits	1,124	0.1%
IT & Telephone	14,159	1.6%
Total Revenue Less Cost of Goods Sold and Certain Required Marketing & Operating Expenses	181,928	20.5%

* NOTE: Royalties & NBMF shown at the actual rates based on 2023 FDD (higher than the avg/median of the cohort).

“Average” means the respective amount is equal to the average amount generated or incurred by the [4555](#) Reporting Franchisees that were open and operating on a full-time basis for at least two years as of December 31, ~~2022~~[2023](#). “% of Revenue” is calculated by taking the respective amount and dividing it by the average Revenue.

“Revenue” has the same general meaning as in the Franchise Agreement, which is defined in the Franchise Agreement as: the total of all receipts derived from all sales of products and services in connection with your Outdoor Lighting business, including, without limitation, labor, insurance claims for lost profits to the extent a claim is paid by the insurer, and all other products and services sold or performed by or for you or your Outdoor Lighting Business or by means of the business conducted under the Franchise Agreement, whether the receipts are evidenced by cash, credit, checks, gift certificates, scrip, coupons, services, property or other means of exchange. Gross Revenues do not include:

- (i) the amount of any tax imposed by any federal, state, municipal or other governmental authority directly on sales and collected from customers, provided that the amount of any such tax is shown separately and in fact paid by you to the appropriate governmental authority; and
- (ii) all customer refunds, valid discounts and coupons, and credits made by the Irrigation Business (exclusions will not include any reductions for credit card user fees, financing program fees, returned checks or reserves for bad credit or doubtful accounts).

The median Revenue was \$~~693,905~~718,095, with a high of \$~~3,092,275~~3,075,164 and a low of \$~~105,369~~199,582. ~~18~~19 of the ~~45~~55 Reporting Franchisees (or ~~40~~35%) met or exceeded the average.

“Labor” is all director labor costs including direct payroll and payroll taxes for employee installers providing installation, repair and maintenance services, but does not include Officer Manager Compensation (as defined below). In addition, some franchisees hire subcontracted labor primarily for the installation of decorative lighting systems and those costs are included in Cost of Labor. The Cost of Labor does not include benefits or unemployment insurance. The median cost of Labor was \$~~106,721~~120,701, and ~~19~~28 of the ~~45~~55 Reporting Franchisees (or ~~42~~51%) met or exceeded the average.

“Materials” includes all products utilized in installing Outdoor Lighting or decorative lighting systems including bulbs, fixtures, wire, fasteners, transformers and other accessories. The median cost of Materials was \$~~196,476~~196,452, and ~~19~~30 of the ~~45~~55 Reporting Franchisees (or ~~42~~55%) met or exceeded the average.

“Royalties” was calculated by first determining the amount of Monthly Branding Royalty that each of the ~~45~~55 Reporting Franchisees would have paid under this FDD, and then taking the total average of such amount. The median cost of Royalties was \$~~48,573~~50,267, and ~~18~~23 of the ~~45~~55 Reporting Franchisees (or ~~40~~42%) met or exceeded the average.

“Local Marketing Investments” means the amount spent on advertising and marketing activities within their territories. Some of the ~~45~~55 Reporting Franchisees are entitled to spend less on Local Marketing Investments under their older form of franchise agreement. The median Local Marketing Investment was \$~~46,553~~66,242, and ~~19~~27 of the ~~45~~55 Reporting Franchisees (or ~~42~~49%) met or exceeded the average.

“National Brand Marketing Fund Investments” has the same general meaning as the National Branding & Marketing Fees as described in this FDD. The amount shown was calculated by determining the amount that the 45 Reporting Franchisees would have paid under this FDD. However, some of the ~~45~~55 Reporting Franchisees are entitled to pay a lower National Branding & Marketing Fee under their older form of franchise agreement. The actual median National Brand Marketing Fund Investment of these ~~45~~55 Reporting Franchisees was \$~~10,409~~10,771, and ~~18~~28 of the ~~45~~55 Reporting Franchisees (or ~~40~~51%) met or exceeded the average.

“~~Office Manager Compensation~~Overhead Salaries and Wages Expense” means compensation paid to either part-time or full-time office administration staff to answer phones, respond to new customer inquiries, assist in scheduling, help maintain data in the field services IT platform, and sometimes light bookkeeping. ~~Of the 45 Reporting Franchisees, five Franchisees had more than one full-time office manager staff, 18 Franchisees had no office manager staff, and the other 27 Franchisees employed a mix of part-time and full-time office administrative support.~~Additionally, production management staff manages lighting installations. The median ~~Office Manager Compensation~~Overhead Salaries and Wages Expense was \$~~44,411~~32,708, and ~~9~~16 of the ~~45~~55 Reporting Franchisees (or ~~20~~29%) met or exceeded the average. You are solely responsible for determining the levels of compensation and benefits you give to your employees and office managers.

“Small Tools, Equipment & Uniform Expense” means all usual and customary hand tools, wire strippers, trenching shovels, screw drivers, wire-nuts conduit, and branded apparel. The median cost of Small Tools, Equipment & Uniform Expense was \$~~3,014~~416, and ~~18~~14 of the ~~45~~55 Reporting Franchisees (or ~~40~~25%) met or exceeded the average.

“Vehicle Expense” is reported vehicle related expenses including costs associated with operating service vehicles utilized by installers to provide Outdoor Lighting installation, repair and maintenance services, the cost of vehicle leases, fuel and vehicle maintenance. It does not include automobile insurance costs and if the Reporting Franchisees own the vehicle, it does not include depreciation expense associated with the vehicle. The median cost of Vehicle Expense was \$~~26,984~~26,344, and ~~22~~23 of the ~~45~~55 Reporting Franchisees (or ~~49~~42%) met or exceeded the average.

“Bank Service Charges & Merchant Fees” means customary fees associated with maintaining a local banking relationship and accepting payment from customers via credit cards. The median cost Bank Service Charges & Merchant Fees was \$~~14,338~~16,693, and ~~25~~27 of the ~~45~~55 Reporting Franchisees (or ~~56~~49%) met or exceeded the average.

“Insurance” means the amount spent on insurance coverage policies required under this FDD. The median cost Insurance was \$~~13,373~~15,595, and ~~19~~20 of the ~~45~~55 Reporting Franchisees (or ~~42~~36%) met or exceeded the average.

“License & Permits” means the amount spent on maintaining required licenses and permits in order to operate their Outdoor Lighting Business during their second or subsequent full year of operations. The median cost License & Permits was \$~~187~~231, and ~~10~~11 of the ~~45~~55 Reporting Franchisees (or ~~22~~20%) met or exceeded the average.

“IT & Telephone” means the amount spend on licensing the field services technology platform for office and field devices and maintaining a VOIP phone system. The median cost IT & Telephone was \$~~9,739~~9,677, and ~~19~~20 of the ~~45~~55 Reporting Franchisees (or ~~42~~36%) met or exceeded the average.

“Total Revenue Less Cost of Goods Sold and Certain Required Marketing & Operating Expenses” means the average total Revenue minus Labor, Materials, Royalties, Local Marketing Investments, National Brand Marketing Fund Investments, Office Manager Compensation, Small Tools, Equipment & Uniform Expense, Vehicle Expense, Bank Service Charges & Merchant Fees, Insurance, License & Permits, and IT & Telephone. This amount does not equal the average gross profit of the ~~45~~55 Reporting Franchisees that had been open and operating on a full-time basis for at least two years as of December 31, ~~2022~~2023, as they each incurred additional costs and expenses that are not reflected in this Part 1.

Part 2: Gross Profit Margin for ~~2022~~2023

This section presents Gross Profit Margin information reported by the Reporting Franchisees during ~~2022~~2023.

GROSS PROFIT MARGIN							
	#	Min	Max	Median	Average	#above average	% above average
Top Third	20	58.6%	74.7%	64.0%	64.3%	9	45%
Middle Third	19	51.3%	58.6%	54.7%	54.4%	10	53%
Bottom Third	19	16.2%	51.0%	44.8%	41.9%	14	74%

GROSS PROFIT MARGIN							
	#	Min	Max	Median	Average	#above average	% above average
Top Third	20	60.7%	80.8%	66.7%	66.8%	9	45%
Middle Third	20	54.6%	60.7%	58.1%	58.0%	10	50%
Bottom Third	20	38.7%	53.8%	47.2%	47.4%	9	45%

The Gross Profit Margin is defined as “Adjusted Gross Profit” divided by the Gross Revenues of the operation for the full year of ~~2022~~2023. Adjusted Gross Profit is equal to Gross Revenue less the Cost of Materials (defined in Part 3 below), Cost of Labor (defined in Part 4 below).

Part 3: Cost of Material as a Percentage of Gross Revenue ~~for 2022~~

This section presents the Cost of Materials as a percent of Gross Revenue for the Reporting Franchisees during ~~2022~~2023 (as defined below).

COST OF MATERIALS AS A PERCENTAGE OF REVENUE					
	#	Min	Max	Median	Average
Top Third	20	16.2%	26.7%	24.2%	23.4%
Middle Third	19	27.1%	32.7%	28.9%	29.7%
Bottom Third	19	32.8%	47.6%	36.5%	37.7%

COST OF MATERIALS AS A PERCENTAGE OF REVENUE					
	#	Min	Max	Median	Average
Top Third	20	7.3%	24.2%	21.9%	20.0%
Middle Third	20	24.8%	29.2%	27.3%	27.1%
Bottom Third	20	29.2%	44.3%	31.7%	33.4%

The Cost of Materials as a Percentage of Gross Revenue is calculated by taking all “Cost of Materials” divided by the total Gross Revenues. Cost of Materials includes all products utilized in repairing and installing Outdoor Lighting or decorative lighting systems including bulbs, fixtures, wire, fasteners, transformers and other accessories.

Part 4: Cost of Labor as a Percentage of Gross Revenue

This section presents the Cost of Labor as a percent of Gross Revenue for the Reporting Franchisees during ~~2022~~2023 (as defined below).

COST OF LABOR AS A PERCENTAGE OF REVENUE					
	#	Min	Max	Median	Average
Top Third	20	0.0%	12.4%	9.5%	8.6%
Middle Third	19	12.9%	18.5%	14.9%	15.4%
Bottom Third	19	18.5%	41.1%	22.1%	24.8%

COST OF LABOR AS A PERCENTAGE OF REVENUE					
	#	Min	Max	Median	Average
Top Third	20	0.8%	13.7%	10.2%	9.4%
Middle Third	20	13.8%	18.0%	16.1%	16.0%
Bottom Third	20	18.4%	30.6%	21.3%	22.0%

The Cost of Labor as a Percentage of Gross Revenue is calculated by taking ~~the~~ “Cost of Labor” divided by the total Gross Revenues. Cost of Labor is all director labor costs including direct payroll and payroll taxes for employee installers providing Outdoor Lighting installation, repair and maintenance services. In addition, some franchisees hire subcontracted labor primarily for the installation of decorative systems and those costs are included in Cost of Labor. Certain Reporting franchisees perform the

installation and maintenance labor themselves and do not pay themselves direct payroll for their own time. The Cost of Labor does not include benefits or unemployment insurance.

Part 5: Marketing & Advertising as a Percentage of Gross Revenue

This section presents the Marketing and Advertising Costs as a percent of Gross Revenue for the Reporting Franchisees during ~~2022~~2023 (as defined below).

MARKETING & ADVERTISING AS A PERCENTAGE OF REVENUE					
	#	Min	Max	Median	Average
Top Third	20	1.5%	6.1%	3.7%	4.1%
Middle Third	19	6.3%	11.0%	8.4%	8.6%
Bottom Third	19	11.0%	31.6%	14.7%	16.1%

MARKETING & ADVERTISING AS A PERCENTAGE OF REVENUE					
	#	Min	Max	Median	Average
Top Third	20	1.5%	6.9%	4.1%	4.0%
Middle Third	20	7.0%	11.7%	9.7%	9.5%
Bottom Third	20	11.7%	42.0%	14.9%	17.0%

Marketing and Advertising as a Percentage of Gross Revenue is calculated by taking the cost of Marketing and Advertising divided by the total Gross Revenues. Marketing and Advertising is all direct costs to advertise and market the Outdoor Lighting Business in a franchisee’s local market including radio and print advertising, direct mail, internet Pay-per-click advertising and search engine optimization services, public relations, yard signs and other related services. Marketing and Advertising does include amounts credited towards the Individual Advertising Investment, but does not include the National Branding & Marketing Fee or Digital Marketing Fee.

Part 6: Vehicle Expense as a Percent of Gross Revenue

This section presents the Marketing and Advertising Costs as a percent of Gross Revenue for the Reporting Franchisees during ~~2022~~2023 (as defined below).

VEHICLE EXPENSE AS A PERCENTAGE OF REVENUE					
	#	Min	Max	Median	Average
Top Third	20	0.0%	3.4%	2.1%	2.1%
Middle Third	19	3.5%	4.8%	4.3%	4.1%
Bottom Third	19	4.8%	11.5%	6.4%	6.8%

VEHICLE EXPENSE AS A PERCENTAGE OF REVENUE					
	#	Min	Max	Median	Average
Top Third	20	0.5%	2.9%	2.0%	1.9%
Middle Third	20	3.1%	4.7%	3.8%	3.8%
Bottom Third	20	4.8%	14.9%	6.1%	6.9%

The Vehicle as a Percentage of Gross Revenue is calculated by taking the Vehicle Expense divided by the total Gross Revenues. Vehicle Expense is all reported vehicle related expenses including costs associated with operating service vehicles utilized by installers to provide Outdoor Lighting repair and

maintenance services, the cost of vehicle leases, fuel and vehicle maintenance. It does not include automobile insurance costs and if the Reporting Franchisees own the vehicle, it does not include depreciation expense associated with the vehicle.

The above results taken from the Benchmarking Study are provided to prospective franchisees in evaluating the experience of existing Outdoor Lighting Businesses who participated in the study.

The financial information utilized in the benchmarking study was based entirely upon information voluntarily reported by the ~~5860~~ Outdoor Lighting Perspectives Reporting Franchisees who participated in the benchmarking study, and none of this information has been audited or otherwise reviewed or investigated by us or by any independent accountant or auditing firm, and no one has audited, reviewed or otherwise evaluated this information for accuracy or expressed his/her opinion with regard to its content or form.

DC. Average and Median Retail Price Per New Residential Landscape Lighting Install Project, Holiday Lighting Project, and Permanent Lighting Install Project during the Last Twelve Months Ending September 30, ~~2023~~2024.

The table below presents the median and average “Average Retail Price Per New Residential Landscape Lighting Install Project,” median and average “Average Retail Price per Holiday Lighting Project” and median and average “Average Retail Price Per Permanent Lighting Install Project” for new OUTDOOR LIGHTING PERSPECTIVES installation projects by certain Outdoor Lighting Businesses in the twelve month period ending September 30, ~~2023~~2024 (“Reporting Period”).

The information provided in the table below was compiled from ~~7882~~ of the ~~7982~~ (~~99100~~%) OUTDOOR LIGHTING PERSPECTIVES franchisees that were operational at any point during the Reporting Period, including all Outdoor Lighting Perspectives franchised territories operating in the United States and Canada (“Reporting Franchisees”).

~~The data for Average Retail Price Per New Residential Landscape Lighting Install Project excludes the 1 franchisee that did not provide the data necessary to analyze Residential Landscape lighting install projects.~~ The data for Average Retail Price Per Holiday Lighting Project excludes ~~1614~~ franchisees that did not provide the data necessary to analyze Holiday Lighting Projects. The data for Average Retail Price Per Permanent Lighting Install Projects excludes ~~3822~~ that did not provide the data necessary to analyze Permanent Lighting Install Projects.

The information provided in the table below was compiled by examining the revenue derived from ~~6,9086,390~~ New Residential Landscape Lighting Install projects identified from the ~~6282~~ Reporting Franchisees as reported from annual reports captured from the Reporting Franchisees’ customer relationship management software during the Reporting Period. Additionally, the information provided in the table below was compiled by examining the revenue derived from ~~4,8145,738~~ Holiday Lighting Projects identified from ~~6268~~ Reporting Franchisees as reported from annual reports captured from the Reporting Franchisees’ customer relationship management software during the Reporting Period. Finally, the information provided in the table below was compiled by examining the revenue derived from ~~423993~~ Permanent Lighting Install Projects identified from ~~4060~~ Reporting Franchisees as reported from annual reports captured from the Reporting Franchisees’ customer relationship management software during the Reporting Period.

Further, it is important to note that installation of New Residential Landscape Lighting Install Projects, Holiday Lighting Projects and Permanent Lighting Install Projects represents only a portion of the overall activities performed by an OUTDOOR LIGHTING PERSPECTIVES franchisee in the operation of

the Outdoor Lighting Business. Other activities and revenue included in the Outdoor Lighting Business include revenue from commercial outdoor lighting projects, maintenance and service on existing installed residential architectural and landscape lighting systems, add-ons or expansions of existing residential lighting systems, revenues from contractual annual maintenance plans, or revenue from retro fitting existing installed lighting systems to new LED technology.

These combined ~~12,142~~13,121 New Residential Landscape Lighting Install Projects, Holiday Lighting Projects and Permanent Lighting Install Projects completed by the Reporting Franchise Territories generated a total of ~~\$34,218,235~~\$36,419,358 in retail sales, which represents ~~62.364.5%~~ of all the retail sales performed by all Outdoor Lighting Perspectives Franchisees during the 12-month period ending September 30, 2023. The data in the table excludes: (i) revenue from installations of additional OUTDOOR LIGHTING PERSPECTIVES fixtures that are being added to an existing OUTDOOR LIGHTING PERSPECTIVES system, otherwise known as an “add-on sale”; (ii) revenues derived from maintenance and service work on previously installed OUTDOOR LIGHTING PERSPECTIVES systems; and (iii) revenues derived from commercial lighting projects. Our management team has reviewed the composition of the Reporting Franchise Territories that completed the ~~12,161~~13,121 New Residential Landscape Lighting Install Projects, Holiday Lighting Project and Permanent Lighting Install Projects. It was determined that the set of franchisees comprised a random, representative sampling of Outdoor Lighting Businesses based on level of sales, years in the business, and geographic location. ~~Franchisee provide~~

	# of Zees Reporting	Minimum	Maximum	Median	Average	# Above Average	% Above Average
Average Retail Price per New Residential Landscape Lighting Install Project	78	\$ 876.56	\$ 9,064.52	\$ 3,993.29	\$ 4,236.60	32	41.0%
Average Retail Price per Holiday Lighting Project	62	\$ 96.50	\$ 7,359.97	\$ 1,379.12	\$ 1,670.61	24	38.7%
Average Retail Price per Permanent Lighting Install Project	40	\$ 268.75	\$ 11,490.00	\$ 3,903.06	\$ 4,543.30	16	40.0%

	# of Zees Reporting	Minimum	Maximum	Median	Average	# Above Average	% Above Average
Average Retail Price per New Residential Landscape Lighting Install Project	82	\$1,555.33	\$8,716.33	\$3,931.83	\$4,342.18	34	41.5%
Average Retail Price per Holiday Lighting Project	68	\$337.34	\$6,926.67	\$1,448.35	\$1,809.21	23	33.8%
Average Retail Price per Permanent Lighting Install Project	60	\$905.30	\$20,573.75	\$5,194.46	\$5,772.70	23	38.3%

(1) The Average Retail Price Per New Residential Landscape Lighting Install Project is calculated by taking the total dollar sales from new installation projects for a particular Reporting Franchise Territory divided by the total number of new installation projects completed by such Reporting Franchise Territory.

(2) The Average Retail Price Per Holiday Lighting Project is calculated by taking the total dollar sales from Holiday projects for a particular Reporting Franchise Territory divided by the total number of holiday projects completed by such Reporting Franchise Territory.

(3) The Average Retail Price Per Permanent Lighting Install Projects is calculated by taking the total dollar sales from Permanent Lighting Install Projects for a particular Reporting Franchise

Territory divided by the total number of Permanent Lighting Install Projects completed by such Reporting Franchise Territory.

(4) We only collect the total dollar sales and the total number of project by type of project. We do not collect the information on each individual project performed by a franchisee. Therefore, each of the data points in the above table is based upon each Reporting Franchisee’s average. For example, the minimum Average Retail Price Per Holiday Lighting Project reflects the minimum amongst each Average Retail Price Per Holiday Lighting Project, and not the minimum of all Holiday Lighting Projects.

The figures in the table above reflect only the Gross Revenues from the Average Retail Price Per new residential install project, Holiday Lighting Project and Permanent Lighting Install Projects; they do not reflect the direct variable costs of a new OUTDOOR LIGHTING PERSPECTIVES system installation project which would include the direct cost of the lighting fixture, the cost of wire, the cost of a transformer, the cost of other normal lighting installation materials and the direct cost of labor to install the new outdoor lighting system.

Additionally, other fixed and variable costs and expenses associated with operating an Outdoor Lighting Business, including franchisee’s salary, administrative salaries, sales expenses, automobile expenses, insurance costs and advertising and marketing expenses are not considered in the measurement of Average Retail Price Per New Residential Landscape Lighting Install Project, Holiday Lighting Project and Permanent Lighting Install Projects. You should conduct an independent investigation of the potential costs and expenses you will incur in operating your Outdoor Lighting Business.

ED. OUTDOOR LIGHTING PERSPECTIVES Franchise System Gross Revenue for Fiscal Year Ending September 30, ~~2023~~2024 – Revenue Mix by Division

The information provided in the table below is based on the three revenue divisions that make up the aggregate Gross Revenue (as defined above) reported to us from all OUTDOOR LIGHTING PERSPECTIVES franchisees whose OUTDOOR LIGHTING PERSPECTIVES businesses were operational for any part, even as little as one month if the franchisee completed initial training in September of their initial year of operations, of the fiscal year (“System Gross Sales”) ending September 30, ~~2023~~2024.

Revenue Divisions	Gross Revenue	% of Total Revenue
Residential Lighting Revenue	40,686,921	74%
Holiday Lighting Revenue	9,591,660	17%
Commercial Lighting Revenue	4,614,878	8%
Total Lighting Revenue	54,893,459	100%

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Revenue Divisions	Gross Revenue	% of Total Revenue
Residential Lighting Revenue	41,020,160	73%
Holiday Lighting Revenue	12,091,322	21%
Commercial Lighting Revenue	3,382,754	6%
Total Lighting Revenue	56,494,236	100%

E. Aggregate OUTDOOR LIGHTING PERSPECTIVES Franchise System Gross Sales for Fiscal Years Ending September 30, 2018, 2019, 2020, 2021, 2022, ~~2023~~ and ~~2023~~2024

The information provided in the table below is based on the aggregate Gross Revenue (as defined above) reported to us from all OUTDOOR LIGHTING PERSPECTIVES franchisees whose OUTDOOR LIGHTING PERSPECTIVES business were operational for any part, even as little as one month if the franchisee completed initial training in September of their initial year of operations, of each fiscal year (“System Gross Sales”) ended ~~September 30, 2016, September 30, 2017~~, September 30, 2018, September 30, 2019, September 30, 2021, September 30, 2022, September 30, 2023 and September 30, ~~2023~~2024.

Aggregate Outdoor Lighting Perspectives Franchise System Gross Revenues by Year from ~~2018-2023~~2018-2024 (Years Ending September 30)

Year	System Gross Revenue
2018	\$24,939,275
2019	\$26,593,827
2020	\$30,087,144
2021	\$45,515,302
2022	\$53,685,550
2023	\$54,893,459
<u>2024</u>	<u>\$56,494,236</u>



NOTES THAT APPLY TO ALL SECTIONS ABOVE

Some outlets have earned this amount. Your individual results may differ. There is no assurance that you’ll earn as much.

The financial information we utilized in preparing the preceding financial performance representations was based entirely upon information reported to us by Outdoor Lighting Businesses. None of this information was audited or otherwise reviewed or investigated by us or by any independent accountant or auditing firm, and no one has audited, reviewed or otherwise evaluated this information for accuracy or expressed his/her opinion with regard to its content or form.

You are responsible for developing your own business plan for your Outdoor Lighting Business, including capital budgets, financial statements, projections, pro forma financial statements and other elements appropriate to your particular circumstances. In preparing your business plan, we encourage you to consult with your own accounting, business and legal advisors to assist you to identify the expenses

you likely will incur in connection with your Outdoor Lighting Business to prepare your budgets, and to assess the likely or potential financial performance of your Outdoor Lighting Business.

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 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 Scott Zide, Outdoor Lighting Perspectives Franchisor, LLC, 2426 Old Brick Road, Glen Allen, Virginia 23060, (804) 353-6999, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

Each “outlet” described below in Item 20 is one territory.

Table No. 1
Systemwide Outlet Summary
For Years ~~2021~~2022 to ~~2023~~2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised (1)	2021	85	102	+17
	2022	102	110	+8
	2023	110	128	+18
	<u>2024</u>	<u>128</u>	<u>135</u>	<u>+7</u>
Company-Owned	2021	3	0	-3
	2022	0	0	0
	2023	0	0	0
	<u>2024</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Outlets	2021	88	102	+14
	2022	102	110	+8
	2023	110	128	+18
	<u>2024</u>	<u>128</u>	<u>135</u>	<u>+7</u>

Notes:

(1) Totals included in this table relate to franchisees located in the United States only. International franchisees are excluded.

Table No. 2
Transfers of Franchised Outlets
For Years ~~2021~~2022 to ~~2023~~2024

State	Year	Number of Transfers
Alabama	2021	0
	2022	2
	2023	0
	<u>2024</u>	<u>0</u>
Arkansas	2021 <u>2022</u>	0 <u>2</u>

State	Year	Number of Transfers
	<u>2023</u>	0
	<u>2024</u>	0
<u>Florida</u>	2022	20
	2023	0
	<u>2024</u>	<u>2</u>
Georgia	2021	0
	2022	1
	2023	0
	<u>2024</u>	<u>0</u>
<u>Illinois</u>	<u>2022</u>	<u>0</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>3</u>
Kentucky	2021	0
	2022	1
	2023	1
	<u>2024</u>	<u>0</u>
New York	2021	2
<u>North Carolina</u>	2022	0
	2023	0
	<u>2024</u>	<u>4</u>
Ohio	2021	0
<u>Ohio</u>	2022	1
	2023	0
	<u>2024</u>	<u>0</u>
Texas	2021	2
	2022	2
	2023	0
	<u>2024</u>	<u>1</u>
Washington	2021	0
	2022	0
	2023	1
	<u>2024</u>	<u>0</u>
Totals	2021	4
	2022	9
	2023	2
	<u>2024</u>	<u>10</u>

Table No. 3
Status of Franchised Outlets
For Years ~~2021~~2022 to ~~2023~~2024

State	Year	Outlets at Start of the Year	Outlets Added	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
Alabama	2021	2	2	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
	<u>2024</u>	<u>4</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
Arizona	2021	4	0	0	0	0	0	4

State	Year	Outlets at Start of the Year	Outlets Added	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
Arkansas	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
California	2024	3	0	0	0	0	0	3
	2021	5	0	0	0	0	0	5
	2022	5	1	2	0	0	0	4
Colorado	2023	4	1	0	0	0	0	5
	2024	5	1	0	0	0	0	6
	2021	1	0	0	0	0	0	1
Delaware	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	1	1	0	0	0	1
Florida	2021	1	0	00	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Georgia	2024	1	0	0	0	0	0	1
	2021	10	1	0	0	0	0	11
	2022	11	3	0	0	0	0	14
Idaho	2023	14	5	0	0	0	0	19
	2024	19	0	0	0	0	0	19
	2021	3	0	0	0	0	0	3
Illinois	2022	3	0	0	0	0	0	3
	2023	3	1	0	0	0	0	4
	2024	4	1	0	0	0	0	5
Indiana	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Iowa	2024	1	0	0	0	0	0	1
	2021	2	0	0	0	0	0	2
	2022	2	0	1	0	0	0	1
Kansas	2023	1	2	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2021	1	0	0	0	0	0	1
Kansas	2022	1	000001	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
Kansas	2021	0	1	0	0	0	0	1
	2022	1	000001	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Kansas	2024	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1

State	Year	Outlets at Start of the Year	Outlets Added	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
Kentucky	2023	1	0	0	0	0	0	1
	<u>2024</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Louisiana	<u>2024</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Maryland	<u>2024</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	1	0	0	0	0	3
Massachusetts	<u>2024</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
	2021	2	1	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	30	1	0	0	0	0	2
Michigan	<u>2024</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
	2021	1	1	0	0	0	0	2
	2022	2	1	0	0	0	0	3
	2023	3	0	0	0	0	0	3
Minnesota	<u>2024</u>	<u>3</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Missouri	<u>2024</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Nevada	<u>2024</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	2021	1	0	0	0	0	0	1
	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
New Hampshire	<u>2024</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
New Jersey	<u>2024</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	2021	1	0	00	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
New York	<u>2024</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	2021	4	2	0	0	0	0	6
	2022	6	0	0	0	0	0	6
	2023	6	0	0	0	0	0	6

State	Year	Outlets at Start of the Year	Outlets Added	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
North Carolina	2021	2	3	0	0	0	0	5
	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
	<u>2024</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
Ohio	2021	3	0	0	0	0	0	3
<u>Ohio</u>	2022	3	2	0	0	0	0	5
	2023	5	1	0	0	0	0	6
	<u>2024</u>	<u>6</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6</u>
Oklahoma	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	2	0	0	0	0	2
	<u>2024</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
Pennsylvania	2021	3	1	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
	<u>2024</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
South Carolina	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
	<u>2024</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
Tennessee	2021	3	0	0	0	0	0	3
	2022	3	2	0	0	0	0	5
	2023	5	0	0	0	0	0	5
	<u>2024</u>	<u>5</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6</u>
Texas	2021	9	2	0	0	0	0	11
	2022	11	2	0	0	0	0	13*
	2023	13	1	0	0	0	0	14
	<u>2024</u>	<u>14</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>17</u>
Utah	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	2	0	0	0	0	2
	<u>2024</u>	<u>2</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
Virginia	2021	5	1	1	0	0	0	5
	2022	5	0	0	0	0	0	5
	2023	5	1	0	0	0	0	6
	<u>2024</u>	<u>6</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6</u>
Washington	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	2	0	0	0	0	4
	<u>2024</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
West Virginia	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	<u>2024</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Wisconsin	2021	1	0	0	0	0	0	1
	2022	1	0	1	0	0	0	0

State	Year	Outlets at Start of the Year	Outlets Added	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
Domestic Total	2023	0	0	0	0	0	0	0
	<u>2024</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2021	85	16	1	0	0	0	100
	2022	100	12	4	0	0	0	108
	2023	108	19	1	0	0	0	126
Canada*	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	<u>2024</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
International Total	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	<u>2024</u>	<u>2</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>

*Previous documents accidentally noted one Canadian outlet when there in fact have been two.

Table No. 4
Status of Company-Owned Outlets
For Years ~~2021~~2022 to ~~2023~~2024

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
North Carolina	2021	3	0	0	0	3	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	<u>2024</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Outlets	2021	3	0	0	0	3	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	<u>2024</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Table No. 5
Projected Openings as of
September 30, ~~2023~~2024

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
California	0	1	
Colorado	<u>0</u>	1	<u>0</u>
Florida	10	0	<u>0</u>
Georgia	<u>0</u>	<u>2</u>	<u>0</u>
Maryland	<u>0</u>	<u>1</u>	<u>0</u>
Massachusetts	0	1	
Michigan	<u>0</u>	10	<u>0</u>
Ohio	<u>0</u>	<u>2</u>	<u>0</u>
Minnesota	0	0	
Mississippi	0	1	
Nebraska	0	1	
New Jersey	0	1	

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
North South Carolina	0	1	<u>0</u>
Oregon	0	1	
Tennessee	0	1	<u>0</u>
Texas	0	1 3	<u>0</u>
Virginia	<u>0</u>	<u>1</u>	<u>0</u>
Utah	1	0	
Vermont	1	0	
Wyoming	0	1	
Total	<u>32</u>	1214	<u>0</u>

Notes to Above Tables:

- (*) Our predecessor's fiscal year ended December 31st. Because our fiscal year is ended September 30th, the numbers for the year ~~2021~~2022 reflect amounts based upon January 1, ~~2021~~2022, to September 30, ~~2021~~2022, and the numbers for the year ~~2022~~2023 (and each year going forward) reflect a fiscal year ended September 30th.

The names, addresses and telephone numbers of all franchisees, including franchisees with unopened locations, as of September 30, ~~2023~~2024, are listed in Exhibit C. Also listed in Exhibit C are the name and last known home address and telephone number of every franchisee who had an outlet terminated, canceled, transferred, not renewed or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our fiscal year ended September 30, ~~2023~~2024 or who has not communicated with the franchisor within 10 weeks of the date of this franchise disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

We

~~During the last three fiscal years, franchisees have not signed any confidentiality agreements with any franchisees during the last three fiscal years. As of September 30, 2023, we are not offering any existing franchised outlets to prospective franchisees, including those that have been reacquired by us or are still being operated by us. In some instances, current and former franchisees pending a transfer. In the event signs provisions restricting their ability to speak openly about their experience with the Outdoor Lighting system. You may wish to speak with current and former franchisees but be aware that we begin to offer any not all such outlet, specific information about the outlet franchisees will be provided able to communicate with you in a separate Addendum to this franchise disclosure document.~~

We are not aware of any trademark-specific franchisee associations required to be disclosed in this Item.

ITEM 21 FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit A are the audited consolidated financial statements and supplementary information of Outdoor Living Brands Holdco LLC ("**OLB Holdco**") for the fiscal year ended September 30, ~~2023~~2024, September 30, ~~2022~~2023, and ~~for the period of September 10, 2021 to~~ September 30, ~~2021~~2022. Our fiscal year end is September 30. OLB Holdco absolutely and unconditionally guarantees our obligations under your Franchise Agreement. See Exhibit IA for a copy of the written guarantee.

ITEM 22 CONTRACTS

Attached are the following agreements proposed for use in connection with our offering of franchises:

Exhibit:

B. Franchise Agreement

- Attachment A: Initial Fees and Territory
- Attachment B: Guaranty And Assumption Of Franchisee's Obligations
- Attachment C: Statement Of Ownership
- Attachment D: Collateral Assignment Of Telephone Numbers, Telephone Listings And Internet Addresses
- Attachment E: Electronic Payment Authorization
- Attachment F: Sample Release Agreement

E. State-Specific Addenda

~~J. Non-Disclosure and Non-Competition Agreement~~

[H. Promissory Note](#)

ITEM 23 RECEIPT

The last two pages of the franchise disclosure document (following the exhibits and attachments) are receipt pages acknowledging your receipt of the franchise disclosure document. One copy is for your records, and one copy must be signed and dated by you and returned to us.



OUTDOOR LIGHTING PERSPECTIVES FRANCHISOR, LLC

EXHIBIT A

**FINANCIAL STATEMENTS
AND
GUARANTEE OF PERFORMANCE**

OUTDOOR LIVING BRANDS HOLDCO, LLC
CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 2024, 2023, AND 2022
with
INDEPENDENT AUDITORS' REPORT

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INDEPENDENT AUDITORS' REPORT

To the Member
Outdoor Living Brands Holdco, LLC

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Outdoor Living Brands Holdco, LLC (the "Company"), which comprise the consolidated balance sheets as of September 30, 2024, 2023, and 2022, and the related consolidated statements of income, member's equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company as of September 30, 2024, 2023 and 2022, and the results of its operations and cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with GAAP; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date of this report.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Emphasis of Matter – Related Party Transactions

As discussed in Notes 2, 5, 6, and 7, the Company has significant transactions with related parties.

Emphasis of Matter – Change in Accounting Policy

We draw attention to Note 10 of the consolidated financial statements, which describes a change in the Company's accounting policy of allocating a portion of the Company's parent company's provision or credit for income taxes. During 2024, the Company has opted to no longer record an allocation for its parent company's provision or credit for income taxes, as allowed by Accounting Standards Codification 740, *Income Taxes*, as it better reflects the specific tax position of the Company.

This change has been applied retrospectively. As a result, the Company has restated its comparative consolidated financial statements to reflect the new policy. The effect of this change is disclosed in Note 10, including adjustments to the opening balance of member's equity. Our opinion is not modified in respect of this matter.

Smith and Howard PC

Atlanta, GA
December 13, 2024

OUTDOOR LIVING BRANDS HOLDCO, LLC
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2024, 2023, AND 2022

ASSETS

	<u>2024</u>	<u>2023</u> ("As Restated")	<u>2022</u> ("As Restated")
Current Assets			
Cash	\$ 2,941,232	\$ 1,737,401	\$ 1,492,295
Royalties and accounts receivable, net	10,215,595	8,416,631	5,544,544
Rebates receivable, net	1,889,160	1,815,484	-
Notes receivable	97,904	24,492	231,429
Inventory	3,461,346	3,215,098	950,753
Prepaid expenses and other	<u>854,615</u>	<u>2,211,505</u>	<u>1,436,976</u>
Total Current Assets	19,459,852	17,420,611	9,655,997
Property and Equipment, Net	3,998,259	3,511,245	1,952,874
Other Assets			
Notes receivable, net of current portion	623,693	293,452	199,591
Intangibles, net	237,978,533	246,073,099	153,303,800
Right-of-use assets	4,548,121	2,972,324	-
Other assets	37,688	28,923	28,923
Due from affiliated companies	<u>-</u>	<u>-</u>	<u>958,379</u>
	<u>243,188,035</u>	<u>249,367,798</u>	<u>154,490,693</u>
	<u>\$ 266,646,146</u>	<u>\$ 270,299,654</u>	<u>\$ 166,099,564</u>

LIABILITIES AND MEMBER'S EQUITY

Liabilities			
Accounts payable and accrued expenses	\$ 7,890,614	\$ 7,737,340	\$ 3,264,529
Contract liability - deferred revenue on franchise sales	936,343	2,189,795	1,619,650
Contract liability - customer deposits	1,016,629	1,518,782	780,338
Operating lease liabilities, current portion	<u>965,045</u>	<u>664,894</u>	<u>-</u>
Total Current Liabilities	<u>10,808,631</u>	<u>12,110,811</u>	<u>5,664,517</u>
Long-Term Liabilities			
Operating lease liabilities, net of current portion	4,676,367	3,117,530	-
Due to affiliated companies	6,475,895	4,757,068	-
Note payable	<u>525,000</u>	<u>525,000</u>	<u>-</u>
	<u>11,677,262</u>	<u>8,399,598</u>	<u>-</u>
Noncontrolling Interest (Deficit)	(296,513)	(119,883)	-
Member's Equity	<u>244,456,766</u>	<u>249,909,128</u>	<u>160,435,047</u>
	<u>\$ 266,646,146</u>	<u>\$ 270,299,654</u>	<u>\$ 166,099,564</u>

The accompanying notes are an integral part of these consolidated financial statements.

OUTDOOR LIVING BRANDS HOLDCO, LLC
CONSOLIDATED STATEMENTS OF INCOME
FOR THE YEARS ENDING SEPTEMBER 30, 2024, 2023, AND 2022

	<u>2024</u>	<u>2023</u> ("As Restated")	<u>2022</u> ("As Restated")
Revenue			
Fencing and rail revenues	\$ 24,961,275	\$ 23,390,797	\$ 16,879,944
Franchise royalties and fees	31,551,158	21,471,627	13,380,514
Product sales	11,624,045	9,875,832	8,878,823
Residential and commercial roofing	5,849,769	4,131,506	-
Window and door installation	3,448,901	1,058,329	-
Franchise fees	12,430,539	10,807,586	5,641,473
Ancillary	7,854,946	5,721,908	2,553,819
Advertising fund contributions	4,525,890	3,075,049	2,159,470
	<u>102,246,523</u>	<u>79,532,634</u>	<u>49,494,043</u>
Cost of Product Sales	26,068,176	24,051,826	16,544,077
Operating Expenses	<u>45,261,207</u>	<u>37,487,987</u>	<u>21,404,407</u>
Income from Operations	30,917,140	17,992,821	11,545,559
Other Income (Expense)			
Depreciation and amortization	(10,773,355)	(7,910,727)	(5,494,567)
Other income	315,233	(161,414)	38,521
	<u>(10,458,122)</u>	<u>(8,072,141)</u>	<u>(5,456,046)</u>
Net Income Before Noncontrolling Interest	20,459,018	9,920,680	6,089,513
Loss Attributable to Noncontrolling Interest	<u>176,630</u>	<u>120,083</u>	<u>-</u>
Net Income Attributable to Outdoor Living Brands Holdco, LLC	<u>\$ 20,635,648</u>	<u>\$ 10,040,763</u>	<u>\$ 6,089,513</u>

The accompanying notes are an integral part of these consolidated financial statements.

OUTDOOR LIVING BRANDS HOLDCO, LLC
CONSOLIDATED STATEMENTS OF MEMBER'S EQUITY
FOR THE YEARS ENDING SEPTEMBER 30, 2024, 2023, AND 2022

	<u>Consolidated Member's Equity</u>	<u>Noncontrolling Interest</u>	<u>Total Equity</u>
Balance, September 30, 2021, as Previously Stated	\$ 90,140,596	\$ -	\$ 90,140,596
Prior Period Adjustment - Change in Accounting Policy (Note 10)	<u>26,757</u>	<u>-</u>	<u>26,757</u>
Balance, September 30, 2021, as Restated	90,167,353	-	90,167,353
Net Income, as Restated	6,089,513	-	6,089,513
Distributions to Member	(5,078,245)	-	(5,078,245)
Contributions from Member	<u>69,256,426</u>	<u>-</u>	<u>69,256,426</u>
Balance, September 30, 2022, as Restated	160,435,047	-	160,435,047
Net Income (Loss), as Restated	10,040,763	(120,083)	9,920,680
Distributions to Member	(17,682,672)	-	(17,682,672)
Contributions from Member	<u>97,115,990</u>	<u>200</u>	<u>97,116,190</u>
Balance, September 30, 2023, as Restated	249,909,128	(119,883)	249,789,245
Net Income (Loss)	20,635,648	(176,630)	20,459,018
Distributions to Member	<u>(26,088,010)</u>	<u>-</u>	<u>(26,088,010)</u>
Balance, September 30, 2024	<u>\$ 244,456,766</u>	<u>\$ (296,513)</u>	<u>\$ 244,160,253</u>

The accompanying notes are an integral part of these consolidated financial statements.

OUTDOOR LIVING BRANDS HOLDCO, LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDING SEPTEMBER 30, 2024, 2023, AND 2022

	<u>2024</u>	<u>2023</u> ("As Restated")	<u>2022</u> ("As Restated")
Cash Flows from Operating Activities:			
Net income	\$ 20,459,018	\$ 9,920,680	\$ 6,089,513
Adjustments to reconcile net income to net cash provided by operating activities:			
Bad debt expense	300,531	59,046	82,201
Depreciation and amortization	10,773,355	7,910,727	5,494,567
Lease expense	940,945	519,344	-
Operating lease payments	(657,754)	(265,181)	-
Changes in assets and liabilities:			
Royalties and accounts receivable	(2,099,495)	(729,389)	(2,044,615)
Rebates receivable	(73,676)	(1,815,484)	-
Notes receivable	(403,653)	113,076	(17,454)
Inventory	(246,248)	(1,043,705)	(122,300)
Prepaid expenses and other assets	1,348,125	192,280	(976,687)
Accounts payable and accrued expenses	153,274	2,121,617	925,000
Deferred revenues on franchise sales	(1,253,452)	(824,331)	1,337,600
Customer deposits	(502,153)	706,594	(306,386)
	<u>28,738,817</u>	<u>16,865,274</u>	<u>10,461,439</u>
Net Cash Provided by Operating Activities			
Cash Flows from Investing Activities:			
Purchases of property and equipment	(1,054,507)	(1,494,918)	(467,351)
Internally developed software additions	(715,046)	(318,010)	(267,000)
Net cash received from acquisition of Koala and Wallaby	-	33,145	-
Net cash received from acquisition of Canopy	-	641	-
Cash paid for Bumble Bee of LA	(421,250)	-	-
Acquisition of Junk Junk Baby	-	(125,000)	-
Net advances from (repayments to) affiliated companies	743,827	2,966,646	(3,790,229)
	<u>(1,446,976)</u>	<u>1,062,504</u>	<u>(4,524,580)</u>
Net Cash Provided (Required) by Investing Activities			
Cash Flows from Financing Activities:			
Net distributions to Member	(26,088,010)	(17,682,672)	(5,078,245)
	<u>(26,088,010)</u>	<u>(17,682,672)</u>	<u>(5,078,245)</u>
Net Cash Required by Financing Activities			
Net Change in Cash	1,203,831	245,106	858,614
Cash, Beginning of Year	<u>1,737,401</u>	<u>1,492,295</u>	<u>633,681</u>
Cash, End of Year	<u>\$ 2,941,232</u>	<u>\$ 1,737,401</u>	<u>\$ 1,492,295</u>

Schedule of Non-Cash Operating, Investing, and Financing Activities:

As further discussed in Note 7, during 2023 and 2022, the Company financed business acquisitions through member contributions approximating \$93,200,000 and \$69,256,000, respectively.

As further discussed in Note 8 effective October 1, 2022, the Company adopted Accounting Standards Update ("ASU") 2016-02, Leases (Topic 842). Adoption of this ASU resulted in the Company recording right-of-use ("ROU") assets of approximately \$3,398,000 and corresponding operating lease liabilities of approximately \$3,954,000 at the date of adoption. The difference in ROU asset and operating lease liability at inception is due to a deferred rent and certain tenant allowances of approximately \$556,000 at October 1, 2022 which has been netted against the ROU asset. During 2024, the Company obtained additional ROU assets through operating leases of approximately \$484,000.

The accompanying notes are an integral part of these consolidated financial statements.

OUTDOOR LIVING BRANDS HOLDCO, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2024, 2023, AND 2022

NOTE 1 – DESCRIPTION OF BUSINESS

Outdoor Living Brands (“OLB”) Holdco, LLC (“OLB Holdco” or “the Company”), is located in Virginia, operates multiple franchise brands serving the outdoor living product and service markets. Its customers are primarily located throughout the United States of America and Canada.

OLB includes nine franchise brands under the trade names Archadeck Outdoor Living, Outdoor Lighting Perspectives, Conserva Irrigation, Superior Fence and Rail, Wallaby Windows, Koala Insulation, Bumble Roofing, Canopy Lawn Care, and Junk Junk Baby! (referred to hereafter as, the “brands”). The brands sell franchises and provide support for franchisees using standardized products, services and procedures developed by the franchisor.

- Archadeck Outdoor Living franchises design, sells and constructs decks, porches, screened rooms, sunrooms, outdoor kitchens, hardscaped patios and other custom outdoor living space projects.
- Outdoor Lighting Perspectives franchises provide outdoor lighting and holiday lighting design and installation and maintenance services for residential and commercial clients.
- Conserva Irrigation franchises provide upgrades, maintenance services, and installation of outdoor irrigation systems for residential and commercial clients.
- Superior Fence and Rail franchises sell and construct a variety of fences for residential and commercial clients.
- Wallaby Windows franchises sell and install a variety of windows and doors for residential and commercial clients.
- Koala Insulation franchises install, maintain, and clean insulation for residential clients and commercial clients.
- Bumble Roofing franchises provide roofing replacement, repair, and inspection services for residential clients and commercial clients.
- Canopy Lawn Care provides homeowners and business owners lawn care services.
- Junk Junk Baby! provides waste and “junk” removal services for residential clients and commercial clients. This franchise concept is still in development.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation and Presentation

The accompanying consolidated financial statements include the accounts of OLB Holdco and its wholly-owned subsidiaries listed below:

- Archadeck Franchisor, LLC (“Archadeck”)
- OLB Supply Chain, LLC (“OLB Supply”)
- Conserva Irrigation Franchisor, LLC (“Conserva”)
- Outdoor Lighting Perspectives Franchisor, LLC (“OLP”)
- Superior Fence and Rail Franchisor, LLC (“SFR”) – Formed on December 15, 2021 (Note 7).
- Superior Fence and Rail of North Florida, LLC (“SFR-NOFL”) – Acquired on December 15, 2021 (Note 7).
- Koala Insulation, LLC (“Koala”) – Acquired on April 13, 2023 (Note 7).
- Wallaby Windows Franchisor, LLC (“Wallaby”) – Formed on April 13, 2023 (Note 7).
- Wallaby Windows of Melbourne, LLC (“Wallaby-Melbourne”) – Acquired on April 13, 2023 (Note 7).
- Bumble Roofing Franchisor, LLC (“Bumble”) – Formed on May 1, 2023 (Note 7).
- Bumble Roofing of LA, LLC – Acquired on May 1, 2023 (Note 7).
- Canopy Franchise Corporation (“Canopy”) – Acquired 60% on June 13, 2023 (Note 7).
- JJB Franchisor, LLC (“JJB”) – Formed to acquire Junk, Junk, Baby! Franchising, LLC and Junk, Junk Baby! IP, LLC on August 31, 2023. This entity was discontinued in 2024 (Note 7).

OUTDOOR LIVING BRANDS HOLDCO, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2024, 2023, AND 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Principles of Consolidation and Presentation (Continued)

The accompanying consolidated financial statements present the operations, equity and cash flows of OLB Holdco and its wholly-owned subsidiaries as of and for the years ending September 30, 2024, 2023, and 2022. Intercompany transactions and balances have been eliminated in consolidation.

The Company follows accounting standards set by the Financial Accounting Standards Board (“FASB”). The FASB sets accounting principles generally accepted in the United States of America (“GAAP”).

Adoption of New Accounting Policies

Accounting Standards Update 2016-02, Leases

Effective October 1, 2022, the Company adopted Accounting Standards Update (“ASU”) 2016-02, *Leases* (Topic 842). The objective of this ASU is to increase transparency and comparability in financial reporting by requiring balance sheet recognition of leases and note disclosure of certain information about lease arrangements. The Company adopted ASU 2016-02 using the modified retrospective method. This method allows the standard to be applied retrospectively through a cumulative catch-up adjustment to equity recognized upon adoption, if necessary. Adoption of ASU 2016-02 did not result in changes to the Company’s beginning equity balance on October 1, 2022. Upon adoption, the Company elected to use risk-free discount rate, an option only available to private entities, when calculating the present value of future lease payments if an interest rate is not explicit in a lease agreement.

Adoption of this ASU resulted in the Company recording right-of-use (“ROU”) assets of \$3,397,752 and corresponding operating lease liabilities of \$3,953,689 on October 1, 2022 which represents the present value of future lease payments on the Company’s office and warehouse leases further detailed in Note 8 at the date of adoption. The difference in ROU asset and operating lease liability at inception is due to a deferred rent and certain tenant allowances of \$555,937 at October 1, 2022 which has been netted against the ROU asset.

Accounting Standards Update 2013-03, Financial Instruments – Credit Losses

Effective October 1, 2023, the Company adopted the requirements of ASU 2013-03, *Financial Instruments – Credit Losses*. This ASU introduces a “current expected credit loss” (“CECL”) model which requires all expected credit losses for financial instruments held at the reporting date to be based on historical experience, current conditions, and reasonable supportable forecasts. The CECL model replaces the existing incurred loss method and is applicable to the measurement of credit losses of financial assets. Under the standard, disclosures are required to provide users of the consolidated financial statements with useful information in analyzing an entity’s exposure to credit risk and the measurement of credit losses. Financial assets held by the Company that are subject to the guidance in FASB Accounting Standards Codification (“ASC”) 326 were royalty and accounts receivable, rebates receivable, and notes receivable. There was no material impact to the consolidated financial statements or footnotes upon adoption of this new accounting policy.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

OUTDOOR LIVING BRANDS HOLDCO, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2024, 2023, AND 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

Revenues for the Company are disaggregated into the following revenue streams:

Fencing and Rail and Window and Door Installation Revenues

SFR-NOFL's fencing and rail contracts and Wallaby-Melbourne's door and window contracts generally include a single performance obligation for which revenue is recognized over time, as performance obligations are satisfied, due to the continuous transfer of control to the customer. These contracts are normally short term (less than one month) and seldom have multiple performance obligations or variable consideration. The contract liability "customer deposits" represents funds received from customers before the contract has commenced. Customers are billed upon contract completion. SFR-NOFL and Wallaby-Melbourne provides a labor warranty following completion of services performed under its contracts. Historically, warranty claims have not resulted in materials costs incurred.

Franchise Royalties and Advertising Fund Contributions

The Company collects royalties and advertising fund contributions ranging from 1.5% to 6.5% of a franchisee's monthly revenues. Royalties and advertising fund contributions are considered variable consideration. GAAP requires variable consideration that is to be recognized over the term of the franchise agreement to be estimated at the inception of the Franchise Agreement. Deferred revenue and a receivable would normally be recognized at the inception of the Franchise Agreement based on this estimate; however, given the nature of the business, the constraints associated with estimating these fees cannot be overcome in order to determine an estimate of the variable consideration that would not be likely to result in a significant reversal. Accordingly, as allowed by GAAP, these fees are recognized in the month in which services are performed for customers.

Product Sales

OLB Supply and Koala sell and distribute to its franchisees certain products and provides supporting services required for use in the operation of a franchise. The revenue from the sale of these products and ancillary services performed by the Franchisors is recognized at the point in time the products and services are delivered.

Residential and Commercial Roofing

Bumble-LA's residential roofing contracts generally include a single performance obligation for which revenue is recognized over time, as performance obligations are satisfied, due to the continuous transfer of control to the customer. Residential roofing contracts are normally completed in one to five days. These contracts seldom have multiple performance obligations or variable consideration. The contract liability "customer deposits" represents funds received from customers before the residential roofing contract has commenced. Customers are billed upon contract completion.

Bumble-LA's commercial roofing services are provided through discrete project agreements. The contracts are awarded on a competitively bid and negotiated basis. The Company's contracts generally include a single performance obligation for which revenue is recognized over time, as performance obligations are satisfied, due to the continuous transfer of control to the customer. For cost-plus fee contracts, the Company recognizes revenue when services are performed and contractually billable based upon the hours incurred and agreed-upon hourly rates as well as subcontractor costs and materials cost. Revenue on fixed-price contracts is recognized and invoiced over time using the cost-to-cost percentage-of-completion method.

OUTDOOR LIVING BRANDS HOLDCO, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2024, 2023, AND 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

Franchise Fees

Archadeck, Outdoor Lighting Perspectives, Conserva, SFR, Wallaby, Koala, Bumble, and JJB (the “Franchisors”) sell franchises which grant franchisees a right to operate within a designated territory. These franchises are conveyed through a Franchise Agreement. The sale of the franchises is reflected within Franchise Fees in the accompanying consolidated statements of income. Following execution of the Franchise Agreement, the Franchisors agree to provide certain initial services, including advertising material, manuals, website development, training and on-site assistance. The value of the initial services provided exceeds the standalone value individual services performed by the Franchisors. Included in the accompanying consolidated balance sheets is a contract liability, “deferred revenue on franchise sales,” which represents initial services that have not yet been completed for franchisees. Upon completion of these initial services, the franchise fees are recognized as revenue in the accompanying statements of income. In certain circumstances, the Franchisors finance the sale of Franchise Agreements.

Ancillary Revenues

Ancillary revenues consist of various fees and charges that supplement the Company’s primary sources of income. These fees include training fees, drafting services, technology fees, rebate payments, and other miscellaneous fees and charges. The Company receives rebate payments from certain suppliers based on the aggregate purchases made by certain regional developers and unit franchisees from these suppliers. The rebate agreements are structured around achieving specific purchase volume targets by our network of franchisees. As these rebates are not directly linked to the Company’s inventory or specific expenses, they have been classified as revenues in the consolidated financial statements. The Company recognizes rebate income when it is reasonably assured of receiving payment and the related performance conditions, as stipulated in the supplier agreements, have been satisfied. All other ancillary revenues are recognized when the services are rendered, and the fees are contractually due.

Risks and Uncertainties

The Company’s financial instruments that are exposed to concentrations of credit risk consist primarily of cash and receivables. The Company maintains cash balances at financial institutions that, at times, are in excess of federally insured limits. Management continually monitors receivable balances and believes that its exposure to receivable credit risk is limited. The Company performs periodic evaluations of the relative credit standing of those financial institutions that are considered in the Company’s cash management strategy. If liquidity issues arise in the global credit and capital markets, it is at least reasonably possible that these changes in risks could materially affect the amounts reported in the accompanying consolidated financial statements.

Property and Equipment

Property and equipment are recorded at cost. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the assets (3-10 years). The cost and accumulated depreciation for property and equipment sold, retired, or otherwise disposed of are relieved from the accounts, and resulting gains and losses are recognized currently. Minor maintenance, repairs, and renewals are expensed as incurred.

OUTDOOR LIVING BRANDS HOLDCO, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2024, 2023, AND 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment (Continued)

Property and equipment consists of the following at September 30:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Leasehold improvements	\$ 2,733,134	\$ 2,295,625	\$ 799,907
Furniture and fixtures	282,614	276,558	276,558
Office equipment	190,411	38,506	20,273
Vehicles and equipment	1,949,857	1,573,129	1,104,812
Computer equipment and software	162,420	143,479	-
Construction in progress	61,617	-	-
	<u>5,380,053</u>	<u>4,327,297</u>	<u>2,201,550</u>
Less: accumulated depreciation and amortization	<u>(1,381,794)</u>	<u>(816,052)</u>	<u>(248,676)</u>
	<u>\$ 3,998,259</u>	<u>\$ 3,511,245</u>	<u>\$ 1,952,874</u>

Depreciation and amortization expense was \$567,492, \$567,376, and \$232,969 for the years ending September 30, 2024, 2023, and 2022, respectively.

Intangible Assets

The Company's franchise agreements, certain internally developed software, trademarks, and goodwill were assigned fair values based upon appraisals obtained as part of the recapitalizations that occurred in previous years various business acquisitions further discussed in Note 7.

Additionally, the Company capitalizes certain costs incurred in connection with developing or obtaining internal-use software. Capitalized costs include direct external costs, internal payroll, and payroll-related costs for employees who are directly associated with and devote time to the project. Costs incurred during the preliminary project stage, as well as costs for maintenance and training, are expensed as incurred. Capitalization begins when the preliminary project stage is complete, management authorizes and commits to funding the project, it is probable that the project will be completed, and the software will be used for its intended function. Capitalization ceases when the project is substantially complete and ready for its intended use.

The value associated with the franchise agreements, internally developed software, and trademarks are being amortized on a straight-line basis over 5-15 years.

The Company periodically evaluates whether changes have occurred that would require revision of the remaining estimated useful life of the franchise agreements, trademarks, and internally developed software as well as whether changes have occurred to determine if all intangible assets are recoverable.

Goodwill is not amortized, but is tested for impairment using a fair value approach. If the fair value of the reporting unit is less than its carrying value, or if the fair value of the goodwill has been diminished, an impairment loss would be recorded to the extent of that difference. The Company tests for impairment as of September 30 annually. Goodwill will be tested for impairment between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value or diminish the fair value of the goodwill. Management believes there has been no impairment of intangible assets during 2024, 2023, or 2022.

OUTDOOR LIVING BRANDS HOLDCO, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2024, 2023, AND 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible Assets (Continued)

Intangible assets consists of the following at September 30:

	<u>Estimated Useful Life</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Franchise agreements	7 years	\$ 55,934,000	\$ 55,934,000	\$ 30,710,000
Internally developed software	5 years	7,650,056	6,935,010	6,617,000
Trademarks	15 years	4,286,000	4,286,000	1,840,000
		<u>67,870,056</u>	<u>67,155,010</u>	<u>39,167,000</u>
Less: accumulated amortization		<u>(23,109,087)</u>	<u>(12,903,224)</u>	<u>(5,559,873)</u>
		44,760,969	54,251,786	33,607,127
Goodwill	Indefinite	193,217,564	191,821,313	119,696,673
		<u>\$ 237,978,533</u>	<u>\$ 246,073,099</u>	<u>\$ 153,303,800</u>

Future intangible amortization expense for the years ending September 30 are as follows:

2025	\$ 9,852,377
2026	9,746,531
2027	8,557,134
2028	8,170,303
2029	4,231,731
Thereafter	4,202,893
	<u>\$ 44,760,969</u>

Intangible amortization expense was \$10,205,863, \$7,343,351, and \$5,253,619 for the years ending September 30, 2024, 2023, and 2022, respectively.

Income Taxes

The Company is a wholly owned subsidiary of Empower Brands Franchising, LLC (“Empower”). Empower is a wholly owned subsidiary of MidOcean BCAT Holdings, Inc. (“BCAT”).

Accordingly, the Company’s income or loss is presented without a provision or credit for federal and state income taxes. The Company’s income or loss is allocated to Empower in accordance with the operating agreement. The Company annually evaluates all federal and state income tax positions. This process includes an analysis of whether these income tax positions the Company takes meet the definition of an uncertain tax position under the Income Taxes Topic of the Financial Accounting Standards Codification. In general, the Company is no longer subject to tax examinations for the tax years ending before September 30, 2021. See Note 10 for details on the Company’s change in accounting policy for allocating BCAT’s provision or credit for income taxes.

Noncontrolling Interest

As discussed further in Note 7, during 2023, the Company acquired a controlling interest in Canopy Lawn Care. The Company is entitled to 60% of the earnings (losses) of this entity. The remaining earnings (losses) of the entity that are not attributable to the Company are presented separately in the accompanying consolidated financial statements.

OUTDOOR LIVING BRANDS HOLDCO, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2024, 2023, AND 2022

NOTE 3 – ROYALTIES AND ACCOUNTS RECEIVABLE, NET

Royalties and accounts receivable, net were comprised of the following at September 30:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Fencing and rail revenues	\$ 2,695,073	\$ 2,497,559	1,533,838
Franchise royalties, fees, and advertising fund contributions	5,463,422	3,349,189	3,294,327
Product sales	1,226,498	1,474,348	1,009,436
Residential and commercial roofing	751,594	1,020,460	-
Window and door installation	296,521	393,787	-
Other	304,154	-	-
	<u>10,737,262</u>	<u>8,735,343</u>	<u>5,837,601</u>
Less: allowance for doubtful accounts	(521,667)	(318,712)	(293,057)
	<u>\$ 10,215,595</u>	<u>\$ 8,416,631</u>	<u>\$ 5,544,544</u>

NOTE 4 – ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses were comprised of the following at September 30:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Accounts payable	\$ 2,557,614	\$ 3,779,901	\$ 1,915,947
Accrued payroll, bonuses, and other personnel related expenses	1,421,800	1,453,037	638,805
Earnout provisions	1,838,485	2,267,663	-
Roofing estimated closed job costs	847,457	-	-
Other	1,225,258	236,739	709,777
	<u>\$ 7,890,614</u>	<u>\$ 7,737,340</u>	<u>\$ 3,264,529</u>

NOTE 5 – NOTE PAYABLE

In conjunction with the equity purchase of Canopy further discussed in Note 7, Canopy entered into a note payable agreement with an entity that owns a minority interest in Canopy, in the principal amount of \$525,000. The unpaid principal balance bears interest at a fixed rate of 10% compounded annually. All unpaid principal and interest is due in full on June 13, 2033, the maturity date. The note can be prepaid at any time before the maturity date with no penalty.

NOTE 6 – RELATED PARTY TRANSACTIONS AND GUARANTEES

The Company is party to management and consulting agreements with certain members of equity groups holding ownership units of Empower. Additionally, the Company's Board of Directors consists of members of management of certain of the equity groups holding ownership units in Empower. Consulting and board fees for the years ended September 30, 2024, 2023, and 2022 approximated \$969,000, \$568,000 and \$548,000, respectively, included within operating expenses on the accompanying consolidated statements of income.

OUTDOOR LIVING BRANDS HOLDCO, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2024, 2023, AND 2022

NOTE 6 – RELATED PARTY TRANSACTIONS AND GUARANTEES (Continued)

The Company periodically lends or borrows unsecured interest-bearing amounts with Empower and affiliate companies under common ownership of Empower. Because there are no specific repayment terms relative to amounts due from Empower and affiliates, management classifies these amounts as long-term.

Loan Guarantees

The Company and various other affiliates owned by Empower have guaranteed approximately \$294,000,000 of credit facilities obtained by Empower. Total outstanding borrowings were approximately \$286,000,000 at September 30, 2024.

NOTE 7 – BUSINESS ACQUISITIONS

Superior Fence & Rail

On December 15, 2021, the Company acquired the assets of Superior Fence & Rail, Inc., Superior Fence & Rail Franchising, LLC, and Superior Fence & Rail of North Florida, Inc. (collectively referred to as “Superior”) for the purpose of adding a fencing service brand to its portfolio.

After net working capital adjustments, the purchase price of Superior was approximately \$69,256,000 which includes a \$5,000,000 earnout provision subject to Superior maintaining certain revenue and employee retention thresholds. The acquisition was funded by capital contributions from Empower consisting of units of ownership interest in Bobcat Holdings valued at approximately \$25,000,000, debt financing of approximately, \$31,000,000 obtained by Empower, and cash.

The Company recorded tangible and intangible assets acquired and liabilities assumed in the acquisition under the purchase method of accounting. The consideration was allocated to assets and liabilities based on their fair values at the acquisition date. The \$5,000,000 earnout provision liability was allocated to Empower and paid by Empower in 2023 based on actual amounts earned.

The allocation of the purchase price was as follows:

Royalties and accounts receivable, net	\$ 1,140,463
Inventory	828,453
Prepaid expenses and other	34,706
Property and equipment, net	641,641
Intangibles	70,288,642
Accounts payable and accrued expenses	(546,331)
Customer deposits	(1,086,724)
Due to affiliated companies	(2,044,424)
	<u>\$ 69,256,426</u>

OUTDOOR LIVING BRANDS HOLDCO, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2024, 2023, AND 2022

NOTE 7 – BUSINESS ACQUISITIONS (Continued)

Wallaby Windows and Koala Insulation

On April 13, 2023, the Company acquired the assets of Wallaby, Wallaby-Melbourne, and Koala (collectively referred to as “Wallaby and Koala”) for the purpose of adding window, door, and insulation brands to the existing portfolio.

After net working capital adjustments, the purchase price of Wallaby and Koala was approximately \$93,203,000 which includes a \$233,000 earnout provision subject to Wallaby and Koala maintaining certain system wide revenue thresholds and other metrics. The acquisition was funded by capital contributions from Empower consisting of units of ownership interest in BCAT valued at approximately \$55,000,000, debt financing of approximately, \$24,500,000 obtained by Empower, and cash.

The allocation of the purchase price was as follows:

Cash	\$ 33,145
Royalties and accounts receivable, net	1,401,921
Inventory	1,220,640
Prepaid expenses and other	966,809
Property and equipment, net	631,169
Intangibles	93,505,648
Accounts payable and accrued expenses	(152,960)
Contract liability - deferred revenue on franchise sales	(1,394,476)
Due to affiliates	(3,008,785)
	<u>\$ 93,203,111</u>

Bumble-LA

On May 1, 2023, the Company acquired the assets Bumble-LA for the purpose of adding a roofing contractor brand to the existing portfolio. After net working capital adjustments, the purchase price of Bumble-LA was approximately \$3,800,000 which includes an earnout provision of approximately \$2,268,000, an estimate based on a percentage of the new formed franchisor’s, Bumble, future franchise and royalties revenues. The acquisition was funded by capital contributions from Empower consisting of units of ownership interest in Bobcat Holdings valued at approximately \$200,000 and cash. During 2024, additional consideration of \$1,396,250 was paid to the former owner, which was comprised of \$975,000 of ownership interest in Bobcat Holdings and \$441,250 in cash. This payment was made within the measurement period of the acquisition, resulting in the recognition of additional goodwill.

The allocation of the purchase price was as follows:

Accounts receivable, net	\$ 799,823
Intangibles	7,018,268
Due to affiliates	(1,225,914)
Accounts payable and accrued expenses	(469,356)
Customer deposits	(31,850)
Earnout provision	(2,267,540)
	<u>\$ 3,823,431</u>

OUTDOOR LIVING BRANDS HOLDCO, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2024, 2023, AND 2022

NOTE 7 – BUSINESS ACQUISITIONS (Continued)

Canopy

On June 13, 2023, the Company entered into an equity purchase agreement with Canopy Franchise Corporation (“Canopy”) to acquire 60% of Canopy’s outstanding equity. In accordance with ASC 810, *Consolidation*, as the Company holds greater than 50% of the voting interest in Canopy, all of Canopy’s assets, liabilities, and operations from the date of purchase through September 30, 2023 are reflected in the accompanying consolidated financial statements.

The allocation of the purchase price was as follows:

Cash	\$	841
Intangibles		541,634
Accounts payable and accrued expenses		(17,275)
Note payable		(525,000)
		<u>\$ 200</u>

JJB

On August 31, 2023, the Company formed JJB Franchisor, LLC (“JJB”) to acquire Junk, Junk, Baby! Franchising, LLC and Junk, Junk, Baby! IP, LLC. JJB’s. No tangible assets were acquired nor liabilities assumed as a result of this acquisition. The full purchase price of \$125,000 was allocated to Goodwill.

NOTE 8 – LEASES

The Company leases office and warehouse space under non-cancelable operating leases that mature at various dates through June 2033.

As detailed in Note 1, the Company adopted ASU 2016-02, *Leases*, on October 1, 2022 and has recorded ROU assets and liabilities which represent the present value of future lease payments using the risk free rate of return that corresponds to the lease length.

At September 30, 2024, the Company’s operating lease liabilities were comprised of the following:

Gross operating lease liabilities	\$	6,456,166
Less: present value discount		<u>(814,754)</u>
Present value of operating lease liabilities		5,641,412
Less: current portion of operating lease liabilities		<u>(965,045)</u>
Long-term operating lease liabilities	\$	<u>4,676,367</u>

At September 30, 2024, the weighted average remaining lease term for all operating leases was 6.50 years and the weighted average discount rate was 3.97%.

OUTDOOR LIVING BRANDS HOLDCO, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2024, 2023, AND 2022

NOTE 8 – LEASES (Continued)

The schedule below summarizes the future minimum annual lease payments for all leases for the years ending September 30:

2025	\$ 1,007,629
2026	1,106,558
2027	851,811
2028	873,841
2029	896,459
Thereafter	<u>1,719,868</u>
	6,456,166
Less: present value discount	<u>(814,754)</u>
	<u>\$ 5,641,412</u>

NOTE 9 – RETIREMENT PLAN

The Company has a salary deferral plan under Section 401(k) of the Internal Revenue Code. The plan allows eligible employees to defer a portion of their compensation ranging from 1% to 15%. Such deferrals accumulate on a tax-deferred basis until the employee withdraws the funds. The Company, at its option, may match a portion of the employees' contribution. The Company made contributions of approximately \$238,000, \$252,000, and \$191,000 during the years ending September 30, 2024, 2023, and 2022, respectively.

NOTE 10 – CHANGE IN ACCOUNTING POLICY

During 2024, the Company has opted to no longer record an allocation for BCAT's provision or credit for income taxes, as allowed by Accounting Standards Codification 740, *Income Taxes*. This change has been applied retrospectively. As a result, the Company has restated its comparative consolidated financial statements to reflect the new policy. The effect of this accounting policy change resulted in an increase to member's equity as of September 31, 2021 of \$26,757. The table below summarizes the effects of this change in accounting policy for the years ending September 30, 2023 and 2022.

	2023		
	<u>Previously Stated</u>	<u>Change</u>	<u>Restated</u>
Net Income	\$ 7,827,835	\$ 2,212,928	\$ 10,040,763
Due (to) from Affiliated Companies	\$ (8,621,529)	\$ 3,864,461	\$ (4,757,068)
Member's Equity	\$ 246,014,232	\$ 3,894,896	\$ 249,909,128
	2022		
	<u>Previously Stated</u>	<u>Change</u>	<u>Restated</u>
Net Income	\$ 4,434,302	\$ 1,655,211	\$ 6,089,513
Due (to) from Affiliated Companies	\$ (723,589)	\$ 1,681,968	\$ 958,379
Member's Equity	\$ 158,753,079	\$ 1,681,968	\$ 160,435,047

**OUTDOOR LIVING BRANDS HOLDCO, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2024, 2023, AND 2022**

NOTE 11 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 13, 2024, the date of this report, which is the date the consolidated financial statements were available to be issued.

GUARANTEE OF PERFORMANCE

For value received, Outdoor Living Brands HoldCo LLC, a Delaware corporation (the “Guarantor”), located at 2426 Old Brick Road, Glen Allen Virginia 23060, absolutely and unconditionally guarantees to assume the duties and obligations of Outdoor Lighting Perspectives Franchisor, LLC located at 2426 Old Brick Road, Glen Allen, Virginia 23060 (the “Franchisor”), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2025 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at ALPHARETTA, GA,
(City) (State)
on the 16TH day of JANUARY, 2025.

Guarantor:

OUTDOOR LIVING BRANDS HOLDCO LLC

By: 
Name: Michael Borreca
Title: Senior Vice President, CFO

OLP



OUTDOOR LIGHTING PERSPECTIVES FRANCHISOR, LLC

EXHIBIT B

FRANCHISE AGREEMENT



OUTDOOR LIGHTING PERSPECTIVES FRANCHISOR, LLC

EXHIBIT B
FRANCHISE AGREEMENT

Franchisee: _____

Date: _____

Territory: _____

FRANCHISE AGREEMENT
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ATTACHMENT:

- Attachment A: Initial Franchise Fees and Territory
- Attachment B: Guaranty And Assumption of Franchisee’s Obligations
- Attachment C: Statement of Ownership
- Attachment D: Collateral Assignment of Telephone Numbers, Telephone Listings And Internet Addresses
- Attachment E: Electronic Payment Authorization
- Attachment F: Sample ~~Acknowledgment of Termination and~~ Release Agreement
- Attachment G: Successor Addendum to Franchise Agreement
- Attachment H: Successor Addendum to Franchise Agreement for Micro Market Franchise
- Attachment I: Aggregate Reporting Addendum to Franchise Agreement

FRANCHISE LICENSE AGREEMENT

This Franchise License Agreement (“**Agreement**”) is made this _____ day of _____ 20____ (“**Effective Date**”), by and between **Outdoor Lighting Perspectives Franchisor, LLC**, a Delaware limited liability company having its main office at 2426 Old Brick Road, Glen Allen, VA 23060 (“**Franchisor**”), and _____, located at _____ (“**Franchisee**”).

RECITALS

WHEREAS, Franchisor has developed and owns a unique system for opening and operating a business system designed to provide outdoor lighting design, installation and maintenance services and sales to residential and commercial customers, including seasonal holiday lighting, through a uniform system which has high standards of service, uses quality products, operates under the business format created and developed by Franchisor and which is known as the Outdoor Lighting System (“**System**”);

WHEREAS, the distinguishing characteristics of the System include the name “**Outdoor Lighting Perspectives**” and other trademarks and trade names, confidential operating procedures, confidential operations manual, standards and specifications for equipment, services and products, and management and marketing programs and sales techniques and strategies. All of these distinguishing characteristics may be changed, improved, and further developed by Franchisor from time to time. They are Franchisor’s Confidential Information and Trade Secrets and are designated by and identified with the Marks described in this Agreement;

WHEREAS, Franchisor identifies itself and its products and services by means of certain trade names, service marks, logos, emblems, and indicia of origin, including the trademark “**Outdoor Lighting Perspectives**,” which are now, or may be in the future, designated by Franchisor in writing for use in connection with the System (“**Marks**”);

WHEREAS, Franchisor continues to use, develop and control the use of the Marks in order to identify for the public the source of services and products marketed under the System, and which represent the System’s high standards of quality, service and customer satisfaction;

WHEREAS, Franchisee acknowledges the benefits to be derived from being identified with the System, and also recognizes the value of the Marks and the continued uniformity of image to Franchisee, Franchisor, and other franchisees of Franchisor;

WHEREAS, Franchisee acknowledges the importance to the System of Franchisor’s high and uniform standards of quality, service and customer satisfaction, and further recognizes the necessity of opening and operating an Outdoor Lighting business in conformity with the System, whether such Outdoor Lighting business be in Franchisee’s home or an outside leased or owned location (“**Business**”);

WHEREAS, Franchisee recognizes that in order to enhance the value of the System and goodwill associated with it, this Agreement places detailed obligations on Franchisee, including strict adherence to Franchisor’s reasonable present and future requirements regarding the types of products sold, services offered, advertising used, operational techniques, marketing and sales strategies and related matters; and

WHEREAS Franchisee is aware of the foregoing and is desirous of obtaining the right to use the System and in association therewith, the right to use the Marks, and wishes to be assisted, trained, and franchised to operate a Business pursuant to the provisions and at the location within the territory specified in this Agreement, subject to the terms and conditions contained in this Agreement;

The parties therefore agree as follows:

DEFINITIONS

For the purposes of this Agreement, the following are hereby defined:

- (a) **“Agreement”** - means this agreement and all instruments in amendment hereof.
- (b) **“Affiliate”** – means any person or entity that controls, is controlled by, or is in common control with, Franchisor.
- (c) **“Business” or “Outdoor Lighting Business”** - means the business operations conducted or to be conducted by Franchisee consisting of outdoor lighting design, and automated lighting control equipment and installation services, and seasonal, holiday, and event lighting sales and installation services for both residential and commercial use.
- (d) **“Commercial Account”** – means those customers or accounts Franchisor designates, in its sole and absolute discretion, which may include large projects, customers that have multiple locations in more than one franchised or company-owned territory or market, or customers that desire centralized billing.
- (e) **“Confidential Information”** - means all knowledge, know-how, standards, formulas, methods and procedures related to the establishment and operation of the Business and use of the System and includes all records pertaining to customers, suppliers, and other service providers of, and/or related in any way to, the Business including, without limitation, all Business Records (as defined in Section 6.11) all databases (whether in print, electronic or other form), all names, addresses, phone numbers, e-mail addresses, customer purchase records, mail lists, manuals, promotional and marketing materials, marketing strategies and any other data and information which Franchisor or its Affiliates designate as confidential, including all information contained in Franchisor’s Manual, which may be provided as one or more separate manuals, written instructional guides, CD Rom, electronic formats, or other communications from Franchisor or its Affiliates, which Franchisor has the right to periodically change or supplement.
- (f) **“Franchisor’s System” or “System”** - means the standards, systems, concepts, identifications, methods, and procedures developed or used by Franchisor, or which may hereafter be developed or used by Franchisor, for the sales and marketing of Franchisor’s Products (as defined below) and Services (as defined below).
- (g) **“Gross Revenue”** - means the total of all receipts derived from Services performed and Products sold from Franchisee’s Territory (as defined in Section 2.1(a) and Attachment A of this Agreement), whether the receipts are evidenced by cash, credit, checks, gift certificates, scrip, coupons, services, property or other means of exchange. Gross Revenues include receipts from all sales, service, installation, labor, etc. related to the operation of Franchisee’s Business, including 220 volt, 110 volt, 24 volt and 12 volt systems, automated lighting control systems and including temporary installations such as holiday decorative lighting and special event lighting. Gross Revenue does not include:

(i) the amount of any tax imposed by any federal, state, municipal or other governmental authority directly on sales and collected from customers, provided that the amount is in fact paid by Franchisee to the appropriate governmental authority;

(ii) Promotional or discount coupons to the extent that Franchisee realizes no revenue; and

(iii) Employee receipt of Services or Products, if free, or any portion not paid for by an employee.

Gross Revenue shall be deemed received by Franchisee at the time the Services or Products from which they were derived are delivered or rendered or at the time the relevant sale takes place, whichever occurs first, regardless of whether final payment (e.g., collection on a customer's personal check) actually has been received by Franchisee. Gross Revenues consisting of property or services shall be valued at the retail prices applicable and in effect at the time that they are received.

(h) **“Lease”** - means any agreement (whether oral or written) under which the right to occupy the Premises has been obtained, and any amendment made thereto from time to time, including without limitation, any offer to lease, license or lease agreement.

(i) **“Manual”** – has the meaning described in Section 7.3(j) below.

(j) **“Marks”** - shall mean the trademark **“OUTDOOR LIGHTING PERSPECTIVES”** to the extent of Franchisor's rights to same, together with such other trade names, trademarks, symbols, logos, distinctive names, service marks, certification marks, logo designs, insignia or otherwise which may be designated by Franchisor from time to time as part of the System for use by Franchisees, and not thereafter withdrawn.

(k) **“Outdoor Lighting Franchise”** – shall mean the business operations conducted or to be conducted using Franchisor's System and in association therewith the Marks.

(l) **“Premises”** - means the premises in respect to which an Outdoor Lighting Franchise has been granted hereunder, including Franchisee's home or an outside leased or owned location, or any other location as may be mutually agreed upon between Franchisor and Franchisee in writing.

(m) **“Products”** - means all supplies, materials and equipment sold, prepared or otherwise dealt with in connection with and all services performed at or from the home or leased Premises or in connection with the Business.

(n) **“Services”** – means all services sold, prepared or otherwise dealt with in connection with Business and all services performed at or from the Premises or in connection with the Business.

(o) **“Trade Secret(s)”** – shall mean information, including a formula, pattern, compilation, program, device, method, technique or process related to the System that both derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

1. COVENANTS, REPRESENTATIONS, AND WARRANTIES OF THE FRANCHISEE

Franchisee covenants, represents and warrants as follows and acknowledges that Franchisor is relying upon such covenants, representations and warranties in making its decision to enter into this Agreement.

1.1 Franchisee acknowledges that it has received, has had ample time to read, and has read this Agreement, and all related agreements with Franchisor. Franchisee acknowledges that Franchisor has advised him to obtain independent legal and accounting advice with respect to this Agreement and the transactions arising out of this Agreement. Franchisee further acknowledges that it has had an adequate opportunity to be advised by legal, accounting and other professional advisors of its own choosing regarding all pertinent aspects of the Business, Franchisor and this Agreement.

1.2 Franchisee has, or has made firm arrangements to acquire funds to commence, open and operate the Business and it is financially and otherwise able to accept the risks attendant upon entering into this Agreement.

1.3 All statements made by Franchisee in writing in connection with its application for this franchise were, to the best of its knowledge, true when made and continue to be true as of the date of this Agreement.

1.4 There are no material financial obligations of Franchisee whether actual or contingent which are outstanding as of the date of this Agreement other than those disclosed to Franchisor by Franchisee in writing.

1.5 Franchisee is not a party to or subject to any court or administrative order or action of any governmental authority, which would limit or interfere in any way with the performance by Franchisee of its obligation hereunder.

1.6 Franchisee is not a party to any litigation or legal proceedings other than those which have been disclosed to Franchisor by Franchisee in writing.

1.7 Franchisee represents that it is not a party to or subject to agreements that might conflict with the terms of this Agreement and agrees not to enter into any conflicting agreements during the Initial Term or any Interim Period.

1.8 Franchisee agrees and acknowledges that it has not been induced to enter into this Agreement in reliance upon, nor as a result of, any statements, representations, warranties, conditions, covenants, promises or inducements, whatsoever, whether oral or written, and whether directly related to the contents hereof or collateral thereto, made by Franchisor, its officers, directors, agents, employees or contractors except as provided herein. Franchisee acknowledges that the Franchise has been granted in reliance upon the information supplied to Franchisor in Franchisee's application for a Franchise.

1.9 Franchisee and its owners agree to comply with and/or to assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with Anti-Terrorism Laws (as defined below). In connection with such compliance, Franchisee and its owners certify, represent, and warrant that none of their property or interests is subject to being "blocked" under any of the Anti-Terrorism Laws and that Franchisee and its owners are not otherwise in violation of any of the Anti-Terrorism Laws.

(a) Franchisee and its owners certify that none of them, their respective employees, or anyone associated with Franchisee is listed in the Annex to Executive Order 13224 (which can

be accessed at <http://www.treasury.gov/offices/enforcement/ofac/legal/eo/13224.pdf>. Franchisee agrees not to hire (or, if already employed, retain the employment of) any individual who is listed in the Annex.

(b) Franchisee certifies that it has no knowledge or information that, if generally known, would result in Franchisee, its owners, their employees, or anyone associated with Franchisee to be listed in the Annex to Executive Order 13224.

(c) Franchisee is solely responsible for ascertaining what actions it must take to comply with the Anti-Terrorism Laws, and Franchisee specifically acknowledges and agrees that its indemnification responsibilities set forth in this Agreement pertain to its obligations under this Section 1.9.

(d) Any misrepresentation under this Section or any violation of the Anti-Terrorism Laws by Franchisee, its owners, agents, its employees shall constitute grounds for immediate termination of this Agreement and any other agreement Franchisee has entered with Franchisor or any of Franchisor's affiliates.

(e) “**Anti-Terrorism Laws**” means Executive Order 13224 issued by the President of the United States, the Terrorism Sanctions Regulations (Title 31, Part 595 of the U.S. Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U.S. Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U.S. Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any governmental authority (including, without limitation, the United States Department of Treasury Office of Foreign Assets Control and any government agency outside the U.S.) addressing or in any way relating to terrorist acts and/or acts of war.

2. GRANT OF LICENSE

2.1 Subject to all the terms and conditions of this Agreement, Franchisor hereby grants to Franchisee, and Franchisee accepts, for the Initial Term of this Agreement and any Interim Period the right, obligation and non-exclusive license (“**License**”) to:

(a) Operate a Business upon the terms and conditions of this Agreement, in one (1) territorial area (“**Territory**”) and at one location described in **Attachment A**;

(b) Use the Marks and the System; and

(c) Offer and market only Franchisor's approved Services and Products, unless Franchisor approves in writing (such approval to be in Franchisor's sole and absolute discretion) Franchisee's request to offer and market complementary and non-competing services or products.

2.2 The License does not include the right to sell the Products to any vendor who would in turn sell to consumers.

2.3 Franchisee recognizes that variations and additions to the System may be required from time to time in order to preserve and/or enhance the System. Therefore, Franchisor expressly reserves the right to add to, subtract from, revise, modify or change from time to time the System or any part thereof, and Franchisee agrees to promptly accept and comply with any such addition, subtraction, revision, modification or change and to make such reasonable expenditures as may be necessary to comply pursuant to Section 8.

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2.4 Franchisee recognizes that the rights that are granted to Franchisee are for the specific Territory, defined in Section 4.1 below and no other, and cannot be transferred to an alternate Territory, without the prior written approval of Franchisor, which approval may be granted or withheld in Franchisor's sole discretion.

3. TERM OF THE AGREEMENT AND LICENSE

3.1 This Agreement and the License granted shall continue for a period of seven (7) years (“**Initial Term**”). This Initial Term shall begin on the date this Agreement is executed by Franchisor, subject, however, to termination in accordance with the provisions of this Agreement. When the Initial Term and any Interim Period expires Franchisee shall have the option to request that Franchisor renew Franchisee's rights to operate the Outdoor Lighting Business for one (1) additional term (“**Successor Term**”) equal to the length of Franchisor's then-current initial term as described in its then-current Outdoor Lighting Perspectives® franchise agreement (although the Successor Term will be no less than five (5) years), provided Franchisor determines in its sole and absolute discretion that Franchisee has met all of the following requirements.

(a) Franchisee has not failed to remedy any breach of this Agreement specified by Franchisor in a written notice to Franchisee as per Section 17.1 or 17.2;

(b) Franchisee has not committed and received notice of two (2) or more breaches of this Agreement in the twenty-four (24) months prior to the end of the Initial Term, even if such breaches were timely remedied;

(c) Franchisee has met the Minimum Annual Sales Quota every year during the Initial Term set out in Section 4;

(d) Franchisee has given Franchisor a written notice of intent to extend its rights to operate the Outdoor Lighting Business no less than six (6) months or more than nine (9) months prior to expiration of the Initial Term;

(e) Franchisee executes a successor franchise agreement (“**Successor Franchise Agreement**”) and all other agreements in the form then being used by Franchisor in granting new franchises, which may contain materially different terms and conditions than this Agreement, provided that the Successor Franchise Agreement will be modified to reflect certain provisions not applicable in a Successor Franchise Agreement, similar to the Successor Addendum attached as **Attachment G**;

(f) Franchisee pays Franchisor the successor franchise fee equal to ten percent (10%) of the then current Initial Franchise Fee, which is due and payable to Franchisor at the time of signing the Successor Franchise Agreement;

(g) Franchisee executes a general release of all claims Franchisee may have against Franchisor, its officers, directors, members, shareholders, agents, Affiliates, and employees, whether in their corporate and/or individual capacities. This release shall include all claims arising under any federal, state, or local law, rule, or ordinance arising out of or concerning this Agreement (to the fullest extent permitted by law) and shall be in a form satisfactory to Franchisor;

(h) Franchisee has upgraded the computer system, proprietary database management system, marketing collateral, other equipment and vehicle used in operations of the Business to Franchisor's then-current standards;

- (i) Franchisee is in full compliance with the terms of the Manual;
- (j) Franchisee provides proof of current licenses, insurance and permits; and
- (k) Franchisee has met any other conditions that Franchisor reasonably requires.

3.2 Franchisor reserves the right, but not the obligation, in Franchisor's sole discretion, to modify Franchisee's Territory at the time Franchisee executes a Successor Franchise Agreement to conform the size of Franchisee's Territory to Franchisor's then-current standards for protected territorial areas that are being granted to new Outdoor Lighting franchisees, for example, if there has been an increase or decrease in the population or number of qualified households within Franchisee's original Territory, or if Franchisor uses different standards or calculations in determining the size of protected territories that are granted to new Outdoor Lighting franchisees. If at the time Franchisee intends to execute a Successor Franchise Agreement the size of Franchisee's original Territory encompasses more than one protected territory based upon Franchisor's then-current standards for determining protected territories for new Outdoor Lighting franchisees, then Franchisor we may require Franchisee to execute multiple Successor Franchise Agreements if Franchisee wishes to continue operating within the entire original Territory.

3.3 Franchisee's failure to give timely notice of Franchisee's intention to extend its rights to operate the Business, as described in Section 3.1(d) shall be deemed an election not to renew Franchisee's rights to operate the Business. IN FRANCHISOR'S SOLE DETERMINATION, FRANCHISEE MAY BE DEEMED TO HAVE IRREVOCABLY DECLINED TO RENEW FRANCHISEE'S RIGHTS TO OPERATE THE BUSINESS (AND ITS OPTION SHALL THEREUPON TERMINATE) IF IT FAILS TO EXECUTE AND RETURN TO FRANCHISOR THE SUCCESSOR FRANCHISE AGREEMENT AND OTHER DOCUMENTS REQUIRED BY FRANCHISOR WITHIN THIRTY (30) DAYS AFTER THEIR DELIVERY TO FRANCHISEE, OR FAILS TO COMPLY IN ANY OTHER WAY WITH THE PROVISIONS OF THIS SECTION 3.

3.4 If Franchisee does not sign a Successor Franchise Agreement prior to the expiration of this Agreement and continues to accept the benefits of this Agreement after the expiration of this Agreement, then at the option of Franchisor, this Agreement may be treated either as (i) expired as of the date of expiration with Franchisee then operating without a franchise to do so and in violation of Franchisor's rights; or (ii) continued on a month-to-month basis ("**Interim Period**") until one party provides the other with written notice of such party's intent to terminate the Interim Period, in which case the Interim Period will terminate thirty (30) days after receipt of the notice to terminate the Interim Period. In the latter case, all obligations of Franchisee shall remain in full force and effect during the Interim Period as if this Agreement had not expired, and all obligations and restrictions imposed on Franchisee upon expiration of this Agreement shall be deemed to take effect upon termination of the Interim Period.

4. TERRITORY

4.1 During the Initial Term and for so long as Franchisee is in compliance with all of its obligations hereunder, except as otherwise provided in this Agreement, and subject to Franchisor's reservation of rights as set forth in Section 4.2 and as provided in Section 4.3 below, neither Franchisor nor any Affiliate will establish or license another person or entity to establish an Outdoor Lighting Business within the Territory encompassed by the boundaries set forth in **Attachment A**, attached hereto and incorporated herein by reference. Except as otherwise specifically provided in this Agreement, this Agreement does not restrict Franchisor or its Affiliates and does not grant rights to Franchisee to pursue any of Franchisor's or its Affiliates other business concepts other than the Outdoor Lighting Business.

4.2 Franchisee acknowledges that the Franchise granted hereunder is non-exclusive and that Franchisor and its Affiliates retain the exclusive right, among others:

(a) to use, and to license others to use, the Marks and System for the operation of Outdoor Lighting Businesses at any location other than in the Territory, regardless of proximity to the Territory;

(b) to use the Marks and the System in connection with the provision of other services and Products or in alternative channels of distribution such as those described in Section 4.2(c), without regard to location;

(c) to use and license the use of other proprietary marks or methods which are not the same as or confusingly similar to the Marks, whether in alternative channels of distribution including, without limitation, wholesalers, commissaries, retail outlets, Internet commerce, or other distribution outlets, or in the operation of a lighting outlet, at any location and including within the Territory, which may be the same as, similar to or different from the Outdoor Lighting Businesses;

(d) to any web sites utilizing a domain name incorporating one or more of the words “Outdoor,” “Lighting” and “Perspectives,” or similar derivatives thereof. Franchisee may not independently market on the Internet, or use any domain name, address, locator, link, metatag, or search technique, with words or symbols similar to the Marks or otherwise establish any presence on the Internet without Franchisor’s prior written approval. Franchisor retains the sole right to market on the Internet, including all use of web sites, domain names, URL’s, linking, advertising, directory accesses, metatags, co-branding and other arrangements. Franchisee will provide Franchisor with content for Franchisor’s Internet marketing, and will sign Internet and Intranet usage agreements. Franchisor intends that any franchisee web site be accessed only through Franchisor’s home page, unless Franchisor otherwise permits in writing; and

(e) to acquire businesses that are the same as or similar to the Outdoor Lighting Business and operate such businesses regardless of where such businesses are located, including inside the Territory, and to be acquired by any third party which operates businesses that are the same as or similar to the Outdoor Lighting Business regardless of where such businesses are located, including inside the Territory.

(f) to directly or indirectly provide services to Commercial Accounts located inside or outside the Territory as further described in Section 4.5.

4.3 Franchisee may be granted, at Franchisor’s sole discretion, express permission to sell or service customers in an unsold territory adjacent to Franchisee’s Territory (“**Adjacent Territory**”), provided that Franchisee agrees that when the Adjacent Territory is granted to another franchisee by Franchisor, Franchisee will, upon receipt of written notice from Franchisor, cease all its sales and service efforts within the Adjacent Territory and return all customer and prospect lists to Franchisor within ten (10) days of such notice. Franchisee shall report Gross Revenues from sales in an Adjacent Territory on a separate reporting form. Franchisee will pay the Royalty Fee, Individual Advertising Investment and National Branding and Marketing Fee for sales in the Adjacent Territory.

4.4 In order to maintain the Territory, Franchisee must meet the Minimum Annual Sales Quota during each full calendar year following the date of Agreement. The Minimum Annual Sales Quota is as follows:

Year	Yearly Minimum Gross Revenues
First Year	No Minimum Annual Sales Quota
Second Year	\$250,000
Third Year	\$350,000
Fourth Year and Subsequent Years	\$500,000+

Franchisee’s failure to satisfy the Minimum Annual Sales Quota may result in the reduction or elimination of Franchisee’s Territory or the termination of this Agreement, in Franchisor’s sole discretion. If Franchisee has multiple franchise agreements, and therefore multiple territories, then Franchisee must meet the Minimum Annual Sales Quota in each territory.

4.5 In addition to the reserved rights outlined in Section 4.2 above, Franchisor and its Affiliates have the right to sell and enter into agreements with Commercial Accounts, both inside and outside the Territory. Franchisee must participate in any commercial accounts program (the “Commercial Accounts Program”) Franchisor designates, and comply with the terms of the Commercial Accounts Program as described in the Manual or as Franchisor otherwise describes in writing. Franchisee understands that Franchisor will establish the rules under which Franchisee will participate, and be compensated for participation, in the Commercial Accounts Program and that Franchisor may terminate, modify or replace the Commercial Accounts Program at any time. Franchisee must pay Franchisor any then-current fees associated with the Commercial Accounts Program. If a Commercial Account contacts Franchisee directly, Franchisee must refer the Commercial Account to Franchisor or its designee. Franchisor will negotiate all contracts with Commercial Accounts and Franchisee will not have any right to negotiate any contract or provide services to the Commercial Account without Franchisor’s express written consent.

5. FRANCHISE FEE AND ROYALTIES

5.1 Franchisee shall pay the sum of set forth on **Attachment A** plus, if due and payable, all applicable federal, state or municipal taxes, as a non-recurring and non-refundable (subject to Section 5.2) initial franchise fee (“**Initial Franchise Fee**”) per Territory to Franchisor upon the execution of this Agreement. The Initial Franchise Fee shall be paid by means of certified funds or a bank check. The Initial Franchise Fee shall be deemed to have been fully earned by Franchisor when paid.

5.2 The Initial Franchise Fee is non-refundable unless Franchisor terminates the Franchise Agreement because Franchisee failed to complete the training program to the satisfaction of Franchisor (to be determined in Franchisor’s sole discretion). Franchisor shall notify Franchisee in writing that it is exercising its right to terminate the Agreement pursuant to this Section 5.2, in which case fifty percent (50%) of the Initial Franchise Fee shall be refunded to Franchisee within thirty (30) days of Franchisor’s notice of termination to Franchisee.

5.3 Royalties.

(a) During the first twelve (12) months of operation, Franchisee shall pay to Franchisor a Royalty Fee equal to seven percent (7%) of the Business’s Gross Revenue. Commencing with the thirteenth (13th) month of operation, Franchisee shall pay to Franchisor, a

Royalty Fee equal to the greater of the Minimum Royalty Fee (set forth in Section 5.3(b) below) or seven percent (7%) of the Business's Gross Revenue (collectively "**Royalty Fee**" or "**Royalty Fees**"). If at any time during any calendar year, Franchisee's Gross Revenue exceeds ~~\$1,500,000~~ 1,000,000, the Royalty Fee will be reduced to the greater of the Minimum Royalty Fee or five ~~and one half percent (5.5%) of Gross Revenue for the remainder of that calendar year on any and all projects. If at any time during any calendar year, Franchisee's Gross Revenue exceeds \$2,500,000, the Royalty Fee will be reduced to the greater of the Minimum Royalty Fee or four and one half percent (4.5%)~~ percent (5.5%) of Gross Revenue for the remainder of that calendar year on any and all projects. ~~If at any time during any calendar year, Franchisee's Gross Revenue exceeds \$3,500,000, the Royalty Fee will be reduced to the greater of the Minimum Royalty Fee or three and one half percent (3.5%) of Gross Revenue for the remainder of that calendar year on any and all projects.~~ Notwithstanding the foregoing, if Franchisor determines, in its sole discretion, that seasonal factors materially affect the operation of Franchisee's Outdoor Lighting Business in its Territory, then Franchisee's obligations to pay Minimum Royalty Fee will be abated during the seasonal period identified by Franchisor in **Attachment A** ("**Abatement Period**") and Franchisee will pay Franchisor the percentage Royalty Fee described above. The Royalty Fee shall be paid on or before the tenth (10th) day of each month for the preceding calendar month and shall be payable through the entire Initial Term and any Interim Period of this Agreement. Franchisee shall pay the Royalty Fee monthly or in such other frequency as Franchisor may in its sole discretion require upon written notice to Franchisee by Franchisor. Franchisee shall not subordinate to any other obligation its obligation to pay the Royalty Fee or any other fee or charge hereunder.

(b) The Minimum Royalty Fee due to Franchisor per Territory is \$1,400 ("**Minimum Royalty Fee**"). The Minimum Royalty Fee payments commence on the thirteenth (13th) full month the Business is open for business and continues for the Initial Term of this Agreement and any Interim Period. **THIS MINIMUM ROYALTY FEE IS IN NO WAY INTENDED TO IMPLY THAT FRANCHISEE WILL EXPERIENCE GROSS REVENUES OF ANY PARTICULAR LEVEL. PURSUANT TO SECTION 5.3(d), THIS MINIMUM ROYALTY FEE IS TO BE SENT ON THE TENTH OF EACH MONTH VIA ELECTRONIC FUNDS TRANSFER TO AN ACCOUNT DESIGNATED BY THE FRANCHISOR.**

(c) Each Royalty Fee payment shall be, without exception, accompanied by a statement of the previous month's Gross Revenues on a form approved and provided to Franchisee by Franchisor. **Each failure to include a fully completed statement of the previous month's Gross Revenues with the Royalty Fees payable to Franchisor when due shall constitute a material breach of this Agreement.**

(d) Franchisor reserves the right to require Franchisee to remit fees and other amounts due to Franchisor hereunder via electronic funds transfer ("**EFT**") or other similar means utilizing a Franchisor approved computer system or otherwise. The EFT Authorization is attached to the Franchise Agreement as **Attachment E**. If Franchisor notifies Franchisee to use such payment method, Franchisee agrees to comply with procedures specified by Franchisor and/or perform such acts and deliver and execute such documents, including authorization for direct debits from Franchisee's business bank operating account, as may be necessary to assist in or accomplish payment by such method. Under this procedure Franchisee shall authorize Franchisor to initiate debit entries and/or credit correction entries to a designated checking or savings account for payments of fees and other amounts payable to Franchisor and any interest charged due thereon. Franchisee shall make funds available to Franchisor for withdrawal by electronic transfer no later than the due date for payment therefor. If there are insufficient funds

in Franchisee's account to collect amounts due by a transfer of funds on the due date, or if a withdrawal is otherwise rejected for any reason, Franchisee must pay Franchisor any fees and expenses Franchisor incurs, as well as Franchisor's then-current service charge to compensate Franchisor for its increased administrative and management costs in connection with such failed withdrawal.

If Franchisee has not timely reported the Gross Revenues to Franchisor for any reporting period, then Franchisor shall be authorized, at Franchisor's option, to debit Franchisee's account in an amount equal to (a) the fees transferred from Franchisee's account for the last reporting period for which a report of the Gross Revenues was provided to Franchisor as required hereunder; or (b) the amount due based on information retrieved from Franchisor approved computer system; or (c) the Minimum Royalty Fee and National Branding and Marketing Fee.

5.4 If Franchisee is unable to operate due to damage or loss to Franchisee's premises caused or created by a casualty, act of God, condemnation, or other condition over which Franchisee has no control, then Franchisor, in its sole discretion, may elect to waive the Royalty Fee for a period no greater than one hundred twenty (120) days commencing with the month in which Franchisee gives Franchisor notice of the damage or loss.

5.5 Before Franchisor pays any refunds set out in Section 5.2, all products set forth on the initial marketing collateral supplies list ("**Initial Marketing Collateral Supplies List**") provided to Franchisee by Franchisor must be returned to Franchisor.

6. ACCOUNTING, RECORDS, AUDITS AND LATE PAYMENT CHARGES

6.1 Franchisee shall keep such complete records of its Business as a prudent and careful businessperson would normally keep. Franchisee shall keep its financial books and records as Franchisor may from time to time direct in the Manual or otherwise, including retention of all invoices, order forms, payroll records, cash register tapes, checks records, bank deposit receipts, sales tax records and returns, cash disbursements journals and general ledgers. Franchisee shall advise Franchisor of the location of all original documents and shall not destroy any records without the written consent of Franchisor.

6.2 Franchisee shall prepare on a current basis, complete and accurate records concerning all financial, marketing and other operating aspects of the Business conducted under this Agreement. Franchisee shall maintain an accounting system which accurately reflects all operational aspects of the Business including uniform reports as may be required by Franchisor. Franchisee's records shall include tax returns, daily reports, statements of Gross Revenues, profit and loss statements, sales tax information and balance sheets. During the first two full years of operations, Franchisee must use a bookkeeping service or platform approved by Franchisor. Franchisor or its affiliates may be approved vendors of bookkeeping services, and if utilized by Franchisee, Franchisee would be required to pay the then-current bookkeeping services fee ("Bookkeeping Services Fee"), which would be paid at the same time and in the same manner as the Royalty Fees. As of the date of this Agreement, the Bookkeeping Services Fee is \$350 per month, but Franchisor may increase it at any time upon notice to Franchisee to be up to \$500 per month. The Bookkeeping Services Fee covers up to 5 hours of bookkeeping assistance per month; however, if Franchisee requires more than 5 hours of bookkeeping assistance per month, then Franchisor will charge Franchisee \$55 per hour for additional assistance, which Franchisor may increase at any time upon notice to Franchisee to be up to \$100 per hour of additional assistance.

6.3 Franchisee shall furnish to Franchisor such reports as Franchisor may require from time to time. Franchisee grants Franchisor the right to disclose all financial data submitted to Franchisor. Without limiting the generality of the foregoing, Franchisee shall furnish to Franchisor in the form

Franchisor requires periodically (which will include a chart of accounts prescribed by Franchisor) and together with such detail and breakdown and copies of supporting records as Franchisor may from time to time require:

(a) within ten (10) days after the end of each month, beginning with January 1st, a balance sheet and profit and loss statement for the Business for the preceding month;

(b) within thirty (30) days after the end of each fiscal year of the Business, financial statements for the Business, including a balance sheet, profit and loss statement, a change in cash position statement and a statement of retained earnings for such period; and

(c) within thirty (30) days of April 15th of each year, a true copy of all tax returns, schedules and reports filed by Franchisee for income, corporate, sales tax, employer health tax, or workers compensation purposes.

6.4 Franchisee shall also submit to Franchisor current financial statements and other reports as Franchisor may reasonably request to evaluate or compile research and performance data on any operational aspect of the Business. Franchisee shall submit Individual Marketing expenses statements to Franchisor once each quarter.

6.5 If Franchisor believes that Franchisee is using a separate business entity or individual to perform products or services authorized for sale in the Business or to collect receipts from the sale of any Products or Services, Franchisor has the right to inspect, audit or copy, or request copies of, the records of such business entity or individual. Franchisee shall keep the books and records of the Business separate from the records of any unrelated business activity.

6.6 From the date Franchisee and Franchisor sign this Agreement until three (3) years after the end of the Initial Term of this Agreement including any Interim Period, Franchisor or Franchisor's authorized agent shall have the right to request, receive, inspect and audit any of the records referred to above wherever they may be located. Franchisor agrees to do inspections and audits at reasonable times. Franchisee agrees to keep all records and reports for 6 years from the date such records are created. Should any inspection or audit disclose a deficiency in the payment of any Royalty Fee or National Branding and Marketing Fee (as defined in Section 11.6) or other amounts required to be paid under this Agreement, Franchisee shall immediately pay the deficiency to Franchisor, without prejudice to any other remedy of Franchisor under this Agreement. In addition, if the deficiency for any audit period equals or exceeds two percent (2%) or more of the correct amount of any Royalty Fee, National Branding and Marketing Fee or other amounts due, Franchisee will also immediately pay to Franchisor the entire cost of the inspection or audit including travel, lodging, meals, salaries and other expenses of the inspecting or auditing personnel. For the purposes of this Section 6.66, an audit period will be each fiscal year. Should the audit disclose an overpayment of any Royalty Fees, National Branding and Marketing Fees or other amounts due, Franchisor shall credit the amount of the overpayment to Franchisee's payments of Royalty Fees and National Branding and Marketing Fees next falling due.

6.7 If Franchisee's records and procedures are insufficient to permit a proper determination of Gross Revenues, Franchisor shall have the right to deliver to Franchisee an estimate, made by Franchisor, of Gross Revenues for the period under consideration and Franchisee shall immediately pay to Franchisor any amount shown thereby to be owing on account of the Royalty Fee, National Branding and Marketing Fee and other sums due on account of such understatement. Any such estimate shall be final and binding upon Franchisee.

6.8 To encourage prompt payment and to cover the costs and expenses involved in handling and processing late payments Franchisee shall also pay, upon demand, a late fee in the amount of \$100 and interest equal to the lesser of (i) one and one-half percent (1.5%) per month; or (ii) the highest legal rate permitted by applicable law, whichever is lower, on all payments due to Franchisor during the period of time said payments are due and unpaid. Each failure to pay Royalty Fees, National Branding and Marketing Fees, and other amounts payable to Franchisor when due shall constitute a material breach of this Agreement. Franchisee acknowledges that this Section 6.88 shall not constitute Franchisor's agreement to accept such payments after same are due or a commitment by Franchisor to extend credit to, or otherwise finance Franchisee's operation of the Outdoor Lighting Business. Further, Franchisee acknowledges that failure to pay all such amounts when due shall, notwithstanding the provisions of this Section 6.88, constitute grounds for termination of this Agreement, as provided in this Agreement.

6.9 Any report of Franchisor's auditor rendered from time to time pursuant to this Section 6, shall be final and binding upon all of the parties hereto.

6.10 Franchisee hereby authorizes Franchisor to make reasonable inquiries of Franchisee's bank, suppliers and trade creditors concerning the Business and hereby directs such persons and companies to provide to Franchisor such information and copies of documents pertaining to the Business as Franchisor may request.

6.11 Franchisee acknowledges and agrees that Franchisor owns all business records with respect to customers and other service professionals of, and/or related to, the Outdoor Lighting Business including, without limitation, all databases (whether in print, electronic or other form), including all lists of all former, current or prospective customers and referral sources as well as all other data, information and materials Franchisor or Franchisee collect or receive from, or which relate to, these individuals, including, without limitation, their names, addresses, telephone numbers, e-mail addresses and customer purchase records ("**Business Records**") created and/or maintained by Franchisee. Franchisee further acknowledges and agrees that, at all times during the term of this Agreement, Franchisor has the right to access and use such Business Records as Franchisor determines to be in the best interest of the Franchisor or the System. Upon termination or expiration of this Agreement, Franchisee must promptly deliver to Franchisor all Business Records in Franchisee's possession, without retaining any copies of the Business Records, including, without limitation, any hard or electronic copies. Franchisee must maintain all Business Records consistent with any applicable federal, state, or local privacy laws.

6.12 To encourage prompt delivery of all Business Records, Certificates of Insurance, Gross Revenue statements, financial statements, tax returns, and any other documentation or record that may be requested by Franchisor under this Agreement, Franchisee shall pay, upon demand, a late report fee in the amount of \$100 per record or document requested if Franchisee fails to deliver such record or document when due.

7. GUIDANCE, COACHING AND ASSISTANCE

7.1 The Initial Franchise Fee and Royalty Fees are paid for the License, which includes the use of the Marks of Franchisor, the use of Franchisor's Trade Secrets, and for certain guidance, coaching and assistance rendered by Franchisor.

7.2 Franchisor shall offer Franchisee initial and continuing guidance, coaching and assistance as Franchisor deems necessary or advisable in furthering Franchisee's Business and the business of the System as a whole and in connection with protecting the Marks and goodwill of Franchisor. Failure by Franchisor to provide any particular guidance, coaching or assistance, either initial or continuing, shall not excuse Franchisee from any of its obligations under this Agreement.

7.3 Currently, initial and continuing guidance, coaching and assistance provided by Franchisor shall include:

(a) Designating Franchisee's Territory as stipulated in Section 2 and Abatement Period, if any, as stipulated in **Attachment A**.

(b) Providing Franchisee, at Franchisee's sole cost and expense, with the Initial Marketing Collateral Supplies List, vehicle wrap, and tradeshow booth.

(c) Furnishing Franchisee with specifications for all initial and replacement equipment, inventory and supplies required for the operation of Franchisee's Business as stipulated in Section 8.

(d) Providing Franchisee with an initial training program ("**Initial Training Program**"). Franchisee acknowledges and agrees that the Initial Training Program is divided into two distinct phases. Phase I of the Initial Training Program shall be held at Franchisor's facilities in Richmond, Virginia (or other locations designated by Franchisor) and shall be conducted over a ten (10) day period. Phase II of the Initial Training Program shall be held at Franchisor's facilities in Richmond, Virginia during the summer before Franchisee's first holiday lighting season and shall be conducted over a two (2) to three (3) day period. Franchisee or its operating manager shall attend and satisfactorily complete Phase I of the Initial Training Program prior to opening the franchised Business. Phase I of the Initial Training Program shall be conducted approximately sixty (60) days prior to the opening of Franchisee's Business. Franchisee shall pay for travel, lodging and meals for Franchisee and any additional person(s) attending the initial training program. Franchisee is responsible for all other charges and costs incurred by itself or any other of its attendees participating in the Initial Training Program. If Franchisee closes on the purchase of a franchise for the Business on or before July 31 of any calendar year, Franchisee shall attend Phase II of the Initial Training Program during that calendar year. If Franchisee closes on the purchase of a franchise for the Business after July 31 of such calendar year, Franchisee shall attend Phase II of the Initial Training Program during the next calendar year. The Initial Training Program shall consist of a discussion of the System, techniques, procedures, installation and methods of operation, advertising, sales techniques, promotional ideas, marketing plans, customer relations, instructions on quality standards and practical experience in the operation of a franchise. Franchisee acknowledges and agrees that Franchisee shall be deemed fully trained and ready to open for business if Franchisee completes Phase I of the Initial Training Program to Franchisor's satisfaction.

(e) Franchisor shall make a representative reasonably available to speak with Franchisee on the telephone during normal business hours to discuss Franchisee's operational issues.

(f) Franchisor may hold annual conferences to discuss sales techniques, new product developments, bookkeeping, accounting, inventory control, performance standards, advertising programs merchandising procedures, or any other topics Franchisor deems appropriate. Franchisee must pay Franchisor the conference fee, which Franchisor may collect on a monthly basis or otherwise, and Franchisee must pay all its travel and living expenses. Franchisor may require Franchisee and its employees to attend these conferences, and your failure to attend a required conference without Franchisor's prior written consent is a breach of this Agreement. These conferences are held at Franchisor's Richmond, Virginia headquarters or at a location chosen by Franchisor.

(g) Franchisor may, in its sole discretion, visit Franchisee's Outdoor Lighting Business during the first six (6) months of operations.

(h) Formulating advertising and promotional programs as further stipulated in Section 11.

(i) Franchisor may require that Franchisee or Franchisee's operating manager attend all supplemental and refresher training programs that Franchisor designates. Franchisor may charge Franchisee a reasonable fee for any supplemental and refresher training programs. Franchisee must pay the then-current fee for such training programs, if any, and all personal travel and living expenses.

(j) Developing new Products and Service methods, as deemed beneficial in the sole discretion of Franchisor for the successful operation of the System. Franchisee will be informed of any new Product or Service development.

(k) Lending Franchisee during the Initial Term (including any Interim Period) one (1) copy of or providing electronic (internet) access to Franchisor's confidential operations manual ("**Manual**") containing mandatory and suggested specifications, standards, operating procedures and rules prescribed from time to time by Franchisor as further stipulated in this Section 7, and containing information relative to other obligations of Franchisee hereunder. Any required specifications, standards and operating procedures exist to protect Franchisor's interests in the System and the Marks and to create a uniform customer experience, and not for the purpose of establishing any control or duty to take control over those matters that are reserved to Franchisee. All such specifications, standards and operating procedures shall be consistent with this Agreement and all applicable laws. Franchisee shall operate the Business strictly in accordance with the required specifications and standards identified in the Manual. Failure to comply with the required standards set forth in the Manual shall constitute a material breach of this Agreement. Franchisor reserves the right to provide the Manual and updates to the Manual in electronic form or other form determined by Franchisor.

(i) Franchisor shall have the right to modify the Manual from time to time to reflect changes in authorized Products and Services, business image or the operation of the Business; provided, however, no such addition or modification shall alter Franchisee's fundamental status and rights under this Agreement. Some of the revisions to the Manual presently contemplated include changes with respect to:

1. sales and marketing strategies;
2. equipment and supplies;
3. accounting and reporting systems and forms;
4. insurance requirements;
5. operating procedures;
6. Services; and
7. Products.

(ii) Franchisee covenants to accept, implement and adopt any such reasonable modifications at its own cost, except as provided in Section 10.3 hereof concerning a change in the Marks. Franchisee shall keep its Manual with replacement pages and insertions as instructed by Franchisor.

(iii) Franchisee hereby acknowledges that the Manual is loaned to Franchisee and shall at all times remain the sole and exclusive property of Franchisor, and upon termination of this Agreement for any reason whatsoever, Franchisee shall forthwith return the Manual together with all copies of any portion of the Manual which Franchisee may have made, to Franchisor.

(l) Providing Franchisee with a copy of Franchisor's monthly newsletter, if published.

7.4 If Franchisee believes Franchisor has failed to adequately provide pre-opening guidance, coaching and assistance to Franchisee as provided in this Agreement, including Section 7.3, Franchisee shall notify Franchisor in writing within thirty (30) days following the opening of the Business. Absent the timely provision of such notice to Franchisor, Franchisee shall be deemed to conclusively acknowledge that all pre-opening and opening guidance, coaching and assistance required to be provided by Franchisor were sufficient and satisfactory in Franchisee's judgment.

7.5 Franchisor is not obligated to perform guidance, coaching or assistance set forth in this Agreement to Franchisee's particular level of satisfaction, but as a function of Franchisor's experience, knowledge and judgment. Franchisor does not represent or warrant that any other guidance, coaching and assistance will be provided to Franchisee, other than as set forth in this Agreement. To the extent any other guidance, coaching and assistance, or any specific level or quality of guidance, coaching and assistance is expected, Franchisee must obtain a commitment to provide such guidance, coaching and assistance or level of service in writing signed by an authorized officer of Franchisor, otherwise Franchisor shall not be obligated to provide any other services or specific level or quality of guidance, coaching or assistance.

8. FRANCHISEE'S DUTIES, OBLIGATIONS AND OPERATING STANDARDS

8.1 Franchisee shall, consistent with the terms of this Agreement, diligently develop the Business and use its best efforts to market and promote the required Services and Products.

8.2 Subject to the terms of this Agreement, including Sections 7.3(k)(i) through (iii), during the Initial Term and any Interim Period, Franchisee shall strictly comply with all mandatory standards, specifications, processes, procedures, requirements, and instructions of Franchisor regarding the operation of the Business and must comply with the following requirements:

(a) Franchisee, or a fully trained and qualified operating manager, must devote full time to the management and operation of the Business.

(b) If Franchisee signed this Agreement as an individual(s), Franchisee must transfer this Agreement to a wholly-owned corporation or limited liability company pursuant to Section 15.8 of this Agreement before it begins operating the Business. Franchisee must remain a corporation or limited liability company, as applicable, in good standing under local law for the entire term of this Agreement. Prior to beginning operations, Franchisee must: (i) deliver proof of a valid and active business checking account in its business entity name with a reputable banking institution; and (ii) obtain a valid federal employer identification number for the business entity. Franchisee must provide corporate documents and other proof of compliance with the above requirements immediately upon request.

(c) Prior to opening the Outdoor Lighting Business, Franchisee or Franchisee's manager and certain key employees at the Business must attend and satisfactorily complete Phase

I of the Initial Training Program, demonstrations and seminars at locations as Franchisor may reasonably require, and Franchisee will pay all salary and other expenses of persons attending. Attendance by Franchisee or its manager (if any) is compulsory and must be satisfactorily completed prior to the opening of Franchisee's Business.

(d) Complete Phase II of the Initial Training no later than the one year anniversary of the execution of the Franchise Agreement.

(e) Franchisee or its operating manager's attendance at annual conferences is strongly recommended and will be held at such locations as Franchisor may reasonably designate, and Franchisee will pay all salary and other expenses of persons attending, including any conference fees, travel expenses, meals, living expenses and personal expenses.

(f) Subject to Section 8.5, any additional required Service or Product introduced into the System by Franchisor must be offered for sale on a continuing basis at the Business at the time and in the manner required by Franchisor. Franchisor will provide at least thirty (30) days prior written notice of any new required Service or Product introduced into the System. All equipment, products, supplies, tools and other items necessary to add the newly required Services or Products must be acquired, installed, and utilized at the time and in the manner required by Franchisor. The marketing of new Services and Products must begin at the Business as reasonably required by Franchisor.

(g) No service or product, except approved Services or Products, may be offered for sale from the Territory, unless Franchisee receives the prior written consent of Franchisor (which may be granted or denied in Franchisor's sole discretion).

(h) Only advertising and promotional material, services, equipment, supplies, and uniforms that meet Franchisor's standards and specifications shall be used at the Business. Advertising and promotional materials, tools, services, equipment, inventory, products, signage, supplies and uniforms produced or approved by Franchisor for use by Franchisee may be used only in the manner and during the period specified by Franchisor.

(i) Equipment, signs, Services, Products, supplies and other items must be added, eliminated, substituted and modified at the Business as soon as practicable in accordance with changes in Franchisor's specifications and requirements.

(j) The Business and everything related to the Business must be maintained in first-class condition and must be kept clean, neat and sanitary. All maintenance, repairs and replacements reasonably requested by Franchisor or needed in connection with the Business must be promptly made. All employees must be clean and neat in appearance.

(k) No alterations of the Business materially affecting the image of the Business may be made except at Franchisor's request or approval, and any alterations must strictly conform to specifications and requirements established or approved by Franchisor.

(l) The Business operated by Franchisee, and the Services and Products distributed and sold by Franchisee must comply with all applicable federal or state, electric code laws, ordinances, rules, regulations and other requirements. Franchisee must obtain all business licenses and permits required by federal, state and local laws, ordinances, rules and regulations. If Franchisee does not qualify for those business licenses and permits required by state and local laws, ordinances, rules and regulations, before operating its Business, Franchisee must ~~either: (i)~~

obtain the ability to work under Franchisee's employee's or minority owner's license and/or permits; ~~or (ii) at Franchisor's option, work under Franchisor's or its designee's license and/or permits.~~ If Franchisee does not obtain all required permits and licenses necessary to operate its Business within 6 months after meeting the experience qualifications to obtain such permit or license, Franchisor may terminate this Franchise Agreement. ~~During any time that Franchisee works under Franchisor's or its designee's license and/or permit, it must: (I) pay Franchisor the then-current monthly license fee; and (II) use a third party professional services organization that will be responsible for handling Franchisee's payroll and to assist Franchisee with its obligation to comply with various applicable state employment laws.~~

(m) The equipment and supplies, the inventory and other items on hand at the Business, must be at all times sufficient to efficiently meet the anticipated volume of business.

(n) The payment of all debts and taxes arising in connection with the Business except those duly contested in a bona fide dispute must be paid when due.

(o) Franchisee must provide to customers at least the minimum warranty required by Franchisor as described in the Manual. Franchisee acknowledges and agrees that Franchisee shall be obligated to provide Franchisor's warranty service to all existing customers, including labor, materials, and all other required services, in Franchisee's Territory even if Franchisee did not sell the original light system or Franchisee acquired the Territory through a transfer from another Franchisee or by purchasing a previously existing Territory from Franchisor.

(p) Franchisee shall accept all major credit cards as payment, and such other forms of payment as specified by Franchisor in the Manual.

(q) Franchisee will use its best efforts to ensure customer satisfaction; use good faith in all dealings with customers, potential customers, referral sources, suppliers and creditors; respond to customer complaints in a courteous, prompt and professional manner; use its best efforts to promptly and fairly resolve customer disputes in a mutually agreeable manner; and take such actions as Franchisor deems necessary or appropriate to resolve customer disputes.

(r) Franchisee shall comply with all terms under any software license agreement and pay Franchisor or its designated supplier the then-current initial and ongoing fees for any software Franchisee is required to use in the operation of its Business as prescribed by Franchisor.

(s) Franchisee shall comply with the advertising requirements set out in Section 11.

(t) Franchisee will not use any materials that are false or misleading or communicate anything to customers or prospective customers that is false or misleading.

(u) Franchisee will ensure that all advertising, labeling, packaging and other materials associated with the Services and Products fully conform to all applicable laws and regulations.

(v) Franchisee must secure and maintain in force all required licenses, permits and certificates relating to the operation of the Business and must operate the Business in full compliance with all applicable laws, ordinances and regulations including consumer protection laws, and labor and employment laws. Franchisee must comply with all laws and regulations relating to privacy and data protection, and must comply with any privacy policies or data

protection and breach response policies Franchisor periodically may establish. Franchisee must notify Franchisor in writing within five (5) days of the commencement of any action, suit, proceeding or investigation, and of the issuance of any order, injunction, award of decree, by any court, agency, or other governmental instrumentality that may adversely affect the operation or financial condition of Franchisee or the Business. Franchisee must notify Franchisor immediately of any suspected data breach at or in connection with the Business. Franchisee will not conduct any business or advertising practice which injures Franchisor's business, the System or the goodwill associated with the Marks and other Outdoor Lighting Perspectives® businesses. Franchisee will control the quality of the Services and Products to avoid quality problems or product liability claims that could reflect adversely on Franchisee or Franchisor in the minds of consumers.

(w) Franchisee will be solely responsible to locate, interview, hire, schedule, supervise, compensate and discipline all employees of the Business and be exclusively responsible for all terms of their employment, compensation and other personnel-related matters without influence from Franchisor. Franchisee will implement a training program for Business employees and will maintain at all times a staff of trained employees sufficient to operate the Business in compliance with Franchisor's mandatory standards.

8.3 While Franchisor may prescribe standards, specifications, processes, procedures, requirements or instructions the Manuals or this Agreement, Franchisor shall not have control over the day-to-day managerial operations of the Business, or the specific manner and means by which Franchisee complies with Franchisor's mandatory standards and procedures.

8.4 Franchisor and Franchisor's representatives will have the right during business hours to inspect the Business and all other facilities used for service or storage, sale and transportation of any approved Products. Franchisor and Franchisor's representatives will have the right to discuss with Franchisee, or other managerial personnel Franchisee may designate, all matters that may pertain to compliance with this Agreement and with Franchisor's standards, specifications, requirements, instructions and procedures and Franchisor may take photographs of Franchisee's completed work as it relates to the Business. Franchisor and Franchisor's representatives have the right to require that Franchisee demonstrate that the Business employees are properly trained in a manner sufficient to provide Services in compliance with Franchisor's standards and procedures. Franchisee shall in all respects cooperate with Franchisor's rights under this Section 8.4, provided, that Franchisor's exercise of these rights shall not unreasonably interfere with Franchisee's conduct of the Business.

8.5 On at least thirty (30) days prior written notice, Franchisor, in Franchisor's sole discretion, may specify a new service or product as a required Service or Product in Franchisee's Territory. The new service or product will not be deemed a required Service or Product if Franchisee demonstrates to Franchisor's reasonable satisfaction that:

(a) A substantial capital improvement not contemplated by this Agreement or in the Manual is required, thereby resulting in a material hardship to Franchisee; or

(b) A material reduction in sales or profitability would result therefrom. For the purposes of this Section 8.5(b), a forty percent (40%) decrease in sales from the average sales in the prior twelve (12) months would be considered a material reduction in sales, and a thirty percent (30%) reduction in profitability from the average profitability during the previous twelve (12) months would be considered a material reduction in profitability.

8.6 Franchisor may require Franchisee's compliance with the provisions of this Section 8 even if it does not require such compliance by all franchisees.

8.7 Franchisee must nominate an operating partner or manager having required experience who shall have direct responsibility for all operations of the Business, and who shall own not less than one-third of the corporate or business equity. If Franchisee desires to change the operating partner or manager, Franchisee must demonstrate to Franchisor's satisfaction that any replacement operating partner or manager is trained and qualified to be responsible for all aspects of the Business.

8.8 Franchisee shall become a member of such trade associations or organizations which in the reasonable opinion of Franchisor are useful in the operation of the Business. Franchisee shall have the option to become a member of all benefit programs which are offered from time to time by Franchisor to all of its Franchisees. The costs of participating in such trade associations and benefit programs shall be borne by Franchisee and its employees (if applicable to the employees). Nothing in this Section 8.8 limits Franchisee's freedom to join any franchise or franchisee's association of its choosing.

8.9 Franchisee shall acquire, maintain, and upgrade computer, information processing and communication systems, including all applicable hardware, software, and Internet and other network access providers, and Web site vendors, as prescribed in the Manual, as modified periodically by Franchisor. Franchisee shall comply with any separate software or other license agreement that Franchisor or its designee uses in connection with providing these services. When created and operational, Franchisee shall utilize Franchisor's proprietary database management and intranet system as the exclusive means for tracking and maintaining customer, vendor, and lead information, and for such other uses as prescribed by Franchisor periodically in the Manual.

8.10 Franchisee shall at all times maintain an active email account and shall check the account at least once each day. When available, Franchisee shall maintain an email account on Franchisor's proprietary database management and intranet system.

8.11 Franchisee will not, without Franchisor's prior written consent, utilize any generative artificial intelligence software, tools, or technologies, including, natural language processing, deep learning algorithms, or machine learning models (collectively, "Generative AI") directly or indirectly in the operation of the Business, including without limitation, in advertising, promotion, or marketing of the Outdoor Lighting Business, communications with customers, business planning, analysis or optimization, or in any social media. Franchisee acknowledges and agrees not to upload or share any Confidential Information (including any inputs of information containing trade secrets, sensitive confidential information or personal information) with any unapproved third-party platforms, including Generative AI, except as authorized in writing by Franchisor. In addition, Franchisee will prohibit its employees from using any Confidential Information in Generative AI. In the event Franchisee utilizes any Generative AI, with or without Franchisor's prior approval, Franchisee must comply with all laws applicable to such use, including without limitation, all trademark, copyright, and biometric laws, and must not infringe upon the intellectual property of a third party, or use such intellectual property without appropriate authorization and attribution.

8.12 ~~8.11~~ Franchisee shall at all times have sufficient computer skills to operate Franchisee's computer, understand how to utilize the software, and access email, the Internet, and Franchisor's proprietary database management and intranet system. If Franchisor determines that Franchisee requires additional computer training, Franchisor will notify Franchisee in writing regarding the nature of the additional training required, and Franchisee will have ninety (90) days to complete such training at a local computer training school at Franchisee's sole cost and expense. At the end of the training program, Franchisee shall present a certificate reasonably acceptable to Franchisor establishing that Franchisee passed the training course. Franchisee's failure to seek additional training or to pass the course shall constitute a default of this Agreement.

8.13 ~~8.12~~ Franchisee acknowledges and understands that computer systems are vulnerable to computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content failures, date-related problems, and attacks by hackers and other unauthorized intruders. Franchisor has taken reasonable steps to ensure that these problems will not materially affect the System. Franchisor does not guarantee that information or communication systems supplied by Franchisor or its suppliers will not be vulnerable to these problems. Franchisee acknowledges and agrees that Franchisee is solely responsible for protecting itself from these problems, and Franchisee waives any and all claims Franchisee may have against Franchisor as the direct or indirect result of such disruptions, failures, or attacks. Franchisee must also take reasonable steps to verify that Franchisee's suppliers, lenders, landlords, customers, and governmental agencies on which Franchisee relies, are reasonably protected. This may include taking reasonable steps to secure Franchisee's systems, including, but not limited to, firewalls, access code protection, anti-virus systems, and use of backup systems.

9. PURCHASE OF EQUIPMENT, INVENTORY AND SUPPLIES

9.1 Franchisee must purchase all Products, services, equipment, tools, inventory, supplies and hardware and software from Franchisor's designated suppliers, manufacturers and distributors (which may include Franchisor or its affiliates). The standards and specifications for equipment, computer hardware and software, inventory, tools, vehicles, signage, supplies, services and Products required by Franchisor shall be maintained in the Manual. Franchisor has the right to require Franchisee to discontinue purchasing any Products, services, equipment, tools, inventory, supplies, hardware, advertising and marketing materials, or software from a designated supplier, manufacturer or distributor and may designate new suppliers, manufacturers or distributors at any time in its sole discretion.

9.2 [Approved suppliers and specifications and standards are determined based on the current needs for operating Outdoor Lighting Businesses. Franchisor evaluates existing and potential approved suppliers based on price, service, quality, warranty, delivery terms, and other commercially reasonable benchmarks as it determines in its sole discretion. The identity of approved suppliers and these specifications and standards are updated periodically by modifying the Operations Manual, and notifying Franchisee of these updates. Franchisor will notify Franchisee within 90 days of Franchisee's request to evaluate an alternative supplier of Franchisor's approval or disapproval of that supplier. Franchisor may revoke its approval of any supplier with 30 days' prior written notice to Franchisee.](#)

9.3 ~~9.2~~ Franchisee acknowledges and agrees that Franchisor may receive from designated suppliers of Franchisee's Products, services, equipment, tools, inventory, supplies, advertising and marketing materials, and hardware and software, periodic volume rebates or other revenue as a result of Franchisee's purchases. Franchisee further acknowledges and agrees that Franchisor shall be entitled to keep for its own use and account such rebates and revenue.

9.4 ~~9.3~~ The names and addresses of Franchisor's required suppliers, manufacturers and distributors shall be maintained in the Manual. Franchisor reserves the right to approve all of the Products, supplies, Services, equipment, tools, inventory, hardware and software advertising and marketing materials used in connection with Franchisee's Business.

10. MARKS AND COPYRIGHTED WORKS

10.1 Franchisee acknowledges and agrees that:

(a) Franchisor is the owner of all right, title and interest, together with all the goodwill of the Marks. Franchisee further acknowledges that the Marks designate the origin or sponsorship of the System, the Business, and the Products and Services, and that Franchisor

desires to protect the goodwill of the Marks and to preserve and enhance the value of the Marks. In the event that Franchisee acquires any rights, title or interest in the Marks, Franchisee agrees to assign and hereby assigns all such rights, title or interest to Franchisor.

(b) All right, title and interest in and to all materials, including but not limited to, all artwork and designs, created by Franchisor, and used with the Marks or in association with the Business (“**Copyrighted Materials**”) are the property of Franchisor. Additionally, all Copyrighted Materials created by Franchisee or any other person or entity retained or employed by Franchisee are works made for hire within the meaning of the United States Copyright Act and are the property of Franchisor, who shall be entitled to use and license others to use the Copyrighted Materials unencumbered by moral rights. To the extent the Copyrighted Materials are not works made for hire or rights in the Copyrighted Materials do not automatically accrue to Franchisor, Franchisee irrevocably assigns and agrees to assign to Franchisor, its successors and assigns, the entire right, title, and interest in perpetuity throughout the world in and to any and all rights, including all copyrights and related rights, in such Copyrighted Materials, which Franchisee and the author of such Copyrighted Materials warrant and represent as being created by and wholly original with the author. Where applicable, Franchisee agrees to obtain any other assignments of rights in the Copyrighted Materials from another person or entity necessary to ensure Franchisor’s right in the Copyrighted Materials as required in this Section 10.1(b).

(c) Franchisee will never dispute, contest, or challenge, directly or indirectly, the validity or enforceability of the Marks or Copyrighted Materials or Franchisor’s ownership of the Marks or Copyrighted Materials, nor counsel, procure, or assist anyone else to do the same, nor will it take any action that is inconsistent with Franchisor’s ownership of the Marks or Copyrighted Materials, nor will it represent that it has any right, title, or interest in the Marks or Copyrighted Materials other than those expressly granted by this Agreement.

(d) Franchisor may decide, in its sole and absolute discretion, to apply to register or to register any trademarks or copyrights with respect to the Services, Products and any other products and services and the Copyrighted Materials. Failure of Franchisor to obtain or maintain in effect any such application or registration is not a breach of this Agreement. Franchisee will not, before or after termination or expiration of the Agreement, register or apply to register any of the Marks or any trademark, service mark or logo confusingly similar thereto or any Copyrighted Materials, anywhere in the world.

(e) Upon Franchisor’s request, Franchisee will cooperate fully, both before and after termination or expiration of this Agreement and at Franchisor’s expense, in confirming, perfecting, preserving, and enforcing Franchisor’s rights in the Marks and Copyrighted Materials, including but not limited to, executing and delivering to Franchisor such documents as Franchisor reasonably requests for any such purpose, including but not limited to, assignments, powers of attorney, and copies of commercial documents showing sale and advertising of the Services and Products and other products and services. Franchisee hereby irrevocably appoints Franchisor as its attorney-in-fact for the purpose of executing such documents.

(f) All usage of the Marks by Franchisee and any goodwill established by Franchisee’s use of the Marks shall inure to the exclusive benefit of Franchisor. This Agreement does not confer any goodwill or other interests in the Marks to Franchisee upon expiration or termination of the Agreement.

(g) FRANCHISOR MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE USE, EXCLUSIVE OWNERSHIP, VALIDITY OR ENFORCEABILITY OF THE MARKS OR COPYRIGHTED MATERIALS.

10.2 Franchisee acknowledges and agrees that:

(a) Franchisee's right to use the Marks and Copyrighted Materials are derived solely from this Agreement. Franchisee may only use the Marks and Copyrighted Materials in its operation of the Business and only in compliance with this Agreement and all applicable standards, specifications, and operating procedures prescribed by Franchisor in the Manual and elsewhere from time to time during the Initial Term and any Interim Period. Franchisee will make every effort consistent to protect, maintain, and promote the Marks as identifying the System and only the System.

(b) Any unauthorized use of the Marks or Copyrighted Materials by Franchisee constitutes a breach of this Agreement and an infringement of the rights of Franchisor and in and to the Marks and Copyrighted Materials.

(c) Franchisee will not use any Marks or portion of any Marks as part of a corporate or trade name, or with any prefix, suffix or other modifying words, terms, designs or symbols, or in any modified form. Franchisee shall obtain such fictitious or assumed name registrations as may be required by Franchisor or under applicable law.

(d) In order to preserve the validity and integrity of the Marks and Copyrighted Materials licensed herein and to assure that Franchisee is properly employing the same in the operation of its Business, Franchisor or its agents shall have the right of entry and inspection of Franchisee's Business and operating procedures pursuant to Section 8.4.

(e) Franchisee will safeguard and maintain the reputation and prestige of the Marks and Copyrighted Materials and will not do anything that would tarnish the image of or adversely affect the value, reputation or goodwill associated with the Marks. Franchisee will not do anything that would dilute, directly or indirectly, the value of the goodwill attached to the Marks, nor counsel, procure or assist anyone else to do the same.

(f) Franchisee will use the Marks and Copyrighted Materials only in lettering, logos, print styles, forms, and formats, including but not limited to, advertising and promotional materials, invoices, signage, business checks, business cards, invoices, stationery, and promotional items such as clothing, pens, mugs, etc., which have been approved by Franchisor in accordance with this Agreement, and promptly follow instructions regarding the Marks and Copyrighted Materials as provided in the Manual and otherwise given by Franchisor from time to time.

(g) Franchisee will use the following copyright notice at least once on each piece of advertising, promotional, or other material used in connection with the Products and Services:

© (year of first publication). Outdoor Lighting Perspectives Franchisor, LLC, All Rights Reserved.

(h) Franchisee will use the Marks with a superscript "®" or "™", as specified by Franchisor, unless and until advised by Franchisor to use a different notice.

10.3 Franchisee acknowledges and agrees that:

(a) If, in Franchisor's reasonable determination, the use of Marks or Copyrighted Materials in connection with the Services, Products, other products and services or the Business

will infringe or potentially infringe upon the rights of any third party, weakens or impairs Franchisor's rights in the Marks or Copyrighted Materials, or it otherwise becomes advisable at any time in Franchisor's sole discretion for Franchisor to modify or discontinue of the Marks or Copyrighted Materials then upon notice from Franchisor, Franchisee will immediately terminate or modify such use in the manner prescribed by Franchisor. Franchisor may require Franchisee to use 1 or more additional or substitute trade names, trademarks, service marks or other commercial symbols or copyrighted materials. Franchisor shall reimburse Franchisee for the tangible cost of compliance with this requirement (such as the cost of printing new letterhead and business cards), but Franchisee will have no rights of damages, offset, or right to terminate this Agreement as a result thereof and Franchisor shall have no liability or obligation whatsoever with respect to Franchisee's modification or discontinuance of any Marks or Copyrighted Materials.

(b) Franchisee shall notify Franchisor within three (3) days after receiving notice of any claim, demand or cause of action based upon or arising from any attempt by any other person, firm or corporation to use the Marks or any colorable imitation thereof or the Copyrighted Materials. Upon receipt of timely notice of an action, claim or demand against Franchisee relating to the Marks or Copyrighted Materials, Franchisor shall have the sole right, but not the duty, to defend any such action. Franchisor shall have the exclusive right to contest or bring action against any third party regarding the third party's use of any of the Marks or Copyrighted Materials and shall exercise such right in the sole discretion of Franchisor. Franchisor shall control all actions but not be obligated to take any action. In any defense or prosecution of any litigation relating to the Marks, Copyrighted Materials or components of the System undertaken by Franchisor, Franchisee shall cooperate with Franchisor, execute any and all documents, and take all actions as may be desirable or necessary in the opinion of Franchisor's counsel, to carry out such defense or prosecution. At Franchisor's option, Franchisee will join in any action, in which case Franchisor shall bear all the out-of-pocket costs of Franchisee for such participation. If Franchisee joins in an action, then the recovery, if any, from such legal action shall be first applied to the total expenses associated therewith and then split equally between Franchisor and Franchisee.

10.4 All provisions of this Agreement applicable to the Marks and Copyrighted Materials apply to any and all additional trademarks, service marks, commercial symbols and copyrighted materials authorized for use by and licensed to Franchisee by Franchisor after the date of this Agreement.

10.5 If Franchisee during the Initial Term of the franchise relationship or any Interim Period, conceives or develops any improvements or additions to the System, Copyrighted Materials, website or any other documents or information pertaining to or relating to the System or the Business, or any new trade names, trade and service marks, logos, or commercial symbols related to the Business or any advertising and promotional ideas or inventions related to the Business (collectively, the "**Improvements**") Franchisee shall fully disclose the Improvements to Franchisor, without disclosure of the Improvements to others, and shall obtain Franchisor's written approval prior to using such Improvements. Any such Improvement may be used by Franchisor and all other franchisees without any obligation to Franchisee for royalties or other fees. Franchisee shall assign and does hereby assign to Franchisor, all right, title and interest in and to the Improvements, including the right to grant sublicenses to any such Improvement. Franchisor, at its discretion, may make application for and own copyrights, patents, trade names, trademarks and service marks relating to any such Improvement and Franchisee shall cooperate with Franchisor, in securing such rights. Franchisor may also consider such Improvements as the property and Trade Secrets of Franchisor. In return, Franchisor shall authorize Franchisee to utilize any Improvement that may be developed by other franchisees and is authorized generally for use by other franchisees.

11. ADVERTISING AND PROMOTION

11.1 Franchisee acknowledges that local advertising is required to advise the public of the Business. As such, Franchisee shall advertise and promote the opening of the Business at Franchisee's own expense. However, Franchisor will recommend the type, manner, and time period for advertisements.

11.2 Franchisee, in addition to paying for the Initial Marketing Collateral, vehicle wrap and tradeshow both, will invest, for the first ninety (90) days after Franchisee satisfactorily completes, in Franchisor's sole discretion, Phase I of the Initial Training Program, a total of \$25,000 on promotional advertising within the Territory ("**Start-Up Advertising**"). The amounts Franchisee spends on Start-Up Advertising will be credited towards Franchisee's first year of Individual Advertising Investment (as described in Section 11.3 below).

11.3 During the Initial Term and any Interim Period, Franchisee shall invest a minimum of \$55,000 per year for advertising and promotion ("**Individual Advertising Investment**") in the Territory. The first calendar year will begin on the Operational Start Date and end on December 31st immediately following the Operational Start Date. During the first calendar year, your Individual Advertising Investment will be pro-rated. Franchisor has the right, but not the obligation, to collect up to the minimum required Individual Advertising Investment from Franchisee and spend it on marketing and advertising investments in Franchisee's Territory on Franchisee's behalf.

11.4 During the Initial Term and any Interim Period, Franchisee shall furnish Franchisor an accounting of Franchisee's previous month's expenditures for advertising and promotion on a form approved by Franchisor.

11.5 Franchisor will make available to Franchisee all advertising and promotion materials for the Business which are used by Franchisor and other franchisees. Franchisor must approve or disapprove before publication, Franchisee's packet mailings in writing within ten (10) working days after Franchisee submits them for review. If Franchisor takes no action, Franchisee may use the packet mailings submitted. Franchisee may not develop advertising materials for its own use; except that, Franchisee may develop packet mailings approved by Franchisor for its own use and at its own cost and expense.

11.6 On or before the tenth (10th) day of each month, and in addition to any amounts spent by Franchisee in satisfying Franchisee's Individual Advertising Investment, Franchisee shall remit ~~two~~one and one-half percent (~~21.5~~21.5%) of the Gross Revenues for the preceding month or portion thereof to Franchisor ("**National Branding and Marketing Fee**"). If Franchisee has timely paid the National Branding and Marketing Fee and the Gross Revenues in any calendar year exceed \$1,500,000, ~~the National Branding and Marketing Fee will be reduced to one percent (1%) of the Gross Revenues for the remainder of that calendar year. If Franchisee has timely paid the National Branding and Marketing Fee and the Gross Revenues in any calendar year exceed \$2,500,000, then the National Branding and Marketing Fee will be reduced to one-half percent (.5%) of the Gross Revenues for the remainder of that calendar year. If Franchisee has timely paid the National Branding and Marketing Fee and the Gross Revenues in any calendar year exceed \$3,500,000, 1,000,000, Franchisee may cease paying~~ the National Branding and Marketing Fee ~~will be reduced to zero percent (0%)~~ for the remainder of that calendar year. Franchisor reserves the right, in Franchisor's sole discretion, to increase the National Branding and Marketing Fee to an amount equal to up to three percent (3%) of the Gross Revenues for the previous month. Franchisor will provide Franchisee with thirty (30) days prior notice before increasing the National Branding and Marketing Fee. No action taken by Franchisee shall diminish Franchisee's obligations to pay the National Branding and Marketing Fee to the National Branding and Marketing Fund ("**National Branding and Marketing Fund**").

11.7 Advertising materials and services will be provided to Franchisee through the National Branding and Marketing Fund. Franchisor may occasionally provide for placement of advertising on behalf of the entire System, including franchisees or on behalf of a particular region, that may not include Franchisee, through the National Branding and Marketing Fund. Franchisor reserves the right to use the National Branding and Marketing Fee from the National Branding and Marketing Fund to place advertising in national media or regional media (including broadcast, print or other media) in the future. Franchisee acknowledges that the National Branding and Marketing Fund is intended to maximize the general brand recognition of the System. Franchisor is not obligated to expend National Branding and Marketing Funds on Franchisee's behalf or benefit or expend National Branding and Marketing Funds equivalent or proportionate to Franchisee's National Branding and Marketing Fees on Franchisee's behalf or benefit.

11.8 National advertising, public relations, and promotions will be started and continued by Franchisor, when, in Franchisor's sole discretion, Franchisor deems that it has accumulated sufficient moneys for that purpose. The National Branding and Marketing Fund will be used to promote the System, Services and/or Products sold by franchisees and will not be used to sell additional franchises. Franchisor's accounting and marketing personnel or a representative designated by Franchisor will administer the National Branding and Marketing Fund. The National Branding and Marketing Fund will collect National Branding and Marketing Fees from all franchisees. All payments to the National Branding and Marketing Fund must be spent on advertising, public relations, market research, creative development, promotion, marketing of goods and services provided by Franchisor, outside vendors, including but not limited to marketing agencies, and administration of the National Branding and Marketing Fund, including but not limited to, salaries, overhead, administrative, accounting, collection and legal costs and expenses. The National Branding and Marketing Funds will be maintained by Franchisor in a separate account. An annual un-audited financial statement of the National Branding and Marketing Fund, at the expense of the National Branding and Marketing Fund, will be available one-hundred twenty (120) days after Franchisor's fiscal year end to Franchisee for review once a year upon request.

11.9 The National Branding and Marketing Fees collected by the National Branding and Marketing Fund are non-refundable. The National Branding and Marketing Fund may be terminated at any time by Franchisor, in its sole discretion. In the event that the National Branding and Marketing Fund is terminated, any remaining balance in the National Branding and Marketing Fund will be expended as provided for in Section 11.8 or returned to Franchisee on a pro-rata basis.

11.10 Franchisee shall fully participate in all such promotional campaigns, prize contests, special offers, and other programs, national, regional, or local in nature (including the introduction of new Services, Products, new franchises or other marketing programs directed or approved by Franchisor), which are prescribed from time to time by Franchisor. Franchisee shall be responsible for the costs of such participation. In addition, Franchisee shall honor any coupons, gift certificates or other authorized promotional offers of Franchisor at Franchisee's sole cost unless otherwise specified in writing by Franchisor. Franchisee will maintain an adequate supply of marketing brochures, pamphlets and promotional materials as may be required by Franchisor from time to time. Franchisee shall be responsible for the costs of such participation.

11.11 Franchisor (and any designee of Franchisor) will have no direct or indirect liability or obligation to Franchisee or the National Branding and Marketing Fund or otherwise with respect to the management, maintenance, direction, administration or otherwise of the National Branding and Marketing Fund. Franchisee and Franchisor agree that their rights and obligations with respect to the National Branding and Marketing Fund and all related matters are governed solely by this Agreement and neither this Agreement or the National Branding and Marketing Fund creates a trust, fiduciary relationship, or similar arrangement.

11.12 During the Initial Term and any Interim Period, Franchisee must also pay Franchisor its then-current digital marketing fee (“**Digital Marketing Fee**”). As of the date of this Agreement, the Digital Marketing Fee is equal to \$300 per month. Franchisor may use the Digital Marketing Fee in its sole discretion as it deems appropriate, including, without limitation, for: (a) the development, production, publication, or distribution of digital advertisements, marketing, or promotions; (b) search engine optimization; (c) local digital marketing efforts; or (d) any other digital or electronic marketing related programs, technologies, or concepts. Franchisor may increase the Digital Marketing Fee upon thirty (30) days’ prior written notice to Franchisee. Franchisor does not guarantee that advertising expenditures from the Digital Marketing Fee will benefit Franchisee or any other franchisee directly, on a pro rata basis, or at all.

12. INSURANCE AND INDEMNITY

12.1 Franchisee must comply with the following insurance requirements:

(a) Franchisee shall, upon commencement of the Initial Term, purchase and at all times maintain in full force and effect during the Initial Term and any Interim Period, insurance policies, in such amounts and on such terms as prescribed below or in the Manual, issued by one or more insurance companies acceptable to Franchisor.

(b) All insurance policies shall name Franchisor, its parent, their affiliates and such other parties as Franchisor may designate, as additional insureds. Coverage for the additional insureds shall not be limited to claims of vicarious liability. In addition, the Franchisee’s insurers shall endorse or otherwise amend the policies such that their policies: (a) are primary and non-contributory; (b) waive any right of subrogation as respects the additional insureds; and (c) provide the additional insureds 30 days’ advance written notice of cancellation or other material change in coverage.

(c) Franchisee shall provide Franchisor with original or duplicate copies of all insurance policies, including endorsements, or other proof of insurance acceptable to Franchisor evidencing coverage required by this Section, together with proof of payment within 10 days of issuance thereof. Franchisee shall also furnish Franchisor with all proof of insurance coverage required by this Section, including endorsements, within 10 days after any of the following events: (a) all policy renewals, but not less often than annually, and (b) all instances of any change to, addition to, or replacement of any insurance. The policies and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All proof of insurance is subject to approval by Franchisor. Franchisor reserves the right to require complete, certified copies of all required insurance policies at any time in Franchisor’s sole discretion.

(d) In the event Franchisee fails to obtain the required insurance and to keep the same in full force and effect, Franchisor may, but shall not be obligated to, purchase insurance on Franchisee’s behalf from an insurance carrier of Franchisor’s choice, and Franchisee shall reimburse Franchisor for the full cost of such insurance, along with a reasonable service charge to compensate Franchisor for the time and effort expended to secure such insurance, within 5 days after the date Franchisor delivers an invoice detailing such costs and expenses to Franchisee. Notwithstanding the foregoing, failure of Franchisee to obtain insurance constitutes a material breach of this Agreement entitling Franchisor to terminate this Agreement or exercise any or a combination of the other default remedies set forth in Section 17 of this Agreement.

(e) Franchisee shall provide Franchisor with original or duplicate copies of all insurance policies, including endorsements, or other proof of insurance acceptable to Franchisor evidencing coverage required by this Section, together with proof of payment within ten (10) days of issuance thereof. Franchisee shall also furnish Franchisor with all proof of insurance coverage required by this Section, including endorsements, within ten (10) days after any of the following events: (a) all policy renewals, but not less often than annually, and (b) all instances of any change to, addition to, or replacement of any insurance. The policies and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All proof of insurance is subject to approval by Franchisor. Franchisor reserves the right to require complete, certified copies of all required insurance policies at any time in Franchisor's sole discretion.

(f) In the event Franchisee fails to obtain the required insurance and to keep the same in full force and effect, Franchisor may, but shall not be obligated to, purchase insurance on Franchisee's behalf from an insurance carrier of Franchisor's choice, and Franchisee shall reimburse Franchisor for the full cost of such insurance, along with a reasonable service charge to compensate Franchisor for the time and effort expended to secure such insurance, within five (5) days after the date Franchisor delivers an invoice detailing such costs and expenses to Franchisee. Notwithstanding the foregoing, failure of Franchisee to obtain insurance constitutes a material breach of this Agreement entitling Franchisor to terminate this Agreement or exercise any or a combination of the other default remedies set forth in Section 17 of this Agreement.

(g) Franchisee's obligation to obtain and maintain insurance coverage in the amounts required by Franchisor shall not be limited in any way by reason of any insurance that Franchisor may maintain, nor does Franchisee's procurement of required insurance relieve Franchisee of liability under the indemnity obligations described in Section 12.2. Franchisee's insurance procurement obligations under this Section are separate and independent of Franchisee's indemnity obligations.

(h) Franchisor does not represent or warrant that any insurance that Franchisee is required to purchase will provide adequate coverage or protection for Franchisee. The requirements of insurance specified in this Agreement or the Manual are strictly for Franchisor's protection. Franchisee should consult with its own insurance agents, brokers, attorneys and other insurance professionals to determine the level of insurance protection it needs and desires, in addition to the coverage and limits required by Franchisor.

(i) Franchisor reserves the right to modify minimum insurance requirements at any time in its sole discretion by updating the Manual.

12.2 Franchisee shall, during the Initial Term and any Interim Period and after the termination or expiration of the Franchise Agreement for any reason, indemnify and defend Franchisor, its Affiliates and their respective officers, directors and employees (the "Indemnified Parties"), and hold the Indemnified Parties harmless against, and to reimburse the Indemnified Parties for, all claims, demands, losses, damages (including punitive damages), actions, costs, suits, judgments, penalties, expenses (including reasonable attorneys' fees and amounts paid in settlement or compromise) and liabilities of any kind, whether or not ultimately determined to be meritorious, (the "**Damages**"), arising out of or relating to Franchisee's operation of the Business or breach of this Agreement or any other agreement between Franchisee and the Indemnified Parties, including without limitation those Damages related to (a) Franchisee's Business premises or other premises; (b) Franchisee's taxes or other Business expenses, and (c) Franchisee's or its employees' acts or omissions; unless the Damages are solely due to Franchisor's or Franchisor's Affiliates' gross negligence or willful misconduct relating to products

purchased by Franchisee from Franchisor or its Affiliates. Franchisee must provide Franchisor with prompt written notice of any event(s) that could be a basis for a claim for Damages or a basis for indemnification by the Indemnified Parties.

Notwithstanding the foregoing, in the event of an indemnified claim, at Franchisor's option and at Franchisee's risk and expense, Franchisor or any of the Indemnified Parties have the right to elect to assume the defense or settlement of any claim or action for Damages, provided that Franchisor will keep Franchisee informed respecting the defense or settlement of the claim or action. Franchisor's undertaking of defense or settlement will not diminish Franchisee's obligation to indemnify the Indemnified Parties and to hold the Indemnified Parties harmless. Franchisor and the other Indemnified Parties will have the right, at any time, to offer, consent or agree to settlements or take any other remedial or corrective actions respecting any claim for Damages if, in Franchisor's sole judgment, there are reasonable grounds to do so.

13. RELATIONSHIP

13.1 Franchisee acknowledges that it is an independent contractor and is not an agent, partner, joint venturer or employee of Franchisor and no training or supervision given by, or assistance from, Franchisor shall be deemed to negate such independence. Neither party is liable or responsible for the other's debts or obligations, nor shall either party be obligated for any damages to any person or property directly or indirectly arising out of the operation of the other party's business authorized by or conducted pursuant to this Agreement. Franchisor and Franchisee agree that no partnership, fiduciary relationship, joint venture or employment relationship exists between them. Franchisee shall conspicuously identify itself in all dealings with the public as a sole operator that is an entity separate from Franchisor and state that Franchisor has no liability for the Business being conducted from the Business location. It is expressly agreed that the parties intend by this Agreement to establish between Franchisor and Franchisee the relationship of franchisor and franchisee. It is further agreed that Franchisee has no authority to create or assume in Franchisor's name or on behalf of Franchisor, any obligation, express or implied, or to act or purport to act as agent or representative on behalf of Franchisor for any purpose whatsoever. Franchisee agrees that it will not hold itself out as the agent, employee, partner or co-venturer of Franchisor. All employees hired by or working for Franchisee shall be the employees of Franchisee and shall not, for any purpose, be deemed employees of Franchisor or subject to Franchisor's supervision or control. If Franchisor incurs any cost, loss, or damage as a result of any actions or Franchisee's omissions of or the omissions of Franchisee's employees, including any that relate to any party making a finding of any joint employer status, then in addition to all other rights and remedies available to Franchisor, Franchisee will fully indemnify Franchisor for such loss. Each of the parties agrees to file its own tax, regulatory and payroll reports with respect to its respective employees and operations, saving and indemnifying the other party hereto of and from any liability of any nature whatsoever by virtue thereof.

13.2 Neither party hereto shall make any agreements, representations or warranties (except by Franchisor in advertising as provided herein) in the name of, or on behalf of, the other party; neither party hereto shall be obligated by, nor have any liability for, any agreements, representations or warranties made by the other (except by Franchisor in advertising as provided herein) nor shall Franchisor be liable for any damages to any person or property, directly or indirectly, arising out of the operation of Franchisee's Business, whether caused by Franchisee's negligent or willful action or failure to act.

13.3 Franchisor shall have no liability for Franchisee's obligations to pay any third parties, including without limitation, Franchisee's employees, any product vendors, or any value added, sales, use, service, occupation, excise, Gross Revenues, income, property or other tax levied upon Franchisee, Franchisee's property, the Business or upon Franchisor in connection with the sales made or business

conducted by Franchisee (except any taxes Franchisor is required by law to collect from Franchisee with respect to purchases from Franchisor).

14. CONFIDENTIAL INFORMATION AND RESTRICTIVE COVENANTS

14.1 Confidential Information. Franchisee acknowledges and agrees that:

(a) Franchisee's entire knowledge of the operation of the Business, the System, and the concepts and methods of promotion franchised hereunder that it has now or obtains in the future is derived from Franchisor's Confidential Information and Trade Secrets. Franchisee does not acquire any interest in the Confidential Information or Trade Secrets, other than the right to use it in developing and operating the Business pursuant to this Agreement, and that the use or duplication of the Confidential Information or Trade Secrets in any other business constitutes an unfair method of competition. Franchisee further acknowledges and agrees that all of the Confidential Information and Trade Secrets are the sole property of Franchisor, represent valuable assets of Franchisor and that Franchisor has the right to use the Confidential Information and Trade Secrets in any manner it wishes at any time.

(b) During the Initial Term and any Interim Period, Franchisee, and Franchisees' owners, operating managers, and employees who have access to the Confidential Information and Trade Secrets agree that they: (1) will not use the Confidential Information or Trade Secrets in any other business or capacity; (2) will maintain the absolute confidentiality of the Confidential Information and Trade Secrets; (3) will not make unauthorized copies of any portion of the Confidential Information and Trade Secrets in written form; and (4) will adopt and implement all reasonable procedures Franchisor periodically requires to prevent unauthorized use or disclosure of the Confidential Information and Trade Secrets, including restrictions on disclosure to Franchisee's employees.

(c) After the Agreement expires or is terminated, Franchisee, and Franchisees' owners, guarantors, operating managers and employees who have access to the Confidential Information and Trade Secrets agree that for a period of two (2) years after the termination or expiration of the Agreement (unless such information is a Trade Secret in which case the requirements in this Section 14.1(c) will remain in place for as long as such information constitutes a Trade Secret) they: (1) will not use the Confidential Information or Trade Secrets in any other business or capacity; (2) will maintain the absolute confidentiality of the Confidential Information and Trade Secrets; (3) will not make unauthorized copies of any portion of the Confidential Information or Trade Secrets disclosed in written form; and (4) will adopt and implement all reasonable procedures Franchisor periodically requires to prevent unauthorized use or disclosure of the Confidential Information and Trade Secrets.

(d) Notwithstanding the foregoing, the restrictions on the disclosure and use of the Confidential Information will not apply to the following: (a) Confidential Information in the public domain after it was communicated to Franchisee through no fault of Franchisee, its owners, operating manager or employees; (b) Confidential Information in Franchisee's possession free of any obligation of confidence at the time it was communicated to Franchisee; or (c) the disclosure of the Confidential Information in judicial or administrative proceedings to the extent that Franchisee is legally compelled to disclose the information, if Franchisee has notified Franchisor before disclosure and used Franchisee's best efforts, and afforded Franchisor the opportunity, to obtain an appropriate protective order or other assurance satisfactory to Franchisor of confidential treatment for the information required to be so disclosed.

(e) Notwithstanding any other provision of this Agreement, there may be certain, limited circumstances where applicable law allows for the disclosure of certain Trade Secrets, as specified in the Manual.

14.2 Restrictive Covenants. Franchisee covenants and agrees that:

(a) During the Initial Term of this Agreement and any Interim Period thereof, Franchisee, its owners, guarantors and operating manager shall not, without the prior written consent of Franchisor, either individually or in a partnership, corporation, limited liability company, joint venture or other business entity or jointly or in conjunction with any person, firm, association, syndicate or corporation, as principal, agent, shareholder, member, partner, employee or in any manner whatsoever, carry on or be engaged in or be concerned with or interested in or advise, lend money to, guarantee the debts or obligations of or permit its name or any part thereof to be used or employed in any business operating in competition with an outdoor lighting business or any Business as carried on from time to time during the Initial Term of this Agreement, including any Interim Period.

(b) Upon termination or expiration of the Initial Term or any Interim Period, regardless of the cause, or the transfer, sale or assignment of this Agreement by Franchisee, neither Franchisee, any guarantors, the operating manager or Franchisee's owners will have any direct or indirect interest (i.e. through a relative) as a disclosed or beneficial owner, investor, partner, director, officer, employee, consultant, representative or agent, for two (2) years, in any Business: (1) in the Territory or another franchisee's territory; (2) within 10 miles of the Territory or another franchisee's territory; or (3) within 10 miles of any Business owned by Franchisor or its Affiliates.

14.3 If any person restricted by this Section 14 refuses to voluntarily comply with the foregoing obligations, the two (2) year period will commence upon the entry of any order of a court or arbitrator enforcing this Section 14.

14.4 THE PARTIES HAVE ATTEMPTED IN SECTION 14.2 ABOVE TO LIMIT FRANCHISEE'S RIGHT TO COMPETE ONLY TO THE EXTENT NECESSARY TO PROTECT FRANCHISOR FROM UNFAIR COMPETITION. THE PARTIES HEREBY EXPRESSLY AGREE THAT IF THE SCOPE OR ENFORCEABILITY OF THE PROVISION OF SECTION 14.2 IS DISPUTED AT ANY TIME BY FRANCHISEE, A COURT OR ARBITRATOR, AS THE CASE MAY BE, MAY MODIFY SECTION 14.2 TO THE EXTENT THAT IT DEEMS NECESSARY TO MAKE SUCH PROVISION ENFORCEABLE UNDER APPLICABLE LAW. IN ADDITION, FRANCHISOR RESERVES THE RIGHT TO REDUCE OR CLARIFY THE SCOPE OF SAID PROVISION WITHOUT FRANCHISEE'S CONSENT, AT ANY TIME OR TIMES, EFFECTIVE IMMEDIATELY UPON NOTICE TO FRANCHISEE. THE FRANCHISEE EXPRESSLY ACKNOWLEDGES THAT IT POSSESSES SKILLS AND ABILITIES OF A GENERAL NATURE AND HAS OTHER OPPORTUNITIES TO EXPLOIT SUCH SKILLS. CONSEQUENTLY, ENFORCEMENT OF THE COVENANTS SET FORTH ABOVE WILL NOT DEPRIVE THE FRANCHISEE OF THE ABILITY TO EARN A LIVING.

14.5 Nothing in this Section 14 shall prevent any active officer of Franchisee or member of Franchisee's family either individually or collectively, from owning not more than a total of five percent (5%) of the stock of any company, which is subject to the reporting requirements of the U.S. Securities and Exchange Act of 1934, provided that Franchisee is otherwise not actively involved in the management or operation of that business and does not serve that business in any capacity other than as a shareholder.

14.6 Franchisor must be protected against the potential for unfair competition by Franchisee's use of Franchisor's training, assistance, Confidential Information and Trade Secrets in direct competition with Franchisor. Franchisee further acknowledges that Franchisor would not have entered into this Agreement or shared the Confidential Information, Trade Secrets and other information with Franchisee absent Franchisee's agreement to strictly comply with the provisions of this Section 14. Franchisee acknowledges that as a Franchisee of Franchisor, it will have access to Franchisor's Trade Secrets and Confidential Information and therefore be in a unique position to use the special knowledge gained as a franchisee. Franchisee acknowledges that a breach of the covenants contained in this Section 14 will be deemed to threaten immediate and substantial irreparable injury to Franchisor. Accordingly, Franchisee agrees that Franchisor will have the right to obtain immediate injunctive relief without limiting any other rights or remedies and without posting a bond.

14.7 This Section 14 will also apply to the officers, directors, stockholders, partners, members, trustees, beneficiaries and/or principals of Franchisee, Franchisee, and any persons controlled by, controlling or under common control with Franchisee. In the event that Franchisee is an individual for a period of time as permitted under this Agreement, this Section 14 will also apply to Franchisee's spouse and immediate family members.

15. ASSIGNMENT

15.1 Franchisee acknowledges that Franchisor's obligations under this Agreement are not personal. Franchisor shall have the absolute right, in its sole discretion, to unconditionally transfer or assign this Agreement or any of its rights or obligation under this Agreement to any person, corporation or other party.

15.2 Franchisor reserves the right to assign the franchise System to anyone including the operator of a competing franchise system. Franchisee acknowledges and agrees that Franchisor may sell its assets, the Marks or the System to any third party of Franchisor's choice; may offer its securities privately or publicly; may merge with or acquire other corporations or be acquired by another corporation; may undertake a refinancing, recapitalization, leverage buyout, or other economic or financial restructuring; or may terminate or cease to exist or dissolve, in any such case without Franchisee's consent and, provided the transferee expressly assumes and undertakes to perform Franchisor's obligations in all material respects, free of any responsibility or liability whatsoever to Franchisee after the transaction occurs.

15.3 With regard to any of the above sales, assignment and dispositions, Franchisee expressly and specifically waives any claims, demands, or damages against Franchisor arising from or related to the transfer of the Marks, assets or the System from Franchisor to any other party.

15.4 Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee. Accordingly, this Agreement, Franchisee's rights and interests hereunder, the property and assets owned and used by Franchisee in connection with the Business and any shares, stock, membership or interest in any corporation, limited liability company, or other entity having an interest in the Business, shall not be voluntarily or involuntarily, directly or indirectly sold, pledged, assigned, transferred, shared, subdivided, sub-franchised, encumbered or transferred in any way (including, without limitation, in the event of the death of Franchisee if Franchisee is an individual), in whole or in part, in any manner whatsoever without the prior written approval of Franchisor and compliance with all terms of this Section 15. Any unauthorized sale, assignment, transfer or other conveyance, by operation of law or otherwise, or any attempt to do so, shall be deemed void and grounds for termination of this Agreement by Franchisor.

15.5 With and after each valid assignment of this Agreement pursuant to this Section 15, the assignee or assignees of Franchisee shall be deemed to be Franchisee under this Agreement and will be bound by and liable for all of Franchisee's existing and future obligations. No stockholder in any corporation, member in any limited liability company or partner in any partnership which becomes Franchisee shall have any rights under this Agreement by reason of his, her or its stock ownership, membership interest or partnership interest.

15.6 If Franchisee shall at any time determine to sell, in whole or in part, the Business, Franchisee shall obtain a bona fide, executed, written offer ("**Purchase Offer**") for the Business together with all real or personal property, leasehold improvements and other assets used by Franchisee in its Business from a responsible, arms' length, and fully disclosed purchaser and shall submit an exact copy of such Purchase Offer to Franchisor. Franchisor will have a right of first refusal to purchase the Business as provided in Section 16.

15.7 No transfer or assignment of Franchisee's rights under this Agreement will be approved by Franchisor or be effective unless and until all the following conditions are satisfied:

(a) Franchisee being then in full compliance herewith and paying to Franchisor all outstanding debts or amounts owing to Franchisor;

(b) the transferee executing Franchisor's then current franchise agreement (which shall have terms equal to the remainder of Franchisee's Initial Term, but which may contain provisions substantially different from those contained herein, including a higher royalty and greater expenditures for advertising and promotion than are provided hereunder, and such other documents then customarily used by Franchisor to grant franchises, and which will extend for a new five-year term, but which shall not require the payment of another Initial Franchisee Fee), and all other documents as may be reasonably requested by Franchisor;

(c) Franchisee's paying to Franchisor a transfer fee in the amount of \$10,000;

(d) Franchisee's execution of a general release of Franchisor, including its officers, directors, agents and employees and Affiliates from such parties' obligations under the Agreement;

(e) the transferee purchasing all of Franchisee's assets used in the Business in accordance with all applicable bulk sales legislation and assuming all of the liabilities of the Business, including but not limited to all outstanding warranty liabilities, unless such liabilities have been paid prior to the closing of the transaction of purchase and sale or unless the sale is a sale of shares in the capital stock or membership interest of Franchisee;

(f) the transferee shall be a corporation, limited liability company, partnership or other business entity having adequate financial resources who shall meet all criteria established by Franchisor for franchisees. The transferee shall also complete Franchisor's then current training program established by Franchisor for transfer franchisees unless: (i) the transferee is a current franchisee in good standing in the System, or (ii) the transferee is or has been an operating manager for a period of one (1) year or more of a Business in good standing;

(g) Franchisee shall, at Franchisor's request, prepare and furnish to the transferee and/or Franchisor such financial reports and other data relating to the Business and its operations as Franchisor deems reasonably necessary or appropriate for the transferee and/or Franchisor to evaluate the Business and the proposed transfer. Franchisee authorizes Franchisor to confer with

a proposed transferee and furnish it with information concerning the Business and the terms and conditions of the proposed transfer, and Franchisor may do so without any liability, except for intentional misstatements made to a transferee;

(h) the parties to the proposed transaction will have entered a binding agreement subject only to the rights of Franchisor set out in Section 16. Franchisor shall be furnished a copy of this binding agreement, and such agreement shall be subject to Franchisor's approval in writing. Franchisee must advise each prospective transferee of this provision and the other terms of this Agreement;

(i) the proposed transferee or the stockholders, partners, members or owners of a beneficial interest in a proposed corporation, partnership, limited liability company or other entity transferee, providing jointly and severally such personal guarantees which Franchisor may request, guaranteeing the proposed transferee's performance of its obligations under the agreements to be entered into;

(j) the proposed transferee shall have demonstrated to Franchisor's satisfaction that it, he or she will meet in all respects Franchisor's standards applicable to new franchisees regarding experience, personal and financial reputation and stability, required financial wherewithal, willingness and ability to devote its, his or her full time and best efforts to the operation of the Business, and any other conditions as Franchisor may reasonably apply in evaluating new franchisees. Franchisor must be provided all information about the proposed transferee as Franchisor may reasonably require. The proposed transferee shall have traveled to Franchisor's headquarters, at the proposed transferee's sole cost and expense, to meet with Franchisor as part of this approval process and prior to Franchisor's approval of the transfer of Franchisee's rights under this Agreement. Because of the confidential information and trade secrets available to a franchisee, no assignment to a competitor of Franchisor will be permitted; and

(k) the transferee paying all costs of: (i) Franchisor with respect to the granting of its approval, as hereinbefore contemplated, including but not limited to all of its legal costs with respect to the preparation and execution of the above noted Franchise Agreement, and all other documents then customarily used by Franchisor to grant franchises; and (ii) the transfer, including but not limited to all professional fees (attorney's fees, broker fees, and the like), leasing expenses, document preparation costs and due diligence. Franchisee agrees and acknowledges that Franchisee shall be solely responsible for paying any broker fees and/or commissions involved with the sale or transfer of the Business regardless of whether Franchisee directly engages such broker or if, at Franchisee's request, Franchisor engages such broker to assist with the sale or transfer of the Business.

Franchisor may expand upon, and provide more details related to, the conditions for transfer and Franchisor's consent as described in this Section 15.7, and may do so in the Manual or otherwise in writing.

15.8 Notwithstanding anything to the contrary herein contained, Franchisor shall, upon Franchisee's compliance with such requirements as may from time to time be prescribed by Franchisor (including the obtaining of all necessary approvals to the assignment of leases, if any), consent to an assignment of Franchisee's right, title and interest in and to this Agreement, and the property and assets owned and used by Franchisee in connection therewith and any other agreement then in effect between Franchisee and Franchisor to a corporation, limited liability company or other business entity which is wholly owned and controlled by Franchisee, subject to the following (provided that such assignment shall in no way release Franchisee from any liability under this Agreement):

(a) Contemporaneously with such assignment and thereafter upon the appointment or election of any person as director, officer, partner or manager of such corporation, limited liability company or other business entity, such corporation, limited liability company, partnership or other business entity shall cause each shareholder, partner, member, manager, director(s) and officer(s) of the corporation, limited liability company, partnership or other business entity to execute a written agreement with Franchisor under seal, personally guaranteeing full payment and performance of Franchisee's obligations to Franchisor and individually undertaking to be bound, jointly and severally, by all the terms of this Agreement or any new current form of Franchise Agreement and jointly and severally liable;

(b) No shares or interest in the capital of such corporation, limited liability company, partnership or other business entity shall be issued nor shall Franchisee directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise, sell, assign, transfer, convey, donate, pledge, mortgage or otherwise encumber any such shares or interest or offer or attempt to do so or permit the same to be done without Franchisor's prior written consent;

(c) The corporation shall maintain stop transfer instructions against the transfer of shares on its records subject to the restrictions of this Section and shall have all outstanding shares endorsed with the following legend printed conspicuously upon the face of each certificate:

"The transfer of this certificate is subject to the terms and conditions of a certain Franchise Agreement with Outdoor Lighting Perspectives Franchisor, LLC Reference is made to said Franchise Agreement and to the restrictive provisions of the articles of this corporation."

(d) The articles of incorporation, articles of organization, operating agreement, partnership agreement, shareholder agreement, and by-laws of the corporation, limited liability company, partnership or other business entity shall provide that its objectives or business is confined exclusively to the operation of the Business as provided for in this Agreement, and recite that the issuance and transfer of any shares, membership interest, partnership interest or other interest is restricted by the terms of this Agreement, and copies thereof shall be furnished to Franchisor upon request;

(e) Franchisor's consent to a transfer of any interest subject to the restrictions of this Section shall not constitute a waiver of any claim it may have against the assignor, nor shall it be deemed a waiver of Franchisor's right to demand exact compliance with any of the terms of this Agreement by the assignee;

(f) The corporation, partnership, limited liability company or other business entity shall advise Franchisor and keep Franchisor current as to the names and addresses of the directors, officers, members, partners and shareholder of and those persons financially involved in the corporation, partnership, limited liability company or other business entity; and

(g) Franchisee agrees to devote its full time and best efforts to manage the day-to-day operations of the franchised business unless it has an operational partner or operating manager approved by Franchisor; ~~and~~

~~(h) — Franchisee pays Franchisor a transfer fee in the amount of \$1,500 prior to the completion of the transfer.~~

15.9 Upon the death of Franchisee, shareholder, partner, or member the rights granted by this Agreement may pass to the next of kin or legatees, provided that Franchisee's legal representatives shall within one-hundred twenty (120) calendar days of Franchisee's death apply in writing to Franchisor for the right to transfer to the next of kin or legatee Franchisee's rights under this Agreement. Franchisor shall not unreasonably withhold its permission so long as the proposed transferees meet each of the requirements set forth in this Section 15 within thirty (30) days of the receipt of a conditional permission for the transfer.

15.10 Any attempt by Franchisee to transfer any of its rights or interest under this Agreement or the License, without having received Franchisor's prior written consent, will constitute a material breach of this Agreement. However, if Franchisee dies and its personal representative does not desire to sell the Business, and if under controlling local law Franchisee's interest in the Business, the License and Agreement are distributable to heirs or legatees who are members of his or her immediate family and who otherwise would qualify as assignees, then such attempted assignment by operation of law will not be deemed in violation of this Agreement, provided that such heirs or legatees accept the conditions imposed on otherwise permitted assignees.

15.11 Franchisee shall not have the right to grant a subfranchise.

16. OPTION TO PURCHASE — RIGHT OF FIRST REFUSAL

16.1 Unless otherwise explicitly provided by this Agreement, Franchisor shall be entitled to exercise the rights provided in this Section immediately upon:

- (a) The expiration without the extension of Franchisee's rights to operate the Outdoor Lighting Business or the termination for any reason of the License or this Agreement;
- (b) Any breach, default or other event that gives Franchisor the right to terminate the License or this Agreement, after expiration of any applicable notice and cure period; or
- (c) The receipt by Franchisor of a copy of a Purchase Offer.

16.2 Upon any event described in this Section 16.1, Franchisor shall have the option to purchase all of Franchisee's rights, title and interest in the Business, and all its improvements, furniture, fixtures, equipment and Products, and all of Franchisee's accounts, contract rights, vendor lists, work in progress and other business assets.

16.3 The purchase price for assets itemized in Section 16.2 will be: (i) the current fair market value if Sections 16.1(a) or 16.1(b) is applicable; or (ii) the price specified in the Purchase Offer received by Franchisee if Section 16.1(c) is applicable. If Franchisee and Franchisor cannot agree on fair market value within a reasonable time, an independent appraiser will be designated by each of Franchisee and Franchisor and an average of the two appraised values will be binding. Appraised values will exclude any and all consideration for goodwill or going concern value created by the Marks and business system licensed to Franchisee.

If Franchisor elects to exercise any option to purchase provided in this Section 16, Franchisor will have the right to set off all amounts due from Franchisee under the Franchise Agreement and the cost of the appraisal, if any, against any payment.

16.4 If Franchisor elects to exercise any option to purchase provided in this Section 16, Franchisor will have the right to set off all amounts due from Franchisee under the Franchise Agreement

or any other agreements between the parties, any commissions or fees payable to any broker, agent or other intermediary and the cost of the appraisal, if any, against any payment. Franchisee shall also have the right to substitute cash for any other form of consideration specified in the Purchase Offer and to pay in full the entire purchase price at the time of closing.

16.5 Franchisor will notify Franchisee of its intention to exercise or not exercise its rights to purchase (“**Notice of Intent**”) within sixty (60) days following an event described in Sections 16.1(a) or (b) or within fifteen (15) days following an event described in Section 16.1(c). The Notice of Intent will specify the assets to be purchased, and the current fair market value as determined by Franchisor if Sections 16.1(a) or 16.1(b) is applicable. In the event Franchisor is purchasing the assets pursuant to Sections 16.1(a) or (b), Franchisee will have fourteen (14) days following receipt of Franchisor’s Notice of Intent to object to any of the prices specified therein, and any disputes over pricing shall be resolved through appraisal as specified by Section 16.3. If Franchisor declines to exercise its rights under this Section within the fifteen (15) or sixty (60) day period described above, as applicable, Franchisee may thereafter, sell or dispose of the Business to any third party in the event of a sale under Sections 16.1(a) or 16.1(b) or to the third party identified in the Purchase Offer in the event of a sale under Section 16.1(c), but not at a lower price nor on more favorable terms than set forth in the Purchase Offer, if any, or the Notice of Intent and subject to the prior written permission of Franchisor and satisfaction of the other conditions to assignment set forth in Section 15. If the sale to such third party purchaser is not completed within ninety (90) days after Franchisor delivers the Notice of Intent to Franchisee, Franchisor shall again have the right of first refusal herein provided.

16.6 If Franchisor provides Franchisee with its Notice of Intent to exercise its rights under this Section 16, the purchase and sale contemplated in this Section shall be consummated as soon as possible. In the event Franchisor is purchasing the assets pursuant to Sections 16.1(a) or (b), following the delivery of a Notice of Intent as specified in Section 16.5, Franchisor or Franchisor’s designee shall have the immediate right to take possession of the Business and to carry on and develop the Business for the exclusive benefit of Franchisor or its designee.

17. DEFAULT AND TERMINATION

17.1 Franchisor shall have the right, at its option, to (i) suspend performance of certain or all of its guidance, coaching, assistance or any services to Franchisee during the time period Franchisee is in default of this Agreement, including referral of any Commercial Accounts to Franchisee; or (ii) terminate this Agreement and all rights granted Franchisee hereunder, (subject to the provisions of applicable state law governing franchise termination and renewal), effective upon receipt of notice by Franchisee, addressed as provided in Section 18, upon the occurrence of any of the following events:

(a) Franchisee intentionally or negligently discloses to any unauthorized person the contents of or any part of Franchisor’s Manual, Confidential Information or Trade Secrets of Franchisor;

(b) Franchisee voluntarily abandons the Business for a period of five (5) consecutive days, or any shorter period that indicates an intent by Franchisee to discontinue operation of the Business, unless such abandonment is due to fire, flood, earthquake or other similar causes beyond Franchisee’s control and not related to the availability of funds to Franchisee;

(c) Franchisee becomes insolvent or is adjudicated a bankrupt; or any action is taken by Franchisee, or by others against Franchisee under any insolvency, bankruptcy or reorganization act, or if Franchisee makes an assignment for the benefit of creditors, or a receiver is appointed for Franchisee;

(d) Any material judgment (or several judgments which in the aggregate are material) is obtained against Franchisee and remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas or other appeal bond has been filed); or if execution is levied against Franchisee's Business or any of the property used in the operation of the Business and is not discharged within five (5) days; or if the real or personal property of Franchisee's Business shall be sold after levy thereupon by any sheriff, marshal or constable;

(e) Franchisee or any owner of greater than twenty percent (20%) of Franchisee entity or operator is charged or convicted of a felony, a crime involving moral turpitude, or any crime or offense that is reasonably likely, in the sole opinion of Franchisor, to materially and unfavorably affect the System, Marks, goodwill or reputation thereof;

(f) Franchisee fails to pay Royalties or any amounts due Franchisor or Affiliates within 10 days after receiving notice of Franchisee's failure to pay any such amounts;

(g) Franchisee misuses or fails to follow Franchisor's directions and guidelines concerning use of the Marks and fails to correct the misuse or failure within ten (10) days after notification from Franchisor;

(h) Franchisee has received two (2) notices of default with respect to Franchisee's obligations hereunder from Franchisor within a twelve (12) month period, regardless of whether the defaults were cured by Franchisee;

(i) Franchisee sells, transfers or otherwise assigns the Business, an interest in the Business or Franchisee entity, this Agreement, the Business or a substantial portion of the assets of the Business owned by Franchisee without complying with the provisions of Section 15;

(j) Franchisee submits on two (2) or more occasions during the Initial Term or any Interim Period a report, financial statement, tax return, schedule or other information or supporting record which understates its Gross Revenue by more than three percent (3%), unless Franchisee demonstrates that such understatement resulted from inadvertent error;

(k) Franchisee fails, or refuses, to submit any report, financial statement, tax return, schedule or other information or supporting records required herein, or submits such reports more than five (5) days late on two (2) or more occasions during the Initial Term or any Interim Period unless due to circumstances beyond the control of Franchisee;

(l) Franchisee sells or offers for sale any unauthorized merchandise, product or service, engages in any unauthorized business or practice or sells any unauthorized product or service under the Marks or under a name or mark which is confusingly similar to the Marks;

(m) No site has been designated and accepted pursuant to Section 18;

(n) The Franchise loses possession or the right of possession of all or a significant part of the Business through condemnation, casualty, lease termination or mortgage foreclosure and the Business is not relocated or reopened as provided in Section 18;

(o) Franchisee contests in any court or proceeding the validity of, or Franchisor's ownership of the Marks or copyrighted materials;

(p) Franchisee is a corporation, limited liability company, partnership or other business entity and any action is taken which purports to merge, consolidate, dissolve or liquidate such entity without Franchisor's prior written consent;

(q) Franchisee or its operating manager fails to successfully complete Franchisor's training or retraining course(s);

(r) Franchisee receives from Franchisor during the Initial Term and any Interim Period three (3) or more notices of default regardless whether such notices of default relate to the same or different defaults, or whether such defaults have been remedied by Franchisee;

(s) Any misrepresentation under Section 1.9 or any violation of Anti-Terrorism Laws by Franchisee, operating manager, its owners, agents or employees; or

(t) Franchisee fails to open the Business by the Operational Start Date.

17.2 Franchisor shall have the right, at its option, to (i) suspend performance of certain or all of its guidance, coaching and assistance to Franchisee during the time period Franchisee is in default of this Agreement; or (ii) terminate this Agreement (subject to any state laws to the contrary, where state law shall prevail), effective upon thirty (30) days written notice to Franchisee, if Franchisee breaches any other provision of this Agreement and fails to cure the default during such thirty (30) day period. In that event, this Agreement will terminate without further notice to Franchisee, effective upon expiration of the thirty (30) day period. Defaults shall include, but not be limited to, the following:

(a) Franchisee fails to maintain the then-current operating procedures and standards established by Franchisor as set forth herein or in the Manual or otherwise communicated to Franchisee;

(b) Franchisee fails, refuses or neglects to obtain Franchisor's prior written approval or consent as required by this Agreement;

(c) Franchisee fails or refuses to comply with the then-current requirements of the Manual;

(d) Franchisee, or any partnership, joint venture, limited liability company, corporation or other business entity in which Franchisee has a controlling equity interest, defaults under any term of the Lease or any other premises used by Franchisee to operate the Business, any other franchise agreement with Franchisor or any other agreement material to the Business and such default is not cured within the time specified in such Lease, other franchise agreement or other agreement;

(e) Franchisee fails, refuses or neglects to submit a statement of monthly revenues accompanying the Royalty Fee or Individual Advertising Investment or any other report required under the Agreement when due;

(f) Franchisee fails, refuses or neglects to accurately report Gross Revenues, sales information or other information required by Franchisor to be reported; or

(g) Franchisee fails to comply with any other provision of this Agreement or any specification, standard or operating procedure prescribed by Franchisor and does not correct such failure within ten (10) days (or thirty (30) days if this is the first non-compliance or breach) after

written notice from Franchisor (which shall describe the action that Franchisee must take) is delivered to Franchisee.

17.3 Notwithstanding the foregoing, if the breach is curable, but is of a nature which cannot be reasonably cured within such thirty (30) day period and Franchisee has commenced and is continuing to make good faith efforts to cure the breach during such thirty (30) day period, Franchisee shall be given an additional reasonable period of time to cure the same, but in no event longer than thirty (30) additional days.

17.4 A termination of this Agreement by Franchisee shall be deemed to be a termination without cause and a breach hereof, by Franchisee. Franchisee agrees that it shall not, on grounds of an alleged nonperformance by Franchisor of any of its obligations or any other reason, withhold payment of any amount due to Franchisor whatsoever or set off amounts owed to Franchisor under this Agreement, against any monies owed to Franchisee, which right of set off is hereby expressly waived by Franchisee.

17.5 No endorsement or statement on any check or payment of any sum less than the full sum due to Franchisor shall be construed as an acknowledgment of payment in full or an accord and satisfaction, and Franchisor may accept and cash such check or payment without prejudice to its right to recover the balance due or pursue any other remedy provided herein or by law. Franchisor may apply any payments made by Franchisee against any past due indebtedness of Franchisee as Franchisor may see fit. Franchisor may set off against any payment due to Franchisee hereunder any outstanding debts of Franchisee to Franchisor, and may, at Franchisor's option, pay Franchisee's trade creditors out of any sum otherwise due to Franchisee.

17.6 Franchisee agrees to pay within five (5) days of the effective date of termination or expiration of the Franchise all amounts owed to Franchisor, the landlord of the Premises used in the Business (if applicable) and Franchisee's trade and other creditors which are then unpaid.

17.7 All royalty and advertising contributions, all amounts due for goods purchased by Franchisee from time to time from Franchisor or its Affiliates and any other amounts owed to Franchisor or its Affiliates by Franchisee pursuant to this Agreement or any other agreement shall bear interest after the due date at the rate of eighteen percent (18%) per annum or the highest rate permitted by law, whichever is lower, both before and after default, with interest on overdue interest at the aforesaid rate. The acceptance of any interest payment shall not be construed as a waiver by Franchisor of its rights in respect of the default giving rise to such payment and shall be without prejudice to Franchisor's right to terminate this Agreement in respect of such default.

17.8 Upon termination of this Agreement prior to its natural expiration date in accordance with its terms, Franchisee shall pay to Franchisor within thirty (30) days of the date of the termination, as an early termination fee for the premature termination of this Agreement and not as a penalty, an amount equal to twenty-four (24) times the average monthly Royalty Fees payable to Franchisor over (a) the last twelve (12) months of the Business's active operations, or (b) the entire period the Business has been open for business, whichever is the shorter period. Franchisee acknowledges and agrees that such early termination fee is a reasonable approximation of the damages Franchisor will incur resulting from the premature termination of the Franchise Agreement as a result of breach by Franchisee, is appropriate because actual damages incurred by Franchisor will be difficult or impossible to ascertain, is not a penalty, and shall not affect Franchisor's right to, and is not in lieu of, any other payment or remedy, damages or relief to Franchisor.

17.9 Should Franchisee, or any partnership or joint venture or corporation in which Franchisee has a controlling equity interest, be a franchisee pursuant to another Franchise Agreement

with Franchisor, respecting another franchised Business using the Marks, a default under this Agreement shall constitute a default under such other Franchise Agreement and vice versa, with like remedies available to Franchisor. Should such other Franchise Agreement cease to be valid, binding and in full force and effect for any reason then Franchisor may, at its option terminate this Agreement and this Agreement shall be forthwith surrendered by Franchisee and terminated, and likewise should this Agreement cease to be valid binding and in full force and effect for any, reason, Franchisor may at its option terminate the other Franchise Agreement and the other Franchise Agreement shall be forthwith surrendered and terminated. In the event that there is more than one Franchisee, or if Franchisee should consist of more than one legal entity, Franchisee's liability hereunder shall be both joint and several. A breach hereof by one such entity or Franchisee shall be deemed to be a breach by both or all.

17.10 Franchisee agrees that upon termination or expiration of this Agreement, it shall take the following action:

(a) Immediately discontinue the use of all Marks, signs, structures, forms of advertising, telephone listings, facsimile numbers, e-mail addresses, the Manual, and all materials, Products and Services of any kind which are identified or associated with the System and return all these materials and Products to Franchisor;

(b) Immediately turn over to Franchisor all materials, including the Manual, customer lists, records, files, instructions, brochures, advertising materials, agreements, Confidential Information, Trade Secrets and any and all other materials provided by Franchisor to Franchisee or created by a third party for Franchisee relating to the operation of the Business (all of which are acknowledged to be Franchisor's property). Under no circumstances shall Franchisee retain any printed or electronic copies of the Manual, Confidential Information or Trade Secrets or portions thereof upon expiration or termination of this Agreement;

(c) Franchisee hereby acknowledges that all telephone numbers, facsimile numbers and Internet addresses used in the operation of the Business constitute assets of the Business; and upon termination or expiration of this Agreement, Franchisee shall take such action within five (5) days to cancel or assign to Franchisor or its designee as determined by Franchisor, all Franchisee's right, title and interest in and to Franchisee's telephone numbers, facsimile numbers and Internet addresses and shall notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use any telephone number and Internet and e-mail addresses, and any regular, classified or other telephone directory listing associated with the Marks and to authorize a transfer of same to or at the direction of Franchisor. Franchisee acknowledges as between Franchisor and Franchisee, Franchisor has the sole rights to, and interest in, all telephone numbers, facsimile numbers, directory listings and Internet addresses used by Franchisee to promote the Business and/or associated with the Marks. Franchisee hereby irrevocably appoints Franchisor, with full power of substitution, as its true and lawful attorney-in-fact, which appointment is coupled with an interest, to execute such directions and authorizations as may be necessary or prudent to accomplish the foregoing. **Attachment D** evidences such appointment;

(d) Make no representation nor state that Franchisee is in any way approved, endorsed or licensed by Franchisor or associated or identified with Franchisor or the System in any manner;

(e) Immediately take all steps necessary to amend or terminate any registration or filing of any d/b/a or business name or fictitious name or any other registration or filing containing the Marks so as to delete the Marks and all references to anything associated with the

- (f) Provide Franchisor the option to purchase as set in Section 16; and
- (g) Comply with the provisions of Sections 10.1(c) and Section 10.1(d) and Section 14.

17.11 If, within thirty (30) days after termination or expiration of this Agreement by Franchisor, Franchisee fails to remove all displays of the Marks from the Business, which are identified or associated with the System, Franchisor may enter the Business to effect removal. In this event, Franchisor will not be charged with trespass nor be accountable or required to pay for any displays or materials.

17.12 If, within thirty (30) days after termination or expiration of this Agreement Franchisee has not taken all steps necessary to amend or terminate any registration or filing of any business name or d/b/a or any other registration or filing containing the Marks, Franchisee hereby irrevocably appoints Franchisor as Franchisee's true and lawful attorney for Franchisee, and in Franchisee's name, place and stead and on Franchisee's behalf, to take action as may be necessary to amend or terminate all registrations and filings, this appointment being coupled with an interest to enable Franchisor to protect the System.

17.13 Termination or expiration of this Agreement shall not affect, modify or discharge any claims, rights, causes of action or remedies which Franchisor may have against Franchisee, whether such claims or rights arise before or after termination or expiration.

17.14 All obligations of the parties hereto which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect notwithstanding such expiration or termination. In particular, but without limiting the generality of the foregoing, the provisions of Articles 10, 12, 14 and 16, hereof shall survive termination or expiration of this Agreement.

17.15 In the event that this Agreement expires or is terminated for any reason whatsoever and Franchisor is the lender under any loan agreement ("**Loan**") or the holder of any promissory note ("**Note**") or the holder of any personal property, security interest, chattel mortgage, debenture or mortgage of any nature whatsoever ("**Security Interest**") from Franchisee concerning assets used at any time by Franchisee in the Business or which are situated on the Business premises, such Loan, Note or Security Interest shall, upon the effective date of termination or expiration, immediately become fully due and payable as to all principal and interest so loaned and secured.

17.16 If any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of this Agreement than is required hereunder, the prior notice or other action required by such law or rule shall be substituted for the notice requirements hereof. Such modifications to this Agreement shall be effective only in such jurisdiction and shall be enforced as originally made and entered into in all other jurisdictions.

17.17 THE PARTIES WAIVE, TO THE EXTENT PERMITTED BY LAW, ANY CLAIM AGAINST THE OTHER FOR PUNITIVE OR EXEMPLARY DAMAGES; EXCEPT FOR SUCH PUNITIVE OR EXEMPLARY DAMAGES FOR VIOLATION OF THE LANHAM ACT, TRADEMARK INFRINGEMENT OR DILUTION, UNAUTHORIZED DISSEMINATION OF THE CONFIDENTIAL INFORMATION OR TRADE SECRETS OR ARISING UNDER THE INDEMNIFICATION SET OUT IN SECTION 12.

17.18 The rights of the parties hereto are cumulative and no exercise or enforcement by a party of any right or remedy hereunder shall preclude the exercise or enforcement by that party of any other right or remedy herein contained, or to which it is entitled by law.

17.19 Franchisee hereby acknowledges and agrees that in the event of any breach or threatened breach of this Agreement, Franchisor shall be authorized and entitled to seek, from any court of competent jurisdiction, preliminary and permanent injunctive relief in addition to any other rights or remedies to which Franchisor may be entitled. Franchisee agrees that Franchisor may obtain injunctive relief without posting a bond. Franchisee's sole remedy, in the event of the entry of injunctive relief, shall be dissolution of the injunction, if warranted, upon a hearing duly had; provided, however, that all claims for damages by reason of the wrongful issuance of any injunction are hereby expressly waived by Franchisee. In any proceeding concerning the entry of any requested injunction against Franchisee, Franchisee, for value, voluntarily waives any defenses Franchisee might otherwise have relating to any claimed "prior breach" on the part of Franchisor; it being specifically understood and agreed between the parties that no action or lack of action on the part of Franchisor shall be a defense to Franchisor's claim for injunctive relief.

17.20 THE PARTIES ACKNOWLEDGE THAT IN THE EVENT THAT THE TERMS OF THIS AGREEMENT REGARDING TERMINATION OR EXPIRATION ARE INCONSISTENT WITH APPLICABLE STATE OR FEDERAL LAW, SUCH LAW SHALL GOVERN THE FRANCHISEE'S RIGHTS REGARDING TERMINATION OR EXPIRATION OF THIS AGREEMENT.

17.21 Franchisee acknowledges and agrees that in addition to, and not in lieu of, all other remedies or rights that Franchisor might otherwise have by virtue of Franchisee's breach of this Agreement, Franchisee must reimburse Franchisor for all attorneys' fees, costs, and expenses (and interest on such fees, costs and expenses) Franchisor incurs to enforce the terms of this Agreement or any obligation owed to Franchisor by Franchisee, including but not limited to amounts incurred in connection with preparation of default notices and related correspondence, or to defend any claim that Franchisee brings against Franchisor,

18. CONDEMNATION AND CASUALTY

18.1 Franchisee shall promptly advise Franchisor upon Franchisee's receipt of a notice of default or termination under Franchisee's lease or mortgage, and shall promptly provide Franchisor a copy of the notice. Franchisee shall also give Franchisor notice of any proposed taking of the Business location or any portion thereof through the exercise of the power of eminent domain at the earliest possible time. If the Business or a substantial part thereof is to be taken, the Business may be relocated within the Territory, or elsewhere with Franchisor's written approval in accordance with Franchisor's relocation procedures. If Franchisee opens a new business at another location in accordance with Franchisor's standards and general specifications within one year of the closing of the old Business, the new Business shall be deemed to be the Business licensed under this Agreement. If a condemnation, lease termination or mortgage default takes place and a new Business does not, for any reason, become the Business as provided in this Section, then the License shall terminate upon notice by Franchisor.

18.2 If the Business is damaged, Franchisee shall expeditiously repair the damage. If the damage or repair requires closing the Business, Franchisee shall immediately notify Franchisor in writing, and shall:

- (a) Relocate the Business as provided in Section 18.1; or
- (b) Repair or rebuild the Business in accordance with Franchisor's then existing standards and general specifications, and reopen the Business for continuous business operations as soon as practicable (but in any event within twelve (12) months after closing the Business), giving Franchisor thirty (30) days advance notice of the date of reopening.

If the Business is not (or, in the opinion of Franchisor cannot be) reopened in accordance with this Section, or relocated pursuant to Section 18.1, the License shall terminate upon notice to Franchisee.

18.3 The Initial Term will not be extended by any interruption in the Business's operations, except for an act of God that results in the Business being closed not less than sixty (60) days nor more than one-hundred and eighty (180) days. Franchisee must apply for any extension within thirty (30) days following the reopening of the Business. No event during the Term will excuse Franchisee from paying Royalty Fees or Advertising Fees as provided in this Agreement.

19. NOTICE

19.1 Any notice of default and all notices or other communications required or permitted to be given or made pursuant to any of the provisions of this Agreement shall be deemed to have been duly given or made for all purposes if made in writing and (a) hand delivered, (b) sent by a nationally recognized overnight courier, or (c) sent by electronic mail, as follows:

FRANCHISOR:

Outdoor Lighting Perspectives Franchisor, LLC
2426 Old Brick Road
Glen Allen, VA 23060
Facsimile: (804) 353-1878
Attention: General Counsel
Email: Legal@EmpowerFranchising.com

with a copy to (which shall not constitute notice):

Lathrop GPM, LLP
~~500 IDS Center~~
~~3100~~
80 South Eighth Street, 3100 IDS Center,
Minneapolis, MN USA 55402
Phone: (612) 632-3284
Facsimile: (612) 632-4284
Attention: Michael Gray
Email: Michael.Gray@Lathroppgm.com

FRANCHISEE:

Facsimile: _____
Attention: _____

with a copy to:

Facsimile: _____
Attention: _____

Any such notice or other document delivered personally or by electronic mail or facsimile transmission shall be deemed to have been received by and given to the addressee on the day of delivery and any such other notice or other document mailed as aforesaid, shall be deemed to have been received by and given to the addressee on the third (3rd) business day following the date of mailing. Any party may at any time give notice in writing to any other party of any change of address.

20. MEDIATION AND ARBITRATION

20.1 Except as otherwise provided in this Section 20, any controversy or dispute arising out of, or relating to the franchise or this Agreement including, but not limited to, any claim by Franchisee or any person in privity with or claiming through, on behalf of or in the right of Franchisee, concerning the entry into, performance under, or termination of, this Agreement or any other agreement entered into by Franchisor, or its subsidiaries or Affiliates, and Franchisee, any claim against a past or present employee, officer, director, member, shareholder or agent of Franchisor; any claim of breach of this Agreement; and any claims arising under State or Federal laws (“Dispute”), shall be submitted to nonbinding mediation before an arbitration proceeding may be filed. **“Person in privity”** with or claiming through, on behalf of or in the right of Franchisee includes but is not limited to, spouses and other family members, heirs, executors, representatives, successors and assigns. The mediation must be for a minimum of four hours before the American Arbitration Association in the city where our corporate headquarters is located (currently Richmond, Virginia). Mediation is a compromise negotiation for the purposes of the federal and state rules of evidence, and the entire process is confidential. Before any mediation, all parties will sign a confidentiality agreement reasonably satisfactory to us excepting only public disclosures and filings as are required by law. All parties must attend mediation. We will pay the costs of the first four hours of any mediation, and no mediation is required to extend beyond such four-hour period.

20.2 Except as otherwise provided in this Section 20 (including Section 20.1 and 20.3), any Dispute must be submitted to final and binding arbitration as the sole and exclusive remedy for any such controversy or dispute. Subject to this Section 20, the right and duty of the parties to this Agreement to resolve any disputes by arbitration shall be governed exclusively by the Federal Arbitration Act and the Federal Rules of Evidence, as amended, and arbitration shall take place according to the Commercial Arbitration Rules of the American Arbitration Association in effect as of the date the demand for arbitration is filed. The arbitration shall be held in city where our corporate headquarters in located (currently Richmond, Virginia). A single arbitrator shall be selected from a panel of neutral arbitrators provided by the American Arbitration Association and shall be chosen by the striking and ranking method. The arbitrator must have at least five years’ experience in franchise law. The arbitrator’s fees shall be divided equally between the parties. The arbitrator shall have no authority to amend or modify

the terms of this Agreement. The award or decision by the arbitrator shall be final and binding on the parties and may be enforced by judgment or order of a court having subject matter jurisdiction in the state where the arbitration took place. The parties consent to the exercise of personal jurisdiction over them by such courts and to the propriety of venue of such courts for the purpose of carrying out this provision; and they waive any objections that they would otherwise have concerning venue and personal jurisdiction.

20.3 Neither mediation nor arbitration will be required for any Dispute which involves amounts due from Franchisee to Franchisor, Franchisee's post termination or expiration use of any of the Marks, System, Confidential Information or Trade Secrets, or Franchisor's right to seek injunctive relief as provided in Section 17.19.

20.4 **Class Action Waiver.** Any proceeding (whether mediation, arbitration, trial to a court or jury, appeal or otherwise) must be brought in the parties' individual capacity and not as a plaintiff or class member in any purported class. The parties agree that any mediation, arbitration or civil action arising out of a Dispute is only a matter between Franchisor and Franchisee and no other franchisees. Franchisee agrees not to join or attempt to join other franchisees or licensees or persons in privity with or claiming through, or on behalf of, Franchisee in any class or collective action.

21. MISCELLANEOUS

21.1 Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.), the Federal Arbitration Act, or other applicable federal law, this Agreement shall be interpreted under the laws of the Commonwealth of Virginia, and any dispute between the parties shall be governed by and determined in accordance with the substantive laws of the Commonwealth of Virginia, which laws shall prevail in the event of any conflict of law, provided, however, the parties expressly agree that this The parties agree that the Virginia Retail Franchising Act, or any other state law or regulation applicable to the offer or sale of franchises or the franchise relationship, will not apply unless the jurisdictional provisions are independently met. Franchisee waives, to the fullest extent permitted by law, the rights and protections provided by the Virginia Retail Franchising Act. Franchisee and Franchisor have negotiated regarding a forum in which to resolve any disputes which may arise between them and have agreed to select a forum in order to promote stability in their relationship. Therefore, if a claim is asserted in any legal proceeding involving Franchisee, its officers or directors and Franchisor, its officers, directors, shareholders, members, employees or Affiliates both parties agree that the venue for disputes between them shall be in the Commonwealth of Virginia and each waive any objection either may have to the personal jurisdiction of or venue in the Commonwealth of Virginia. However, Franchisor reserves the right to file any claims it may have against Franchisee in the federal or state court where the Business is located.

21.2 All provisions of this Agreement are severable and this Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein; all partially valid and enforceable provisions shall be enforced to the extent that they are valid and enforceable.

21.3 If either party institutes a legal proceeding, including court proceedings or arbitration, and prevails in any action at law or in equity against the other party based entirely or in part on the terms of this Agreement, the prevailing party shall be entitled to recover from the losing party, in addition to any judgment, reasonable attorneys' fees, court costs and all of the prevailing party's expenses (and interest on such fees, costs and expenses) in connection with any action at law.

21.4 No failure, forbearance, neglect or delay of any kind on the part of Franchisor in connection with the enforcement or exercise of any rights under this Agreement shall affect or diminish Franchisor's right to strictly enforce and take full benefit of each provision of this Agreement at any time, whether at law for damages, in equity for injunctive relief or specific performance, or otherwise. No custom, usage or practice with regard to this Agreement by Franchisee or Franchisor's other franchisees shall preclude the strict enforcement of this Agreement in accordance with its literal terms. No waiver by Franchisor of performance of any provision of this Agreement shall constitute or be implied as a waiver of Franchisor's right to enforce that provision at any future time. Subsequent acceptance by Franchisor of any payments due to it hereunder shall not be deemed to be a waiver by Franchisor of any preceding or succeeding breach by Franchisee of any terms, provisions, covenants, or conditions of this Agreement. No interpretation, change, termination or waiver of any provision of this Agreement, and no consent or approval under this Agreement, shall be binding upon Franchisee or Franchisor or effective unless in writing signed by Franchisee and Franchisor's CEO, President or Vice President, except that a waiver need be signed only by the party waiving.

21.5 This Agreement, together with any written related agreements, all Exhibits, Attachments, addenda, and that certain Acknowledgement Addendum signed contemporaneously with this Agreement, constitutes the entire understanding and agreement between Franchisee and Franchisor and supersedes all prior understandings, whether oral or written, pertaining to this Agreement, License, System or Business. However, nothing in this Agreement or any related agreement is intended to disclaim Franchisor's representations made in the Franchise Disclosure Document that Franchisor furnished to Franchisee.

21.6 The headings of the sections hereof are for convenience only and do not define, limit or construe the contents of the sections of such Sections or other Sections. The term "**Franchisee**" as used herein is applicable to one (1) or more persons, a corporation, limited liability company, a partnership or other business entity, as the case may be, and the singular usage (where applicable) includes the plural and the masculine and neuter usages (where applicable) include the other and the feminine, and the terms "include" and "including" also include the meaning "including without limitation." The term Lease shall include a sublease, and a renewal or extension of a lease or sublease. Time shall be of the essence of this Agreement and of every part thereof.

21.7 When calculating the date upon which or the time within which any act is to be done pursuant to this Agreement, the date which is the reference date in calculating such period shall be excluded; if the last day of such period is a non-business day, the period in question shall end on the next business day. Time shall be of the essence of this Agreement and of every part thereof.

21.8 Neither party hereto shall be liable for any loss or damage due to any delay in the due performance of the terms hereof (except for the payment of money) by reason of strikes, lockouts and other labor relations, fires, riots, wars, embargoes and civil commotion, or acts of God ("**Force Majeure Event**"). Any such delay shall extend performance only so long as such event is in progress except such Force Majeure Event will not affect or change Franchisee's obligation to pay Royalty Fees and National Branding and Marketing Fees when due. Notwithstanding the foregoing, if there is a Force Majeure Event, Franchisor, may in its sole discretion, elect to waive the Royalty Fees and National Branding and Marketing Fees during the period of delay caused by the Force Majeure Event or such shorter period.

21.9 Franchisee shall execute and deliver such further instruments, contracts, forms and other documents, and shall perform such further acts, as may be necessary or desirable, to carry out, complete and perform all terms, covenants and obligations herein contained. Franchisee hereby irrevocably appoints Franchisor as his attorney, and hereby empowers him to execute such instruments regarding the Marks for and in Franchisee's name in order to give full effect to Sections 10, 12, 15, and 17 of this Agreement. Franchisee hereby declares that the powers of attorney herein granted may be exercised during any subsequent legal incapacity on its part.

21.10 This Agreement shall be binding upon, and subject to Section 15 hereof, shall inure to the benefit of, Franchisee's successors and permitted assigns.

21.11 This Agreement may only be modified or amended by a written document executed by Franchisee and Franchisor. Franchisee acknowledges that Franchisor may modify its standards and specifications and operating and marketing techniques set forth in the Manual unilaterally under any conditions and to the extent in which Franchisor, in its sole discretion, deems necessary to protect, promote, or improve the Marks, and the quality of the System, but under no circumstances will such modifications be made arbitrarily without such determination. Notwithstanding anything herein to the contrary, Franchisor shall have the right unilaterally to reduce or clarify the scope of any covenants of Franchisee contained in this Agreement upon notice to Franchisee, whereupon Franchisee shall comply therewith as so modified.

21.12 From time to time, Franchisor shall have the right to delegate the performance of any portion or all of its obligations and duties hereunder to third parties, whether the same are agents of Franchisor or independent contractors which Franchisor has contracted with to provide such services. Franchisee agrees in advance to any such delegation by Franchisor of any portion or all of its obligations and duties hereunder.

21.13 Franchisor has the right, and Franchisee hereby consents, to Franchisor using and disclosing all personal information collected from Franchisee and its owners for any purpose connected with the System, and this Agreement and its enforcement, including providing or listing contact information for Franchisee and its owners and management employees for System communication purposes, including with landlords and other suppliers of goods or services, or prospective Franchisees; posting on franchise system websites listing Franchisees; in or in connection with Franchisor's disclosure documents and, where applicable, prospectuses, statements of material facts and other securities filings and documents; and making reports or information received from Franchisee pertaining to the franchise, or portions thereof or extracts therefrom, available for inspection by prospective franchisees, to substantiate information contained in Franchisor's disclosure documents for prospective franchisees regarding the subject matter of such reports or information, as the same pertain to the Franchise or the System in general. Franchisor may also share such personal information where needed with Franchisor's professional advisors, lenders or affiliates or under agreements with third parties relating to the Franchise or the System. Franchisor may give access to or transfer Franchisor's files containing such personal information to a prospective purchaser or purchaser of the franchise system. Franchisee is responsible to obtain any required consents from its owners and management employees as may be necessary for it to comply with these provisions.

22. ACKNOWLEDGEMENT

BEFORE SIGNING THIS AGREEMENT, THE FRANCHISEE SHOULD READ IT CAREFULLY WITH THE ASSISTANCE OF LEGAL COUNSEL.

THE FRANCHISEE ACKNOWLEDGES THAT:

1. NO STATEMENT, REPRESENTATION OR OTHER ACT, EVENT OR COMMUNICATION, EXCEPT AS SET FORTH IN THIS DOCUMENT, AND IN ANY OFFERING CIRCULAR SUPPLIED TO THE FRANCHISEE, IS BINDING ON THE FRANCHISOR IN CONNECTION WITH THE SUBJECT MATTER OF THIS AGREEMENT, AND

2. FRANCHISEE HAD A COMPLETE COPY OF THIS AGREEMENT, WITH ALL BLANKS FILLED IN, IN ITS POSSESSION FOR A PERIOD OF TIME NOT LESS THAN 5 FULL BUSINESS DAYS, DURING WHICH TIME THE FRANCHISEE HAD THE OPPORTUNITY TO

SUBMIT SAME FOR PROFESSIONAL REVIEW AND ADVICE OF THE FRANCHISEE'S CHOOSING PRIOR TO FREELY EXECUTING THIS AGREEMENT. FRANCHISEE ACKNOWLEDGES THAT IT HAS HAD AMPLE TIME AND OPPORTUNITY TO INVESTIGATE THE FRANCHISOR'S BUSINESS AND TO CONSULT WITH LEGAL AND FINANCIAL ADVISORS OF ITS CHOICE.

3. FRANCHISEE HAS CONDUCTED AN INDEPENDENT INVESTIGATION OF THE SYSTEM AND RECOGNIZES THAT THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT AND ITS SUCCESS INVOLVES SUBSTANTIAL BUSINESS RISK AND WILL BE LARGELY DEPENDENT UPON THE ABILITY OF FRANCHISEE AS AN INDEPENDENT BUSINESS PERSON AND ITS ACTIVE PARTICIPATION IN THE DAILY AFFAIRS OF THE BUSINESS. FRANCHISEE HEREBY ASSUMES THE RESPONSIBILITY FOR ITS SUCCESS OR FAILURE OF THE BUSINESS VENTURE.

4. EXCEPT AS OTHERWISE INCLUDED IN ITS FRANCHISE DISCLOSURE DOCUMENT, FRANCHISOR HAS NOT PROVIDED ANY STATEMENT, REPRESENTATION OR OTHER ACT, EVENT OR COMMUNICATION OF ACTUAL, AVERAGE, PROJECTED, FORECASTED OR POTENTIAL PURCHASES, SALE, COST, EARNINGS, INCOME OR PROFITS TO FRANCHISEE.

5. FRANCHISOR EXPRESSLY DISCLAIMS THE MAKING OF, AND FRANCHISEE ACKNOWLEDGES THAT IT HAS NOT RECEIVED, ANY ASSURANCE, WARRANTY OR GUARANTEE, EXPRESSED OR IMPLIED, AS TO THE POTENTIAL VOLUME, PROFITS, EARNINGS OR SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT.

This entire Agreement, including corrections, changes, and all attachments and addenda, will only be binding upon Franchisor when executed or initialed by Franchisor's authorized representative.

FRANCHISOR:

**~~OUTDOOR LIGHTING PERSPECTIVES~~
FRANCHISOR, LLC**

By: _____
Its: _____
Date: _____

FRANCHISEE: _____

IF AN INDIVIDUAL:

Franchisee, Individually
Date: _____

**IF A PARTNERSHIP,
CORPORATION OR OTHER ENTITY:**

By: _____
Its: _____
Date: _____

OUTDOOR LIGHTING PERSPECTIVES
FRANCHISOR, LLC

FRANCHISEE:

By: _____
Name: _____
Title: _____
Date: _____

Individually

Date: _____

OR:
(if a corporation or partnership)

Company Name

By: _____

Title: _____

Date: _____

**ATTACHMENT A
TO FRANCHISE AGREEMENT**

INITIAL FRANCHISE FEES AND TERRITORY

Territory: _____

Initial Franchise Fee: _____

Abatement Period (if any): The Minimum Royalty and the Minimum National Branding and Marketing Fee shall be abated during the following seasonal periods, if any: _____

Operational Start Date: The parties agree that the “Operational Start Date” for the Business shall be the earlier of: (a) the date that Franchisee begins operation of its Business; (b) six (6) months from the Effective Date of this Agreement; or (c) _____, 20____. Franchisee’s obligations to make the Monthly Branding Royalty and the National Branding & Marketing Fee shall commence on the Operational Start Date, even if Franchisee has not yet begun operating its Business.

~~**FRANCHISEE ACKNOWLEDGMENT:**~~

Name

Date

~~**FRANCHISOR ACKNOWLEDGMENT:**~~

Name

Date

FRANCHISOR:

FRANCHISEE:

OUTDOOR LIGHTING PERSPECTIVES
FRANCHISOR, LLC

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

**ATTACHMENT B
TO FRANCHISE AGREEMENT**

GUARANTY AND ASSUMPTION OF FRANCHISEE'S OBLIGATIONS

In consideration of, and as an inducement to, the execution of the Franchise Agreement executed between _____ and **Outdoor Lighting Perspectives Franchisor, LLC**, a Delaware limited liability company having its head office at 2426 Old Brick Road, Glen Allen, VA 23060 ("**Franchisor**"), each of the undersigned hereby personally and unconditionally:

1. Guarantees to Franchisor and its successors and assigns, for the Initial Term, including any Interim Period, that _____ ("**Franchisee**") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and
2. Agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, including but not limited to the terms of Section 14.

Each of the undersigned waives the following:

1. Acceptance and notice of acceptance by Franchisor of the foregoing undertaking;
2. Notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed;
3. Protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed;
4. Any right he or she may have to require that any action be brought against Franchisee or any other person as a condition of liability; and
5. Any and all other notices and legal or equitable defenses to which he or she may be entitled.

Each of the undersigned consents and agrees that:

1. His or her direct and immediate liability under this guaranty shall be joint and several;
2. He or she shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so;
3. Such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and
4. Such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to Franchisee or to any other person, including without limitation the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable during the Initial Term, including any Interim Period.

IN WITNESS WHEREOF, each of the undersigned has affixed his or her signature effective on the same day and year as the Agreement was executed.

GUARANTOR(S) _____

_____	_____
_____	_____
_____	_____
_____	_____

GUARANTOR(S)

ACKNOWLEDGMENT

Franchisee, and its shareholders and partners, as applicable, jointly and severally acknowledge that they have carefully read this Agreement and all other related documents to be executed concurrently or in conjunction with the execution hereof, that they have obtained the advice of counsel in connection with entering into this Agreement, that they understand the nature of this Agreement, and that they intend to comply herewith and be bound hereby.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the first date set forth above.

ACCEPTED on this ____ day of _____ 20____.

FRANCHISOR:

FRANCHISEE:

**OUTDOOR LIGHTING PERSPECTIVES
FRANCHISOR, LLC**

By: _____

Its: _____

FRANCHISEE: By: _____

Name: _____ Name: _____

Title: _____ Title: _____

Its: _____

_____ **an Individual**

_____ **an Individual**

_____ **an Individual**

**ATTACHMENT C
TO FRANCHISE AGREEMENT
STATEMENT OF OWNERSHIP**

Franchisee: _____
Trade Name (if different from above): _____

**Form of Ownership
(check one)**

___ Individual ___ Partnership ___ Corporation ___ Limited Liability Company

If a **Partnership**, provide name and address of each partner showing percentage owned, whether active in management, and indicate the state in which the partnership was formed.

If a **Corporation**, give the state and date of incorporation, the names and addresses of each officer and director, and list the names and addresses of every shareholder showing what percentage of stock is owned by each.

If a **Limited Liability Company**, give the state and date of formation, the name and address of the manager(s), and list the names and addresses of every member and the percentage of membership interest held by each member.

Franchisee acknowledges that this Statement of Ownership applies to the Outdoor Lighting Business authorized under the Franchise Agreement.

Use additional sheets if necessary. Any and all changes to the above information must be reported to Franchisor in writing.

Date Name

Date Name

**ATTACHMENT D
TO FRANCHISE AGREEMENT**

**COLLATERAL ASSIGNMENT OF TELEPHONE NUMBERS,
TELEPHONE LISTINGS AND INTERNET ADDRESSES**

THIS ASSIGNMENT is entered into this ____ day of _____ 20____, in accordance with the terms of the Outdoor Lighting Perspectives Franchisor, LLC Franchise Agreement (“**Franchise Agreement**”) between _____ (“**Franchisee**”) and Outdoor Lighting Perspectives Franchisor, LLC (“**Franchisor**”), executed concurrently with this Assignment, under which Franchisor granted Franchisee the right to own and operate an Outdoor Lighting Perspectives Franchise located at _____ (“**Franchise Business**”).

FOR VALUE RECEIVED, Franchisee hereby assigns to Franchisor (1) those certain telephone numbers and regular, classified or other telephone directory listings (collectively, the “**Telephone Numbers and Listings**”) and (2) those certain Internet Website Addresses (“**URLs**”) associated with Franchisor’s trade and service marks and used from time to time in connection with the operation of the Franchise Business at the address provided above. This Assignment is for collateral purposes only and, except as specified herein, Franchisor shall have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment, unless Franchisor shall notify the telephone company and/or the listing agencies with which Franchisee has placed telephone directory listings (all such entities are collectively referred to herein as “**Telephone Company**”) and/or Franchisee’s internet service provider (“**ISP**”) to effectuate the assignment pursuant to the terms hereof.

Upon termination or expiration of the Franchise Agreement (without extension of Franchisee’s rights to operate the Franchise Business), Franchisor shall have the right and is hereby empowered to effectuate the assignment of the Telephone Numbers, the Listings and the URLs, and, in such event, Franchisee shall have no further right, title or interest in the Telephone Numbers, Listings and URLs, and shall remain liable to the Telephone Company and the ISP for all past due fees owing to the Telephone Company and the ISP on or before the effective date of the assignment hereunder.

Franchisee agrees and acknowledges that as between Franchisor and Franchisee, upon termination or expiration of the Franchise Agreement, Franchisor shall have the sole right to and interest in the Telephone Numbers, Listings and URLs, and Franchisee appoints Franchisor as Franchisee’s true and lawful attorney-in-fact to direct the Telephone Company and the ISP to assign same to Franchisor, and execute such documents and take such actions as may be necessary to effectuate the assignment. Upon such event, Franchisee shall immediately notify the Telephone Company and the ISP to assign the Telephone Numbers, Listings and URLs to Franchisor. If Franchisee fails to promptly direct the Telephone Company and the ISP to assign the Telephone Numbers, Listings and URLs to Franchisor, Franchisor shall direct the Telephone Company and the ISP to effectuate the assignment contemplated hereunder to Franchisor. The parties agree that the Telephone Company and the ISP may accept Franchisor’s written direction, the Franchise Agreement or this Assignment as conclusive proof of Franchisor’s exclusive rights in and to the Telephone Numbers, Listings, and URLs upon such termination or expiration and that such assignment shall be made automatically and effective immediately upon Telephone Company’s and ISP’s receipt of such notice from Franchisor or Franchisee. The parties further agree that if the Telephone Company or the ISP requires that the parties execute the Telephone Company’s or the ISP’s assignment forms or other documentation at the time of termination or expiration of the Franchise Agreement, Franchisor’s execution of such forms or documentation on behalf of Franchisee shall effectuate Franchisee’s consent and agreement to the assignment. The parties agree that at any time after the date hereof they will perform such acts and execute and deliver such

documents as may be necessary to assist in or accomplish the assignment described herein upon termination or expiration of the Franchise Agreement.

ASSIGNEE

ASSIGNOR

**OUTDOOR LIGHTING PERSPECTIVES
FRANCHISOR, LLC**

~~Franchisee~~ FRANCHISEE

By: _____
Its: _____

By: _____
Its: _____

| Date: _____

Date: _____

**ATTACHMENT F
TO FRANCHISE AGREEMENT**

SAMPLE RELEASE AGREEMENT

[This is a sample release form that generally will be used with or incorporated into a separate agreement. This form is subject to change over time.]

This Agreement (“Agreement”) is entered into this _____ day of _____
20____ (the “Effective Date”) between OUTDOOR LIGHTING PERSPECTIVES FRANCHISOR,
LLC (“Franchisor”), _____ (“Franchisee”), and
_____ (“Guarantors”).

BACKGROUND

- A. Franchisor and Franchisee entered into a franchise agreement dated _____ (the “Franchise Agreement”).
- B. [NOTE: Describe the circumstances relating to the release.]

AGREEMENT

1. [Note terms and details of the Agreement]
2. **Release.**

a. Franchisee and Guarantors, each on behalf of themselves and their present and former, direct and indirect, parents, subsidiaries, affiliates, employees, officers, directors, shareholders, owners, heirs, successors, and assigns (collectively, “Franchisee Parties”) hereby release, waive, and forever discharge Franchisor, and its present and former, direct and indirect, parents, predecessors, subsidiaries, affiliates, employees, officers, directors, shareholders, members, owners, agents, representatives, successors, and assigns (collectively, “Franchisor Parties”) of and from any and all actions, causes of action, suits, losses, liabilities, rights, debts, dues, sums of money, accounts, reckonings, obligations, costs, expenses, liens, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims, and demands, of every kind and nature whatsoever, whether now known or unknown, foreseen or unforeseen, matured or unmatured, suspected or unsuspected, in law, or equity (collectively, “Claims”), which any of such Franchisee Parties ever had, now have, or hereafter can, shall, or may have against any of such Franchisor Parties for, upon, or by reason of any matter, cause, or thing whatsoever from the beginning of time through the Effective Date, including, without limitation, those arising out of or relating to the Franchise Agreement, the Franchised Business, the offer and sale of the Franchised Business, or the franchise relationship between any of the Franchisee Parties and any of the Franchisor Parties. Franchisee and Guarantors, on behalf of the Franchisee Parties, understand that they may later discover Claims or facts that may be different from, or in addition to, those that it or any other Franchisee Party now knows or believes to exist regarding the subject matter of the release contained in this Section 2, and which, if known at the time of signing this Agreement, may have materially affected this Agreement and its decision to enter into it and grant the release contained in this Section 2. Nevertheless, Franchisee and Guarantors, on behalf of themselves and the other Franchisee Parties, intend to fully, finally and forever settle and release all Claims that now exist, may exist, or previously existed, as set out in the release contained in this Section 2, whether known or unknown, foreseen or unforeseen, or suspected or unsuspected, and the release given herein is and will remain in effect as a complete release, notwithstanding the discovery or existence of such additional or different facts. The Franchisee Parties hereby waive any right or Claim that might arise as a result of such different or additional Claims or facts.

b. Franchisee and Guarantors represent and warrant as follows: (i) none of them are aware of any Claim that is not covered by the release contained in this Section 2, (ii) none of them have assigned or transferred any of the Claims released herein to any person or entity and no person or entity has subrogated to or has any interest or rights in any Claims, and (iii) each of them has the full right, power, and authority to enter into this Agreement, to grant on behalf of itself and the other Franchisee Parties the releases contained herein, and to perform its obligations hereunder.

[California-specific language: Franchisee and Guarantors, on behalf of the Franchisee Parties, waive all rights and protections that they have or may have under Section 1542 of the California Civil Code. Section 1542 provides as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Franchisee and Guarantors, on behalf of the Franchisee Parties, acknowledge and agree that the foregoing waiver of Section 1542 is an essential, integral and material term of this release and that they have had adequate opportunity to gather all information necessary to enter into this Amendment and to grant the releases contained herein, and need no further information or knowledge of any kind that would otherwise influence the decision to enter into this Amendment.]

[The following language is to be included if the Washington Franchise Investment Protection Act, RCW 19.100, applies: The general release granted under this Agreement does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules thereunder.]

3. General. No amendment to this Agreement or waiver of the rights or obligations of either party shall be effective unless in writing signed by the parties. This Agreement is governed by the laws of the State of _____ without regard to conflicts of laws principles. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. This Agreement contains the entire agreement and understanding of the parties concerning the subject matter of this Agreement. [NOTE: Detail other miscellaneous provisions.]

IN WITNESS WHEREOF, the parties have executed this Agreement under seal, with the intent that this be a sealed instrument, as of the day and year first above written.

**FRANCHISOR:
OUTDOOR LIGHTING PERSPECTIVES
FRANCHISOR, LLC**

FRANCHISEE:

By: _____
Its: _____

By: _____
Its: _____

GUARANTORS:

_____, Individually

**ATTACHMENT G
TO FRANCHISE AGREEMENT**

**OUTDOOR LIGHTING PERSPECTIVES FRANCHISOR, LLC
SUCCESSOR ADDENDUM TO SUCCESSOR FRANCHISE AGREEMENT**

This Successor Addendum (“**Successor Addendum**”) to the Successor Franchise Agreement is made and entered into this _____ day of _____, 20____, by and between Outdoor Lighting Perspectives Franchisor, LLC (“**Franchisor**”) and _____ (“**Franchisee**”).

BACKGROUND

1. Franchisor and Franchisee entered into a Franchise Agreement dated _____, 20____ (“**Franchise Agreement**”) pursuant to which Franchisee operates an Outdoor Lighting Business in _____. (“**Franchised Business**”).
2. The Franchise Agreement will expire by its own terms on _____, 20_____.
3. Franchisor and Franchisee intend to enter into a successor franchise agreement (“**Successor Franchise Agreement**”) and desire to amend its terms by incorporating the terms of this Successor Addendum into the Successor Franchise Agreement.

AGREEMENT

1. **TERMS.** All references to the term “Initial Term” are deleted and replaced with the term “Successor Term,” and all references to the term “Initial Franchise Fee” are deleted and replaced with the term “Successor Franchise Fee.”
2. **SUCCESSOR TERM.** **Section 3.1** is amended to delete the third sentence and replace it with the following:

“When the Successor Term and any Interim Period expires Franchisee does not have the right to renew Franchisee’s rights to operate the Outdoor Lighting Business. Franchisor, in its sole and absolute discretion, may allow Franchisee to renew its rights to operate the Outdoor Lighting Business for one (1) additional term equal to the length of Franchisor’s current initial term as described in its then-current Outdoor Lighting Perspectives® franchise agreement, provided that Franchisee meets all of Franchisor’s then-current conditions to renew, including the following requirements.”

3. **SUCCESSOR FRANCHISE FEE.** **Section 3.1(f)** is deleted in its entirety and replaced with “Franchisee pays Franchisor the successor franchise fee equal to ten percent (10%) of the then current initial franchise fee, which is due and payable to Franchisor at the time of signing the Successor Franchise Agreement.”
4. **MINIMUM ANNUAL SALES QUOTA.** **Section 4.4** is deleted in its entirety and replaced with the following:

“In order to maintain the Territory, Franchisee must generate at least \$~~250,000~~500,000 in Gross Revenues during each calendar year (“Minimum Annual Sales Quota”). Franchisee’s failure to satisfy the Minimum Annual Sales Quota may result in the reduction or elimination of Franchisee’s Territory or the termination of this Agreement, in Franchisor’s sole discretion.”

5. **FRANCHISE FEE AND ROYALTIES.** Section 5 is amended as follows:

A. Sections 5.2 is deleted in its entirety.

B. Section 5.3(a) is amended by deleting the first sentence in its entirety and deleting the phrase “Commencing with the thirteenth (13th) month of operation,” from the second sentence.

C. The second sentence in Section 5.3(b) is deleted in its entirety and replaced with the following:

“The Minimum Royalty Fee payments commence upon the date of this Agreement, and continue for the Successor Term of this Agreement and any Interim Period.”

D. Section 5.5 is deleted in its entirety.

6. **GUIDANCE, COACHING AND ASSISTANCE.** Sections 7.3(d), 7.3(g) and 7.5 are deleted in their entirety.

7. **FRANCHISEE’S DUTIES, OBLIGATIONS AND OPERATING STANDARDS.** Section 8.2(b) is deleted in its entirety.

8. **ADVERTISING AND PROMOTION.** Section 11 is amended as follows:

Section 11.2 is deleted in its entirety.

9. **RELEASE OF CLAIMS.** As of the date of this Successor Addendum, in consideration for Franchisor entering into the Successor Franchise Agreement, Franchisee does hereby compromise, settle, and absolutely, unconditionally, and fully release, discharge, and hold harmless for itself and each of its respective heirs, executors, administrators, representatives, successors, assigns, officers, members, managers, directors, shareholders, employees, partners, and affiliates (collectively, the “**Franchisee Releasing Parties**”), Franchisor and its past, present and future officers, directors, agents, attorneys, employees, shareholders, successors, assigns, members, managers, and Affiliates (collectively, the “**Franchisor Released Parties**”), for all purposes, of and from any and all claims, debts, demands, damages, costs, expenses, actions, causes of action, or suits of any kind whatsoever, at common law, statutory or otherwise, whether now known or not, whether contingent or matured, including, without limitation, any claim, demand, or cause of action arising out of or in connection with Franchisee’s Franchised Business or the Franchise Agreement or any other contractual relation between Franchisee and Franchisor and/or any Franchisor Released Parties, which Franchisee Releasing Parties may have had or may now have directly or indirectly against any or all of Franchisor Released Parties based upon or arising out of any event, act, or omission that has occurred prior to the date hereof. Franchisee Releasing Parties further covenant and agree to never institute, prosecute or assist others to institute or prosecute, or in any way aid any claim, suit, action at law or in equity, or otherwise assert any claim against any or all of Franchisor Released Parties for any damages (actual, consequential, punitive or otherwise), injunctive relief, or other loss or injury either to person or property, cost, expense, attorneys’ fees, amounts paid on account of recovery or settlement, or any other damage or harm whatsoever, based upon or arising out of any event, act, or omission that has occurred prior to the date hereof.

[The following language is included in the event the Washington Franchise Investment Protection Act, RCW 19.100 and the rules adopted thereunder apply: “The release of claims does not apply with respect

to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.”]

10. **ADDENDUM BINDING.** This Successor Addendum will be binding upon and inure to the benefit of each party and to each party’s respective successors and assigns.

11. **NO FURTHER CHANGES.** Except as specifically provided in this Successor Addendum, all of the terms, conditions and provisions of the Successor Franchise Agreement will remain in full force and effect as originally written and signed.

IN WITNESS WHEREOF, we and you have duly executed this Successor Addendum as of the date first above written.

~~FRANCHISEE:~~ **FRANCHISOR:** ~~FRANCHISEE:~~
OUTDOOR LIGHTING PERSPECTIVES

~~OUTDOOR LIGHTING PERSPECTIVES~~
FRANCHISOR, LLC

By: _____ By: _____
Its: _____ Its: _____

By: _____ By: _____
Its: _____ Its: _____

**ATTACHMENT H
TO FRANCHISE AGREEMENT**

**OUTDOOR LIGHTING PERSPECTIVES FRANCHISOR, LLC
SUCCESSOR ADDENDUM FOR MICRO MARKET FRANCHISE**

This Successor Addendum (“**Successor Addendum**”) to the Franchise Agreement for a Micro Market Franchise is made and entered into this _____ day of _____, 20____, by and between Outdoor Lighting Perspectives Franchisor, LLC (“**Franchisor**”) and _____ (“**Franchisee**”).

BACKGROUND

1. Franchisor and Franchisee entered into a Franchise Agreement and an Addendum dated _____, 20__ (collectively the “**Franchise Agreement**”) pursuant to which Franchisee is licensed to operate an Outdoor Lighting Business in _____. (“**Franchised Business**”) as a micro market franchise (“**Micro Market Franchise**”).
2. The Franchise Agreement will expire by its own terms on _____, 20_____.
3. Franchisor and Franchisee intend to enter into a successor franchise agreement (“**Successor Franchise Agreement**”) and desire to amend its terms by incorporating the terms of this Successor Addendum for a Micro Market Franchise into the Successor Franchise Agreement.

AGREEMENT

1. **TERMS.** All references to the term “Initial Term” are deleted and replaced with the term “Successor Term,” and all references to the term “Initial Franchise Fee” are deleted and replaced with the term “Successor Franchise Fee.”

2. **SUCCESSOR TERM.** Section 3.1 is amended to delete the third sentence and replace it with the following:

“When the Successor Term and any Interim Period expires Franchisee does not have the right to renew Franchisee’s rights to operate the Outdoor Lighting Business. Franchisor, in its sole and absolute discretion, may allow Franchisee to renew its rights to operate the Outdoor Lighting Business for one (1) additional term equal to the length of Franchisor’s current initial term as described in its then-current Outdoor Lighting Perspectives® franchise agreement, provided that Franchisee meets all of Franchisor’s then-current conditions to renew, including the following requirements.”

3. **MINIMUM ANNUAL SALES QUOTA.** Section 4.4 is deleted in its entirety and replaced with the following:

“In order to maintain the Territory, Franchisee must generate at least \$100,000 in Gross Revenue during each calendar year (the “Minimum Annual Sales Quota”). Franchisee’s failure to satisfy the Minimum Annual Sales Quota may result in the termination of this Agreement, in Franchisor’s sole discretion.” In addition, if Franchisee has a Protected Territory, Franchisee’s failure to satisfy the Minimum Annual Sales Quota may result in the reduction or elimination of Franchisee’s Territory or the termination of this Agreement, in Franchisor’s sole discretion.”

4. **FRANCHISE FEE AND ROYALTIES.** **Section 5** is amended as follows:

A. **Sections 5.2** is deleted in its entirety.

B. **Section 5.3(a)** is amended by deleting the first sentence in its entirety and deleting the phrase “Commencing with the thirteenth (13th) month of operation,” from the second sentence.

C. The first two sentences in **Section 5.3(b)** are deleted in its entirety and replaced with the following:

“The Minimum Royalty Fee due to Franchisor per Territory is \$700 (“**Minimum Royalty Fee**”). The Minimum Royalty Fee payments commence upon the date of this Agreement, and continue for the Successor Term of this Agreement and any Interim Period.”

D. **Section 5.5** is deleted in its entirety.

6. **SERVICES AND ASSISTANCE.** **Sections 7.3(b), 7.3(d), 7.3(g) and 7.5** are deleted in their entirety.

7. **FRANCHISEE’S DUTIES, OBLIGATIONS AND OPERATING STANDARDS.** **Section 8.2(b)** is deleted in its entirety.

8. **ADVERTISING AND PROMOTION.** **Section 11** is amended as follows:

A. **Section 11.2** is deleted in its entirety.

B. **Section 11.3** is deleted in its entirety and replaced with the following:

For each 12 month period, commencing on the effective date of this Agreement throughout the Successor Term and any Interim Period, Franchisee will invest a minimum of \$25,000 for each such 12 month period on promotional advertising (“**Individual Advertising Investment**”).

9. **ASSIGNMENT.** **Section 15.7(c)** is deleted in its entirety and replaced with the following:

“Franchisee’s paying to Franchisor a transfer fee in the amount of \$5,000.;

10. **RELEASE OF CLAIMS.** As of the date of this Successor Addendum for a Micro Market Franchise, in consideration for Franchisor entering into the Successor Franchise Agreement for the Micro Market Franchise, Franchisee does hereby compromise, settle, and absolutely, unconditionally, and fully release, discharge, and hold harmless for itself and each of its respective heirs, executors, administrators, representatives, successors, assigns, officers, members, managers, directors, shareholders, employees, partners, and affiliates (collectively, the “**Franchisee Releasing Parties**”), Franchisor and its past, present and future officers, directors, agents, attorneys, employees, shareholders, successors, assigns, members, managers, and Affiliates (collectively, the “**Franchisor Released Parties**”), for all purposes, of and from any and all claims, debts, demands, damages, costs, expenses, actions, causes of action, or suits of any kind whatsoever, at common law, statutory or otherwise, whether now known or not, whether contingent or matured, including, without limitation, any claim, demand, or cause of action arising out of or in connection with Franchisee’s Franchised Business or the Franchise Agreement or any

other contractual relation between Franchisee and Franchisor and/or any Franchisor Released Parties, which Franchisee Releasing Parties may have had or may now have directly or indirectly against any or all of Franchisor Released Parties based upon or arising out of any event, act, or omission that has occurred prior to the date hereof. Franchisee Releasing Parties further covenant and agree to never institute, prosecute or assist others to institute or prosecute, or in any way aid any claim, suit, action at law or in equity, or otherwise assert any claim against any or all of Franchisor Released Parties for any damages (actual, consequential, punitive or otherwise), injunctive relief, or other loss or injury either to person or property, cost, expense, attorneys' fees, amounts paid on account of recovery or settlement, or any other damage or harm whatsoever, based upon or arising out of any event, act, or omission that has occurred prior to the date hereof.

[The following language is included in the event the Washington Franchise Investment Protection Act, RCW 19.100 and the rules adopted thereunder apply: "The release of claims does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder."]

11. **ADDENDUM BINDING.** This Successor Addendum for a Micro Market Franchise will be binding upon and inure to the benefit of each party and to each party's respective successors and assigns.

12. **NO FURTHER CHANGES.** Except as specifically provided in this Successor Addendum for a Micro Market Franchise, all of the terms, conditions and provisions of the Successor Franchise Agreement will remain in full force and effect as originally written and signed.

IN WITNESS WHEREOF, we and you have duly executed this Successor Addendum for a Micro Market Franchise as of the date first above written.

FRANCHISEE: FRANCHISOR: FRANCHISEE:
OUTDOOR LIGHTING PERSPECTIVES

~~FRANCHISEE: FRANCHISOR: FRANCHISEE:~~ **OUTDOOR LIGHTING PERSPECTIVES**
~~FRANCHISOR, LLC~~

By: _____ By: _____
Its: _____ Its: _____

By: _____ By: _____
Its: _____ Its: _____

**ATTACHMENT I
TO FRANCHISE AGREEMENT**

**OUTDOOR LIGHTING PERSPECTIVES FRANCHISOR, LLC
AGGREGATE REPORTING ADDENDUM TO FRANCHISE AGREEMENT**

This Aggregate Reporting Addendum (“**Aggregate Reporting Addendum**”) to the Franchise Agreement is made and entered into this _____ day of _____ 20____, by and between Outdoor Lighting Perspectives Franchisor, LLC (“**Franchisor**”) and _____ (“**Franchisee**”).

BACKGROUND

1. Franchisor and Franchisee are parties to the Franchise Agreements listed in Exhibit A to this Aggregate Reporting Addendum (the “**Franchise Agreements**”) pursuant to which Franchisee operates an Outdoor Lighting Perspectives Franchise at the locations listed in Exhibit A (the “**Franchised Businesses**”) in the territories described in the Franchise Agreements (the “**Territories**”).
2. Franchisor and Franchisee now desire to modify the provisions of the Franchise Agreements as a result of Franchisee owning multiple Franchised Businesses.

AGREEMENT

1. **SINGLE BUSINESS LOCATION.** Franchisor and Franchisee acknowledge and agree that Franchisee will operate the Franchised Businesses from a single business location.
2. **MINIMUM ANNUAL SALES QUOTA.** Franchisor and Franchisee acknowledge and agree that for purposes of calculating the Minimum Annual Sales Quotas described in the Franchise Agreements, Franchisee will not aggregate the Gross Revenues of each of the Franchised Businesses operating under the Franchise Agreements and Franchisee must meet the Minimum Annual Sales Quota in each Territory.
3. **MONTHLY ROYALTY FEE AND NATIONAL BRANDING AND MARKETING FEE.** Provided that Franchisee is in full compliance with the terms of the Franchise Agreements, Franchisor and Franchisee acknowledge and agree that for purposes of determining the Royalty Fee and National Branding and Marketing Fee, Franchisee may aggregate the Gross Revenue of each of the Franchised Businesses operating under the Franchise Agreements.
4. **ROYALTY REPORTS.** Franchisor and Franchisee acknowledge and agree that Franchisee’s statement of the previous month’s Gross Revenue may include the Gross Revenues of all of the Franchised Businesses operating under the Franchise Agreements and that it may submit one royalty report for its Franchised Businesses operating from a single business location.
5. **INDIVIDUAL ADVERTISING INVESTMENT.** Franchisee must spend a minimum of \$100,000 per calendar year on the Individual Advertising Investment if Franchisee is granted two contiguous Territories, plus an additional \$35,000 per calendar year for each additional contiguous Territory owned and operated by Franchisee. Notwithstanding the foregoing, provided that Franchisee is in full compliance with the terms of the Franchise Agreement, Franchisee will only be required to reach the Individual Advertising Investment minimum amounts described in the Franchisee’s longest-standing Franchise Agreement with Franchisor.

6. **RELEASE OF CLAIMS.** As of the date of, and in consideration for Franchisor entering into this Aggregate Reporting Addendum, Franchisee does hereby compromise, settle, and absolutely, unconditionally, and fully release, discharge, and hold harmless for itself and each of its respective heirs, executors, administrators, representatives, successors, assigns, officers, members, managers, directors, shareholders, employees, partners, and affiliates (collectively, the “**Franchisee Releasing Parties**”), Franchisor and its past, present and future officers, directors, agents, attorneys, employees, shareholders, successors, assigns, members, managers, and Affiliates (collectively, the “**Franchisor Released Parties**”), for all purposes, of and from any and all claims, debts, demands, damages, costs, expenses, actions, causes of action, or suits of any kind whatsoever, at common law, statutory or otherwise, whether now known or not, whether contingent or matured, including, without limitation, any claim, demand, or cause of action arising out of or in connection with Franchisee’s Businesses or the Franchise Agreements or any other contractual relationship between Franchisee and Franchisor and/or any Franchisor Released Parties, which Franchisee Releasing Parties may have had or may now have directly or indirectly against any or all of Franchisor Released Parties based upon or arising out of any event, act, or omission that has occurred prior to the date hereof. Franchisee Releasing Parties further covenant and agree to never institute, prosecute or assist others to institute or prosecute, or in any way aid any claim, suit, action at law or in equity, or otherwise assert any claim against any or all of Franchisor Released Parties for any damages (actual, consequential, punitive or otherwise), injunctive relief, or other loss or injury either to person or property, cost, expense, attorneys’ fees, amounts paid on account of recovery or settlement, or any other damage or harm whatsoever, based upon or arising out of any event, act, or omission that has occurred prior to the date hereof.

[The following language is included in the event the Washington Franchise Investment Protection Act, RCW 19.100 and the rules adopted thereunder apply: “The release of claims does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.”]

7. **MISCELLANEOUS.** This Aggregate Reporting Addendum will be binding upon and inure to the benefit of each party and to each party’s respective successors and assigns. Any terms not defined in this Aggregate Reporting Addendum have the meaning given to the terms in the Franchise Agreements.

8. **NO FURTHER CHANGES.** Except as specifically provided in this Aggregate Reporting Addendum, all of the terms, conditions and provisions of the Franchise Agreements will remain in full force and effect as originally written and signed.

IN WITNESS WHEREOF, Franchisor and Franchisee have duly executed this Aggregate Reporting Addendum as of the date first above written.

~~FRANCHISEE:~~ ~~FRANCHISOR:~~ FRANCHISEE:
~~TBD~~ ~~—~~ **OUTDOOR LIGHTING PERSPECTIVES** _____
FRANCHISOR, LLC

By: _____
Its: _____

By: _____
Its: _____

Exhibit A

Date of Franchise Agreement	Franchised Business Location



OUTDOOR LIGHTING PERSPECTIVES FRANCHISOR, LLC

EXHIBIT C

**LIST OF FRANCHISEES
AND
FORMER FRANCHISEES**

Outdoor Lighting Perspectives Franchisees as of September 30, ~~2023~~2024

TERRITORY NAME	OWNER(S)	STREET ADDRESS	CITY	STATE	ZIP	PHONE	E-MAIL
Outdoor Lighting Perspectives of Auburn	Henry Hinton	167 Siena Place	Auburn	AL	36830	334-324-7931	Auburn@outdoorlights.com
Outdoor Lighting Perspectives of Birmingham	Barry and Meaghan Horton	3350 Altamont Road, D-20	Birmingham	AL	35205	205-482-6008	birmingham@outdoorlights.com
Outdoor Lighting Perspectives of Huntsville	Barry and Meaghan Horton	3350 Altamont Road, D-20	Birmingham	AL	35205	205-482-6008	birmingham@outdoorlights.com
Outdoor Lighting Perspectives of Orange Beach / Pensacola	Holly and Lee Barber	5396 Bay La Launch Ave.	Orange Beach	AL	36561	615-823-0405	PNS-OB@outdoorlights.com
Outdoor Lighting Perspectives of Jonesboro	James Jeremy McGinnis	616 Dogwood Lane	Jonesboro	AR	72401	870-530-5614	jonesboro@outdoorlights.com
Outdoor Lighting Perspectives of Little Rock	James Jeremy McGinnis	616 Dogwood Lane	Jonesboro	AR	72401	870-530-5614	jonesboro@outdoorlights.com
Outdoor Lighting Perspectives of Northwest Arkansas	Amy and Britt Hardwick	3588 Brittany Street	Springdale	AR	72404	479-283-0083	nwarkansas@outdoorlights.com
Outdoor Lighting Perspectives of Phoenix - 1	Jim Schwartz	629 E Redondo Drive	Gilbert	AZ	85296	480-571-5938	phoenix@outdoorlights.com
Outdoor Lighting Perspectives of Phoenix - 2	Jim Schwartz	629 E Redondo Drive	Gilbert	AZ	85296	480-571-5938	phoenix@outdoorlights.com
Outdoor Lighting Perspectives of Phoenix - 3	Jim Schwartz	629 E Redondo Drive	Gilbert	AZ	85296	480-571-5938	phoenix@outdoorlights.com
Outdoor Lighting Perspectives of Phoenix - 4	Jim Schwartz	629 E Redondo Drive	Gilbert	AZ	85296	480-571-5938	phoenix@outdoorlights.com
Outdoor Lighting Perspectives of Henderson	Kevin Felton	24672 Overlook Drive	Corona	CA	92883	702-429-9977	henderson@outdoorlights.com
Outdoor Lighting Perspectives of Las Vegas	Kevin Felton	24672 Overlook Drive	Corona	CA	92883	702-429-9977	henderson@outdoorlights.com
Outdoor Lighting Perspectives of North Bay (West Sonoma / Marin County)	Lance Gordon	27 Mariner Green Drive	Corte Madera	CA	94925	415-302-0078	Sonoma-Marin@outdoorlights.com
Outdoor Lighting Perspectives of North Bay	Lance Gordon	27 Mariner Green Drive	Corte Madera	CA	94925	415-302-0078	Sonoma-Marin@outdoorlights.com
Outdoor Lighting Perspectives of North San Diego	Bassam Alkowni and Haseena Khan	2534 Glasgow Drive	Carlsbad	CA	32010	858-205-5268	northsandiego@outdoorlights.com
Outdoor Lighting Perspectives of South Orange County	Laura Bradburn	25652 Fishermans Drive	Dana Point	CA	92629	714-686-5355	ocsouth@outdoorlights.com
Outdoor Lighting Perspectives of Sierra Foothills, CA	William Patrick	2534 Glasgow Drive	Carlsbad	CA	92010	858-205-5268	sierrafoothills@outdoorlights.com
Outdoor Lighting Perspectives of Denver	Mead Noss	4301 South Federal Blvd, Suite 115	Englewood	CO	81110	303-948-9656	colorado@outdoorlights.com
Outdoor Lighting Perspectives of D.C. Metro	Conrad Jakobow	475 K Street NW, Unit 909	Washington	DC	20001	202-888-2718	dcmetro@outdoorlights.com
Outdoor Lighting Perspectives of Jacksonville - 1	Jim Gann	1961 Mipaula Court	Atlantic Beach	FL	32233	904-236-3464	jacksonville@outdoorlights.com

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TERRITORY NAME	OWNER(S)	STREET ADDRESS	CITY	STATE	ZIP	PHONE	E-MAIL
Outdoor Lighting Perspectives of Jacksonville - 2	Jim Gann	1961 Mipaula Court	Atlantic Beach	FL	32233	904-236-3464	jacksonville@outdoorlights.com
Outdoor Lighting Perspectives of South Broward	Johnathan and Adi Gomez	14190 SW 24th St.	Davie	FL	33325	754-422-8823	browardcounty@outdoorlights.com
Outdoor Lighting Perspectives of Clearwater	Robert van der Putten	3360 Lake Shore Lane	Clearwater	FL	33761	727-785-6000	olpclearwater@outdoorlights.com
Outdoor Lighting Perspectives of Tampa	Robert van der Putten	3360 Lake Shore Lane	Clearwater	FL	33761	727-785-6000	olpclearwater@outdoorlights.com
Outdoor Lighting Perspectives of Fort Lauderdale - Boca Raton - 1	Ben Cole	1504 SW 23rd Street	Fort Lauderdale	FL	33315	954-647-5770	FTL-BocaRaton@outdoorlights.com
Outdoor Lighting Perspectives of Fort Lauderdale - Boca Raton - 2	Ben Cole	1504 SW 23rd Street	Fort Lauderdale	FL	33315	954-647-5770	FTL-BocaRaton@outdoorlights.com
Outdoor Lighting Perspectives of Naples - 1	Kurt Shearer	5850 Shirley Street, Suite 103	Naples	FL	34109	239-263-9975	naples@outdoorlights.com
Outdoor Lighting Perspectives of Naples - 2	Kurt Shearer	5850 Shirley Street, Suite 103	Naples	FL	34109	239-263-9975	naples@outdoorlights.com
Outdoor Lighting Perspectives of Sarasota	Brent Franz	422 Murillo Drive	Nokomis	FL	34275	941-539-0258	sarasota@outdoorlights.com
Outdoor Lighting Perspectives of Daytona	Travis Hogue	5729 Saybrook Circle	Sanford	FL	32771	407-794-7447	winterpark@outdoorlights.com
Outdoor Lighting Perspectives of Winter Park	Travis Hogue	5729 Saybrook Circle	Sanford	FL	32771	407-794-7447	winterpark@outdoorlights.com
Outdoor Lighting Perspectives of South Orlando	Travis Hogue	5729 Saybrook Circle	Sanford	FL	32771	407-794-7447	winterpark@outdoorlights.com
Outdoor Lighting Perspectives of Miami, FL - 1	Wadiah Pazos and Nadim Jamid	16672 SW 79th Way	Miami	FL	33193	786-554-8791	miami@outdoorlights.com
*Outdoor Lighting Perspectives of Miami, FL - 2	Wadiah Pazos and Nadim Jamid	16672 SW 79th Way	Miami	FL	33193	786-554-8791	miami@outdoorlights.com
Outdoor Lighting Perspectives of Space Coast, FL	Travis Hogue - Kenny Kaufman	6270 Edgewater Drive, Unit 4800	Orlando	FL	32810	407-602-6286	greaterorlando@outdoorlights.com
Outdoor Lighting Perspectives of West Palm Beach, FL	Travis Hogue - Kenny Kaufman	6270 Edgewater Drive, Unit 4800	Orlando	FL	32810	407-602-6287	greaterorlando@outdoorlights.com
Outdoor Lighting Perspectives of Vero Beach, FL	Travis Hogue - Kenny Kaufman	6270 Edgewater Drive, Unit 4800	Orlando	FL	32810	407-602-6288	greaterorlando@outdoorlights.com
Outdoor Lighting Perspectives of Boynton Beach, FL	Travis Hogue - Kenny Kaufman	6270 Edgewater Drive, Unit 4800	Orlando	FL	32810	407-602-6289	greaterorlando@outdoorlights.com
Outdoor Lighting Perspectives of Augusta	Pat Otis	493 Walton's Ford Court	Grovetown	GA	30813	706-722-5711	olp-ga-sc@outdoorlights.com
Outdoor Lighting Perspectives of North Atlanta - 1	Jason Butler	5212 Belle Wood Court, Suite 203	Buford	GA	30518	770-331-4952	AtlantaNE@outdoorlights.com
Outdoor Lighting Perspectives of North Atlanta - 2	Jason Butler	5213 Belle Wood Court, Suite 203	Suwanee	GA	30518	770-331-4952	AtlantaNE@outdoorlights.com
Outdoor Lighting Perspectives of Coastal Georgia & Hilton Head	Michael Waters	157 Rice Mill	Saint Simons Island	GA	31522	770-238-7423	coastalgeorgia@outdoorlights.com
Outdoor Lighting Perspectives of Des	Trey Peak	4669 Meadow Valley Drive	West Des	IA	50265	563-299-3465	desmoines@outdoorlights.com

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TERRITORY NAME	OWNER(S)	STREET ADDRESS	CITY	STATE	ZIP	PHONE	E-MAIL
Moines			Moines				
Outdoor Lighting Perspectives of Boise	William Ravenscraft	4223 S Rangewood Way	Merdian	ID	83642	616-915-2856	Boise@outdoorlights.com
Outdoor Lighting Perspectives of Chicago	Drew Dennon / Rich Norwood	12305 New Avenue, Unit G	Lemont	IL	60439	630-754-8850	olpehicago@outdoorlights.com
Outdoor Lighting Perspectives of Chicagoland, IL - 2	Drew Dennon	12305 New Avenue, Unit G	Lemont	IL	60439	630-754-8850	olpehicago@outdoorlights.com
Outdoor Lighting Perspectives of Chicagoland, IL - 3	Drew Dennon	12305 New Avenue, Unit G	Lemont	IL	60439	630-754-8850	olpehicago@outdoorlights.com
Outdoor Lighting Perspectives of Indianapolis	Frank and Mitch Sweeney	13167 Knollwood Place	Fishers	IN	46038	773-972-6666	Indianapolis@outdoorlights.com
Outdoor Lighting Perspectives of Kansas City	John Bruce	9515 W. 93rd Street	Overland Park	KS	66212	913-859-9150	olpkansascity@outdoorlights.com
Outdoor Lighting Perspectives of Central Kentucky	Doug Thornberry and Mary McKee	250 Gold Rush Road, Suite 4	Lexington	KY	40503	270-557-2611	centralkentucky@outdoorlights.com
Outdoor Lighting Perspectives of Louisville, KY	Jordan Satterwhite	10109 Hornbeam Boulevard	Louisville	KY	40228	502-262-6466	olp-kentucky@outdoorlights.com
Outdoor Lighting Perspectives of New Orleans	Tim and Janice Charrier	4621 Janice Avenue	Kenner	LA	70065	504-454-0038	olp-neworleans@outdoorlights.com
Outdoor Lighting Perspectives of North Shore	Lori and Ralf Musmann	64 Cochichewick Drive	North Andover	MA	1845	781-315-2918	northshore@outdoorlights.com
Outdoor Lighting Perspectives of Plymouth	Matthew Foley	6 Evsun Drive	Sandwich	MA	2563	508-419-6305	plymouth@outdoorlights.com
Outdoor Lighting Perspectives of Baltimore	Tim O'Brien	9512 Deereco Road	Luterville	MD	21093	410-825-4448	Baltimore@outdoorlights.com
Outdoor Lighting Perspectives of Central Maryland	Tim O'Brien	9512 Deereco Road	Luterville	MD	21093	410-825-4448	Baltimore@outdoorlights.com
Outdoor Lighting Perspectives of Baltimore, MD - 1	Tim O'Brien	9512 Deereco Road	Luterville	MD	21093	410-825-4448	Baltimore@outdoorlights.com
Outdoor Lighting Perspectives of Baltimore, MD - 2	Tim O'Brien	9512 Deereco Road	Luterville	MD	21093	410-825-4448	Baltimore@outdoorlights.com
Outdoor Lighting Perspectives of Central Maryland	Tim O'Brien	9512 Deereco Road	Luterville	MD	21093	410-825-4448	Baltimore@outdoorlights.com
Outdoor Lighting Perspectives of Southwest Michigan	Robert Perkins	4823 Chasemoor Drive	Portage	MI	49024	269-447-8669	swmich@outdoorlights.com
Outdoor Lighting Perspectives of West Coast Michigan	Robert Clark	221 Dogwood Ave.	Ada	MI	49301	616-204-3132	GrandRapids@outdoorlights.com
Outdoor Lighting Perspectives of Grand Rapids	Robert Clark	221 Dogwood Ave.	Ada	MI	49301	616-204-3132	GrandRapids@outdoorlights.com
Outdoor Lighting Perspectives of Minneapolis	Tom Olson / Russ Jundt / Jake Mathre	13460 Hwy 65 NE, Suite 2	Ham Lake	MN	55304	763-434-2483	minneapolis@outdoorlights.com
Outdoor Lighting Perspectives of St. Paul	Tom Olson / Russ Jundt / Jake Mathre	13460 Hwy 65 NE, Suite 2	Ham Lake	MN	55304	763-434-2483	minneapolis@outdoorlights.com
Outdoor Lighting Perspectives of St. Louis	Tim Sostak	303 Stag Industrial Boulevard	Lake Saint Louis	MO	63367	636-561-1818	tsostak@outdoorlights.com

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TERRITORY NAME	OWNER(S)	STREET ADDRESS	CITY	STATE	ZIP	PHONE	E-MAIL
Outdoor Lighting Perspectives of Charlotte, NC—1	Monica Catania	11160 Downs Road	Pineville	NC	28134	704-703-7329	charlotte@outdoorlights.com
Outdoor Lighting Perspectives of Charlotte, NC—2	Monica Catania	11160 Downs Road	Pineville	NC	28134	704-703-7329	charlotte@outdoorlights.com
Outdoor Lighting Perspectives of Charlotte, NC—3	Monica Catania	11160 Downs Road	Pineville	NC	28134	704-703-7329	charlotte@outdoorlights.com
Outdoor Lighting Perspectives of Raleigh	David Rohrer / Rian Conroy	4213 Nectarine Drive	Raleigh	NC	27616	919-854-5566	olpraleigh@outdoorlights.com
Outdoor Lighting Perspectives of Wilmington	Randy Fowler	5202 Carolina Beach Road, Suite 13-C	Wilmington	NC	28412	910-342-0040	wilmington@outdoorlights.com
Outdoor Lighting Perspectives of Southern New Hampshire	Jim Graham	25 Woodland Drive	Merrimack	NH	03054	757-201-9042	SouthernNH@outdoorlights.com
Outdoor Lighting Perspectives of Central New Jersey	Ron Hoffman	25 Misty Pine Lane	Hamilton	NJ	8690	609-658-0233	centralnj@outdoorlights.com
Outdoor Lighting Perspectives of Reno / Lake Tahoe	Matt Burns	303 West 3rd Street, Apt 311	Reno	NV	89501	775-376-2113	reno-laketahoe@outdoorlights.com
Outdoor Lighting Perspectives of Long Island - 1	Andrew Sherman	9 Hyacinth Court	Melville	NY	11747	516-662-2608	olpli@outdoorlights.com
Outdoor Lighting Perspectives of Long Island - 2	Andrew Sherman	9 Hyacinth Court	Melville	NY	11747	516-662-2608	olpli@outdoorlights.com
Outdoor Lighting Perspectives of Westchester / Fairfield	Bart and Micheline DiNardo	242 South Regent Street	Port Chester	NY	10573	914-461-3307	bart@nuclearpool.com
Outdoor Lighting Perspectives of Central New York	Marc and Laura Kowal	2401 E Lake Road	Skaneateles	NY	13152	303-563-9747	CentralNY@outdoorlights.com
Outdoor Lighting Perspectives of Rochester - 1	Brent Conley	51 Edward Lane	Spencerport	NY	14559	585-349-7654	rochester@outdoorlights.com
Outdoor Lighting Perspectives of Rochester - 2	Brent Conley	51 Edward Lane	Spencerport	NY	14559	585-349-7654	rochester@outdoorlights.com
Outdoor Lighting Perspectives of Northern Ohio	Tim Bickett	184 Willow Lane	Chagrin	OH	44022	440-785-3533	northernohio@outdoorlights.com
Outdoor Lighting Perspectives of Columbus - 1	Aaron and Lee Knepp	10855 Fancher Road	Westerville	OH	43082	614-937-0214	olpcolumbus@outdoorlights.com
Outdoor Lighting Perspectives of Columbus - 2	Aaron and Lee Knepp	10855 Fancher Road	Westerville	OH	43082	614-937-0214	olpcolumbus@outdoorlights.com
Outdoor Lighting Perspectives of Columbus - 3	Aaron and Lee Knepp	10855 Fancher Road	Westerville	OH	43082	614-937-0214	olpcolumbus@outdoorlights.com
Outdoor Lighting Perspectives of Dayton, OH	Jim and Vicki Hilliard	2616 Woodbluff Lane	Dayton	OH	45458	937-885-7587	olpohio@outdoorlights.com
Outdoor Lighting Perspectives of Cincinnati, OH	Jim and Vicki Hilliard	2616 Woodbluff Lane	Dayton	OH	45458	937-885-7587	olpohio@outdoorlights.com
Outdoor Lighting Perspectives of Oklahoma City - 1	M. Todd Adcock	4820 Kathy Lynn Drive	Norman	OK	73072	405-834-8961	oklahomacity@outdoorlights.com
Outdoor Lighting Perspectives of Oklahoma City - 2	M. Todd Adcock	4820 Kathy Lynn Drive	Norman	OK	73072	405-834-8961	oklahomacity@outdoorlights.com
Outdoor Lighting Perspectives of	George Council	445 Ashton Drive	King of Prussia	PA	19406	610-721-6398	MontgomeryCo@outdoorlights.com

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TERRITORY NAME	OWNER(S)	STREET ADDRESS	CITY	STATE	ZIP	PHONE	E-MAIL
Montgomery County							
Outdoor Lighting Perspectives of Bucks County	George Council	445 Ashton Drive	King of Prussia	PA	19406	610-721-6398	MontgomeryCo@outdoorlights.com
Outdoor Lighting Perspectives of Delaware Valley	Harold and Andrew Weinstein	18 Watson Mill Lane	Newtown	PA	18940	215-208-2523	Delaware.Valley@outdoorlights.com
Outdoor Lighting Perspectives of Lancaster / Westchester	Harold and Andrew Weinstein	18 Watson Mill Lane	Newtown	PA	18940	215-208-2523	Delaware.Valley@outdoorlights.com
Outdoor Lighting Perspectives of Pittsburgh	David Perlmutter	1408 Parkway View Dr.	Pittsburgh	PA	15205	412-787-5439	OLP-Pittsburgh@OutdoorLights.com
Outdoor Lighting Perspectives of Charleston	Kenny Kaufman	5125 Bush River Road, Suite A	Columbia	SC	29212	803-935-4611	columbiasc@outdoorlights.com
Outdoor Lighting Perspectives of Columbia	Kenny Kaufman	5125 Bush River Road, Suite A	Columbia	SC	29212	803-935-4611	columbiasc@outdoorlights.com
Outdoor Lighting Perspectives of Florence	Will Carter	4579 West Belmont Circle	Florence	SC	29501	843-319-6370	florence@outdoorlights.com
Outdoor Lighting Perspectives of Greenville	Billy Scales	111 Smith Hines Road, Suite I	Greenville	SC	29607	864-292-0002	Greenville@outdoorlights.com
Outdoor Lighting Perspectives of Chattanooga	Joseph Bozich	292 Horse Creek Drive	Chattanooga	TN	37405	423-710-8645	chattanooga@outdoorlights.com
Outdoor Lighting Perspectives of Memphis	John Bowers	860 Oakwood Lane	Collierville	TN	38017	901-854-7111	olp-memphis@outdoorlights.com
Outdoor Lighting Perspectives of Nashville - 1	Bob Lyons, III	429 Houston Street	Nashville	TN	37203	615-373-0638	olpnashville@outdoorlights.com
Outdoor Lighting Perspectives of Nashville - 2	Bob Lyons, III	429 Houston Street	Nashville	TN	37203	615-373-0638	olpnashville@outdoorlights.com
Outdoor Lighting Perspectives of Nashville - 3	Bob Lyons, III	429 Houston Street	Nashville	TN	37203	615-373-0638	olpnashville@outdoorlights.com
Outdoor Lighting Perspectives of Austin - 1	Jason Mannon	12001 Palisades Pointe Cove	Austin	TX	78738	720-339-7079	olpaustin@outdoorlights.com
Outdoor Lighting Perspectives of Austin - 2	Jason Mannon	12001 Palisades Pointe Cove	Austin	TX	78738	720-339-7079	olpaustin@outdoorlights.com
Outdoor Lighting Perspectives of Austin - 3	Jason Mannon	12001 Palisades Pointe Cove	Austin	TX	78738	720-339-7079	olpaustin@outdoorlights.com
Outdoor Lighting Perspectives of San Antonio - 1	Jason Mannon	12001 Palisades Pointe Cove	Austin	TX	78738	720-339-7079	SanAntonioNorth@outdoorlights.com
Outdoor Lighting Perspectives of San Antonio - 2	Jason Mannon	12001 Palisades Pointe Cove	Austin	TX	78738	720-339-7079	SanAntonioNorth@outdoorlights.com
Outdoor Lighting Perspectives of North Texas	Natalia Andrea Busnelli and Marcelo Alejandro Palacios	6201 Glouster Drive	Aubrey	TX	76227	972-815-3812	northtexas@outdoorlights.com
Outdoor Lighting Perspectives of Flower Mound	Jack Moore	1565 W Main Street, Suite 208PMD	Lewisville	TX	75067	972-942-0347	FlowerMound@outdoorlights.com
Outdoor Lighting Perspectives of North Dallas	Rose Bermejo	3864 Siena Drive	Frisco	TX	75033	214-415-7048	ndallas@outdoorlights.com
Outdoor Lighting Perspectives of	Brandon and Kristen	9926 Porto Rico Road	Houston	TX	77041	281-336-8993	westhouston@outdoorlights.com

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TERRITORY NAME	OWNER(S)	STREET ADDRESS	CITY	STATE	ZIP	PHONE	E-MAIL
North Houston	Parker						
Outdoor Lighting Perspectives of West Houston	Brandon and Kristen Parker	9926 Porto Rico Road	Houston	TX	77041	281-336-8993	westhouston@outdoorlights.com
Outdoor Lighting Perspectives of Sugar Land	Brandon and Kristen Parker	9926 Porto Rico Road	Houston	TX	77041	281-336-8993	westhouston@outdoorlights.com
Outdoor Lighting Perspectives of Katy	Brandon and Kristen Parker	9926 Porto Rico Road	Houston	TX	77041	281-336-8993	westhouston@outdoorlights.com
Outdoor Lighting Perspectives of El Paso	Martha and Domingo Holguin	5228 Lakeway Drive	El Paso	TX	79932	915-727-2537	ElPaso@outdoorlights.com
Outdoor Lighting Perspectives of East Dallas	Jeff Klahn	1737 Salvatore Lane	Rockwall	TX	75032	916-229-7130	eastdallas@outdoorlights.com
Outdoor Lighting Perspectives of Utah County	Lee Bender	1292 E 150 S	Lindon	UT	84042	801-792-8861	utahcounty@outdoorlights.com
Outdoor Lighting Perspectives of Salt Lake City, UT - 1	Bryan Parry	3419 S Lorraine Circle	Millcreek	UT	84106	585-506-5499	SaltLakeCity@outdoorlights.com
*Outdoor Lighting Perspectives of Salt Lake City, UT - 2	Bryan Parry	3419 S Lorraine Circle	Millcreek	UT	84106	585-506-5499	SaltLakeCity@outdoorlights.com
Outdoor Lighting Perspectives of Virginia Beach	Jim Graham	4028 Tanglewood Trail	Chesapeake	VA	23325	603-440-8785	VirginiaBeach@outdoorlights.com
Outdoor Lighting Perspectives of Williamsburg - Gloucester	Chuck and Chris Koch	6009 Shady Willow Place	Glen Allen	VA	23059	804-339-4489	Williamsburg@outdoorlights.com
Outdoor Lighting Perspectives of Richmond	Richard Popio	1937 Limbeck Lane	Midlothian	VA	23112	804-503-7404	richmond@outdoorlights.com
Outdoor Lighting Perspectives of Charlottesville / Lynchburg	Richard Popio	1937 Limbeck Lane	Midlothian	VA	23112	804-503-7404	richmond@outdoorlights.com
Outdoor Lighting Perspectives of Northern Virginia - 1	Gary Cobb and Anna Amselle	22826 Arbor View Drive	Ashburn	VA	20148	703-371-8307	northernva@outdoorlights.com
*Outdoor Lighting Perspectives of Northern Virginia - 2	Gary Cobb and Anna Amselle	22826 Arbor View Drive	Ashburn	VA	20148	703-371-8307	northernva@outdoorlights.com
Outdoor Lighting Perspectives of Everett	Robert Bingham	11310 39th Ave SE	Everett	WA	98208	425-308-4709	everett@outdoorlights.com
Outdoor Lighting Perspectives of North Sound, WA	Robert Bingham	11310 39th Ave SE	Everett	WA	98208	425-308-4709	everett@outdoorlights.com
Outdoor Lighting Perspectives of Puget Sound - 1	Robert Bingham	11310 39th Ave SE	Everett	WA	98208	425-308-4709	everett@outdoorlights.com
Outdoor Lighting Perspectives of Puget Sound - 2	Robert Bingham	11310 39th Ave SE	Everett	WA	98208	425-308-4709	everett@outdoorlights.com
Outdoor Lighting Perspectives of South Sound, WA	Richard Newman	4114 N 14th Street	Tacoma	WA	98406	253-600-5652	southsound@outdoorlights.com
Outdoor Lighting Perspectives of West Virginia	Dallas McNab	44 Spruce Ridge	Hurricane	WV	25526	304-548-5020	
Outdoor Lighting Perspectives of Canada (East) Westside Los Angeles	Pamela and Carrington Vanson Bassam Alkowni - Haseena Kohan - Yasin Alkowni	15 Romina 2534 Glasgow Drive	Concord Carl sbad	Ontario CA	L4K4Z9 92010	905-760-0834 858-205-5268	canada@outdoorlights.com northsan-diego@outdoorlights.com

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TERRITORY NAME	OWNER(S)	STREET ADDRESS	CITY	STATE	ZIP	PHONE	E-MAIL
*Outdoor Lighting Perspectives of Denver	Gina Gonzalez	6618 W 96th Avenue	Westminster	CO	80021	303-927-9811	ginabata@gmail.com
Outdoor Lighting Perspectives of Canada (West) Charlotte - 1	Pamela and Carrington Vanson Jason Butler	15 Romina Drive 5153 Bell Wood Court, Suite D	Concord Buford rd	Ontario GA	14K4Z9 30518	905-760-0834 770-892-6444 4	canada@outdoorlights.com AtlantaNE@outdoorlights.com
Outdoor Lighting Perspectives of Charlotte - 2	Jason Butler	5153 Bell Wood Court, Suite D	Buford	GA	30518	770-892-6444	AtlantaNE@outdoorlights.com
Outdoor Lighting Perspectives of Charlotte - 3	Jason Butler	5153 Bell Wood Court, Suite D	Buford	GA	30518	770-892-6444	AtlantaNE@outdoorlights.com
Outdoor Lighting Perspectives of Central GA	Robert Lee Springer, Jr. & Angela C. Springer	944 2nd Avenue	Columbus	GA	31901		west-centralga@outdoorlights.com
Outdoor Lighting Perspectives of Chicagoland 1	Rick Norwood	1098 Norwalk Road	Lemont	IL	60439	630-754-8850	olpchicago@outdoorlights.com
Outdoor Lighting Perspectives of Chicagoland 2	Rick Norwood	1098 Norwalk Road	Lemont	IL	60439	630-754-8850	olpchicago@outdoorlights.com
Outdoor Lighting Perspectives of Chicagoland 3	Rick Norwood	1098 Norwalk Road	Lemont	IL	60439	630-754-8850	olpchicago@outdoorlights.com
Outdoor Lighting Perspectives of Lansing	Robert J. Clark	221 Dogwood Avenue	Ada	MI	49301	616-204-3132	rclark@outdoorlights.com
Outdoor Lighting Perspectives of NW Indiana	Robert Perkins (current franchisee Michigan)	321 Duncan Suite B	Schoolcraft	MI	49087	269-447-8669	rperkins@outdoorlights.com
*Outdoor Lighting Perspectives of SE Michigan	Brett Giles	14309 Greenbriar Drive	Sterling Heights	MI	48313	248-520-2259	bhgiles13@gmail.com
Outdoor Lighting Perspectives of Brandon Lake Norman	Bradley and Serena Cole Stephen Dawson and Deanna Dawson	59 Port Robinson 1411 Audubon Road	Fenthill Charlotte, NC	Ontario NC	LOS 1E028 211-222 6	905-658-2238 408-807-3039	brandon@outdoorlights.com Stephenn.dawson@conservairrigation.com
Outdoor Lighting Perspectives of Knoxville	Stephen Meadows	405 Kingston Street	Lenoir City	TN	37771	706-490-1724	stmeadows@charter.net
Outdoor Lighting Perspectives of North Dallas	Jack & Patricia Moore	1565 W Main Street, Suite 208PMB	Lewisville	TX	75067	972-942-0347	FlowerMound@outdoorlights.com
Outdoor Lighting Perspectives of DFW North - 1	Jack & Patricia Moore	1565 W Main Street, Suite 208PMB	Lewisville	TX	75067	972-942-0347	FlowerMound@outdoorlights.com
Outdoor Lighting Perspectives of DFW North - 2	Jack & Patricia Moore	1565 W Main Street, Suite 208PMB	Lewisville	TX	75067	972-942-0347	FlowerMound@outdoorlights.com
Outdoor Lighting Perspectives of DFW North - 3	Jack & Patricia Moore	1565 W Main Street, Suite 208PMB	Lewisville	TX	75067	972-942-0347	FlowerMound@outdoorlights.com
Outdoor Lighting Perspectives of Utah County - 2	Lee C. Bender, Jr.	1292 E 150 S	Lindon	UT	84042	801-792-8861	utahcounty@outdoorlights.com

*Signed a franchise agreement, but not yet opened as of September 30, ~~2023~~2024

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FRANCHISEES THAT HAVE LEFT THE SYSTEM:

The following is the name and last known address and telephone number of every Franchisee who has had an outlet terminated, cancelled, successful transferred in a sale, not renewed by the franchisor or franchisee, or otherwise voluntarily or involuntarily ceased to do business during ~~2023~~2024 fiscal year or who has not communicated with us within 10 weeks of the date of this Disclosure document:

TERRITORY NAME	OWNER(S)	CITY	STATE	ZIP	PHONE
Outdoor Lighting Perspectives of Louisville	Brook Tafel	Louisville	KY	40222	502-896-6400
Outdoor Lighting Perspectives of Leominster Orange Beach, AL / Worcester Pensacola FL	Eric Longo and Lori Nowakowski Lee & Holly Bender	Leominster Orange Beach	MA IL	01453 3656 1	603-315-6070 61 5-823-0405
Outdoor Lighting Perspectives of Puget Sound Denver	Dan Weinmeister Mead & Catherine Noss	Redmond Englewood	WA CO	98052 8011 0	425-417-4012 (917) 747-6833
* Outdoor Lighting Perspectives of Chicagoland 1	Andrew Denon	Lemont	IL	60439	630-754-8850
* Outdoor Lighting Perspectives of Chicagoland 2	Andrew Denon	Lemont	IL	60439	630-754-8850
* Outdoor Lighting Perspectives of Chicagoland 3	Andrew Denon	Lemont	IL	60439	630-754-8850
* Outdoor Lighting Perspectives of Charlotte - 1	Monica Catania	Pineville	NC	28134	704-703-7329
* Outdoor Lighting Perspectives of Charlotte - 2	Monica Catania	Pineville	NC	28134	704-703-7329
* Outdoor Lighting Perspectives of Charlotte - 3	Monica Catania	Pineville	NC	28134	704-703-7329
* Outdoor Lighting Perspectives of North Dallas	Rose Bermejo	Frisco	TX	75033	(214) 585-2576

*~~Franchisee sold to another Franchisee and left the system~~

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.



OUTDOOR LIGHTING PERSPECTIVES FRANCHISOR, LLC

EXHIBIT D

**LIST OF STATE ADMINISTRATORS AND
AGENTS FOR SERVICE**

EXHIBIT D
LIST OF STATE ADMINISTRATORS
AND AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR/AGENT	ADDRESS
California	Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation	320 West 4 th Street, Suite 750 Los Angeles, CA 90013-2344 1-866-275-2677
Hawaii (State Administrator)	Commissioner of Securities Dept. of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch	335 Merchant Street Room 203 Honolulu, HI 96813
Illinois	Illinois Attorney General	500 South Second Street Springfield, IL 62706
Indiana (State Administrator)	Indiana Securities Commissioner Securities Division	302 West Washington Street, Room E111 Indianapolis, IN 46204
Indiana (Agent)	Indiana Secretary of State	302 West Washington Street, Room E018 Indianapolis, IN 46204
Maryland (State Administrator)	Office of the Attorney General Division of Securities	200 St. Paul Place Baltimore, MD 21202-2020
Maryland (Agent)	Maryland Securities Commissioner	200 St. Paul Place Baltimore, MD 21202-2020
Michigan	Michigan Department of Attorney General Consumer Protection Division	G. Mennen Williams Building, 1st Floor 525 West Ottawa Street Lansing, MI 48933
Minnesota	Commissioner of Commerce Minnesota Department of Commerce	85 7 th Place East, Suite 280 St. Paul, MN 55101-2198
New York (State Administrator)	NYS Department of Law Investor Protection Bureau, Franchise Section	28 Liberty Street, 21 st Floor New York, NY 10005
New York (Agent)	New York Department of State	One Commerce Plaza 99 Washington Ave., 6th Floor Albany, NY 12231
Rhode Island	Director, Department of Business Regulation, Securities Division	1511 Pontiac Avenue John O. Pastore Complex – Building 68-2 Cranston, RI 02920
South Dakota	Department of Labor and Regulation Division of Insurance – Securities Regulation	124 S. Euclid, Suite 104 Pierre, SD 57501
Virginia (State Administrator)	Virginia State Corporation Commission Division of Securities and Retail	1300 East Main Street, 9 th Floor Richmond, VA 23219-3630
Virginia (Agent)	Clerk of the State Corporation Commission	1300 East Main Street, 1st Floor Richmond, VA 23219-3630
Washington	Department of Financial Institutions Securities Division	150 Israel Road SW Tumwater, WA 98501
Wisconsin	Commissioner of Securities	Department of Financial Institutions Division of Securities 4822 Madison Yards Way, North Tower Madison, WI 53705



OUTDOOR LIGHTING PERSPECTIVES FRANCHISOR, LLC

EXHIBIT E

STATE-SPECIFIC ADDENDA

EXHIBIT E

STATE-SPECIFIC ADDENDA TO FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT

The following modifications are to the Outdoor Lighting Perspectives Franchisor, LLC Franchise Disclosure Document and may supersede, to the extent then required by valid applicable state law, certain portions of the Franchise Agreement dated _____, 20_____.

The provisions of this State Law Addendum to Franchise Disclosure Document and Franchise Agreement (“State Addendum”) apply only to those persons residing or operating Outdoor Lighting Business in the following states:

CALIFORNIA

1. The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the Franchise Disclosure Document.
2. Neither Outdoor Lighting nor any person identified in ITEM 2 of the Franchise Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.
3. California Business and Professions Code 20000 through 20043 provides rights to you concerning termination, transfer or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.
4. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law. (11 U.S.C.A. Sec. 101 et seq.).
5. The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.
6. The Franchise Agreement requires binding arbitration. The arbitration will occur in Richmond, Virginia, with the costs being borne by both parties. This provision may not be enforceable under California law.
7. The Franchise Agreement requires application of the laws of Virginia. This provision may not be enforceable under California law.
8. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the Commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.
9. The Franchise Agreement requires you to sign a general release if you renew or transfer your franchise. California Corporations Code § 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§ 31000 through 31516). Business and Professions Code § 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§ 20000 through 20043).
10. The Franchise Agreement requires binding arbitration. The arbitration will occur in Richmond, Virginia, with the costs being borne equally by both parties. Prospective franchisees are

encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.4 Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a Franchise Agreement restricting venue to a forum outside the State of California.

11. Item 19 of the Franchise Disclosure Document is amended to include the following:

The earnings claims figure(s) does (do) not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your (franchised business). Franchisees or former franchisees, listed in the offering circular, may be one source of this information

12. Exhibit G, Additional Disclosure:

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

13. Franchise Agreement, Additional Disclosure:

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPL.CA.GOV.

ILLINOIS

Franchise Disclosure Document

To the extent the Illinois Franchise Disclosure Act, Ill. Comp. Stat. §§705/1 – 705/44 applies, the terms of this Addendum apply.

Item 17, Additional Disclosures. The following statements are added to Item 17:

Illinois law governs the Franchise Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

Exhibit G, Additional Disclosure:

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Franchise Agreement

To the extent the Illinois Franchise Disclosure Act, Ill. Comp. Stat. §§705/1 – 705/44 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Illinois law governs the Franchise Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Your rights upon termination and non-renewal of a franchise agreement are set forth in section 19 and 20 of the Illinois Franchise Disclosure Act.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

MARYLAND

Franchise Disclosure Document

1. Termination for bankruptcy filing may not be enforceable under the U.S. Bankruptcy Act.
2. Item 17(c) is revised to provide that you are not required to sign a release as a condition to renewal.
3. Item 17(m) is revised to provide that you are not required to sign a release as a condition to a transfer.
4. Item 17(v) is revised to provide that you may sue in Maryland or arbitrate in Virginia for claims arising under the Maryland Franchise Registration and Disclosure Law.
5. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.
6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Franchise Agreement

1. Sections 1.1 and 1.8 (Covenants) of the Franchise are deleted.
2. Section 1.2 (Covenants) of the Franchise Agreement is deleted and replaced with, "Franchisee has, or has made firm arrangements to acquire funds to commence, open and operate the Business."
3. Section 3.1(g) (Term of the Agreement and License) of the Franchise Agreement is deleted.
4. Section 15.7(d) (Assignment) of the Franchise Agreement is deleted.
5. Section 17.1(c) (Default and Termination) of the Franchise Agreement is revised to provide that termination upon bankruptcy may not be enforceable under the U.S. Bankruptcy Act.
6. Section 21.1 (Miscellaneous) of the Franchise Agreement is revised to include the following language:

Notwithstanding the provisions of this Section, the Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising

under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

7. Sections 22.1 to 22.5 (Acknowledgments) are hereby deleted. The representations made in Section 22 are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

8. The representations made in Attachment I (Aggregate Reporting Addendum to Franchise Agreement) are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

MINNESOTA

Franchise Disclosure Document

1. Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the UFDD can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
2. We will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Agreement.
3. Item 13 is revised to include the following language:

We will protect your rights to use the trademarks, servicemarks, trade names, logo types or other commercial symbols related to the Marks, or, indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the Marks.
4. Item 17(c) is revised to delete the phrase "sign release." Item 17(m) is revised to delete the phrase "release signed by you."
5. We are prohibited from requiring you to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22, provided that the foregoing shall not bar the voluntary settlement of disputes.
6. Each provision of this State-Specific Addenda shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of Minnesota Statutes, Chapter 80C are met independently without reference to this State-Specific Addenda.
7. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Franchise Agreement

1. Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J prohibit Franchisor from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Franchise Agreement can abrogate

or reduce any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or Franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

2. Outdoor Lighting will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Agreement.
3. Section 10.3 is revised to include the following:

Franchisor will protect your right to use the Marks, or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the Marks.
4. Outdoor Lighting is prohibited from requiring a franchisee to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22, provided that the foregoing shall not bar the voluntary settlement of disputes.
5. Each provision of this State-Specific Addenda shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of Minnesota Statutes, Chapter 80C are met independently without reference to this State-Specific Addenda.
6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

NEW YORK

1. The following language is added to the Risk Factors on cover page of the FDD:

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE PROSPECTUS. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS PROSPECTUS.

WE REPRESENT THAT THIS FRANCHISE DISCLOSURE DOCUMENT DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT.

2. The following paragraphs are inserted at the end of Item 3 of the Franchise Disclosure Document:

Neither the franchisor, its predecessors, nor any person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark has an administrative, criminal or civil action pending (or a significant number of civil actions irrespective of materiality) alleging a felony; a violation or any franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion, unfair or deceptive practices, misappropriation of property or comparable civil or misdemeanor allegations.

Neither the franchisor, its predecessors, nor any person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegation.

Neither the franchisor, its predecessors, nor any person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following paragraphs are inserted at the beginning of Item 4 of the Franchise Disclosure Document:

Neither the franchisor, nor any affiliate or predecessors, officers or general partner of the franchisor, during the 10-year period immediately before the date of the Disclosure Document: (a) filed as debtor (or had filed against it) a petition to start as action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in partnership that either filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of the franchisor held this position in the company or partnership.

Neither the franchisor, nor any affiliate or predecessors, officers or general partner of the franchisor, during the 10-year period immediately before the date of the Disclosure Document filed (or had filed against it) an action in a foreign bankruptcy case.

4. The following language is added to Item 17 of the Franchise Disclosure Document:

Item 17(d) Termination by Franchisee, is revised to include the following: "franchisee may terminate the agreement on any grounds available by law."

Item 17(j) Assignment of contract by Franchisor, is revised to include the following: "However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the franchise agreement."

Item 17(w) Choice of law, is revised to include the following: "The forgoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business law of the State of New York."

5. Franchise Agreement

Section 3.4(a) of the Agreement is revised to include the following language:

Provided, however, that all rights arising in Franchisee's favor from the provisions of Article 33 of the GBL of the State of New York and the regulations issues thereunder shall remain in force; it being the intent of this provision that the non-waiver provisions of GBL, sections 687.4 and 687.5 be satisfied.

VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Outdoor Lighting Perspectives Franchisor, LLC for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure. The following statements are added to Item 17.e.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Outdoor Lighting Perspectives Franchisor, LLC for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure. The following statements are added to Item 17.h.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Exhibit G, Additional Disclosure:

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Franchise Agreement, Additional Disclosure:

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement,

or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

WASHINGTON

Franchise Disclosure Document, Franchise Agreement, and Aggregate Reporting Addendum to Franchise Agreement

RCW 19.100.180 may supersede the franchise agreement and Aggregate Reporting addendum in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

This Addendum is being entered into in connection with the Franchise Agreement and/or Aggregate Reporting Addendum to the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement and, if applicable, the Aggregate Reporting Addendum, the terms and conditions of this Addendum shall apply.

In lieu of an impound of franchise fees, the Franchisor’s performance has been guaranteed by Outdoor Living Brands Holdco LLC. The issuance of franchisor’s permit in the State of Washington is contingent upon maintaining this guarantee, in a form acceptable to the Administrator, until all Washington Franchisees have (i) received all initial training that they are entitled to under the franchise agreement or offering circular, and (ii) are open for business; or the Administrator issues written authorization to the contrary.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Section 1.1 and 1.8 (Covenants) of the Franchise Agreement are deleted.

Section 1.2 (Covenants) of the Franchise Agreement is deleted and replaced with, “Franchisee has, or has made firm arrangements to acquire funds to commence, open and operate the Business.”

Section 22.1 to 22.5 (Acknowledgments) are hereby deleted.

Use of Franchise Brokers. The franchisor uses the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor’s current and former franchisees to ask them about their experience with the franchisor

ACKNOWLEDGMENT

It is agreed that the applicable foregoing State Specific Addenda, if any, supersedes any inconsistent portion of the Franchise Agreement dated the _____ day of _____ 20____, and of the Franchise Disclosure Document.

DATED this _____ day of _____ 20_____.

FRANCHISOR:

FRANCHISEE:

**OUTDOOR LIGHTING PERSPECTIVES
FRANCHISOR, LLC**

By: _____

By: _____

Title: _____

Title: _____



OUTDOOR LIGHTING PERSPECTIVES FRANCHISOR, LLC

EXHIBIT F

**OPERATIONS MANUAL
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OUTDOOR LIGHTING PERSPECTIVES FRANCHISOR, LLC

EXHIBIT G

STATEMENT OF FRANCHISEE

EXHIBIT G

STATEMENT OF FRANCHISEE

This Questionnaire does not apply to franchisees who intend to operate the franchised business in the State of California. Do not complete this Questionnaire or respond to any of the questions contained in the Questionnaire if you intend to operate the franchised business in the State of California.

In order to make sure that no misunderstanding exists between you, the Franchisee, and us, Outdoor Lighting Perspectives Franchisor, LLC, (also called “Outdoor Lighting Perspectives,” the “Franchisor” or “we”) and to make sure that no violations of law might have occurred, and understanding that we are relying on the statements you make in this document, you assure us as follows:

A. The following dates are true and correct:

- | | Date | Initials | |
|----|---------------|----------|---|
| 1. | _____, 20____ | _____ | The date on which I received a Franchise Disclosure Document regarding the Outdoor Lighting Business. |
| 2. | _____, 20____ | _____ | The date of my first face-to-face meeting with Marketing Representative to discuss a possible purchase of an Outdoor Lighting Business. |
| 3. | _____, 20____ | _____ | The date on which I received a completed copy (other than signatures) of the Franchise Agreement which I later signed. |
| 4. | _____, 20____ | _____ | The date on which I signed the Franchise Agreement. |
| 5. | _____, 20____ | _____ | The earliest date on which I delivered cash, check or other consideration to the Marketing Representative or an officer of Outdoor Lighting Perspectives. |

B. Representations.

1. No oral, written, visual or other promises, agreements, commitments, representations, understandings, “side agreements,” options, right-of-first-refusal or otherwise have been made to or with me with respect to any matter (including but not limited to advertising, marketing, site location, operational, marketing or administrative assistance, exclusive rights or exclusive or protected territory or otherwise), nor have I relied in any way on same, except as expressly set forth in the Franchise Agreement or an attached written addendum signed by Outdoor Lighting Perspectives and me, except as follows:

(If none, you should write NONE in your own handwriting and initial.)

2. No oral, written, visual or other promises, agreements, commitments, representation, understandings, “side agreements” or otherwise which expanded upon or were inconsistent with the ~~franchise~~Franchise Disclosure Document or the Franchise Agreement or any attached written addendum signed by me and an officer of Outdoor Lighting Perspectives, were made to me by any person or entity, nor have I relied in any way on same, except as follows:

(If none, you should write NONE in your own handwriting and initial.)

3. Except as expressly set forth in Item 19 of the Franchise Disclosure Document, no oral, written, visual or other claim or representation (including but not limited to charts, tables, spreadsheets or mathematical calculations to demonstrate actual or possible results based on a combination of variables, such as multiples of price and quantity to reflect gross sales, or otherwise,) which stated or suggested a specific level or range of actual or potential sales, costs, income, expenses, profits, cash flow, tax effects or otherwise (or from which such items might be ascertained) from the Outdoor Lighting Business was made to me by any person or entity, nor have I relied in any way on same, except as follows:

(If none, you should write NONE in your own handwriting and initial.)

4. No contingency, prerequisite, reservation or otherwise exists with respect to any matter (including but not limited to my obtaining financing, or my fully performing any of my obligations), nor have I relied in any way on same, except as expressly set forth in the Franchise Agreement or any attached written addendum signed by Outdoor Lighting Perspectives and me:

(If none, you should write NONE in your own handwriting and initial.)

5. The individuals signing for me constitute all of the executive officers, partners, shareholders, investors and/or principals. Each of such individuals has reviewed the Franchise Disclosure Document and all exhibits and carefully read, discussed, understands and agrees to the Franchise Agreement, each attached written addendum and any personal guaranties.

6. I have had an opportunity to consult with an independent professional advisor, such as an attorney or accountant, prior to signing any binding documents or paying any sums, and Outdoor Lighting Perspectives has strongly recommended that I obtain such independent advice. I have also been strongly advised by Outdoor Lighting Perspectives to discuss my proposed purchase of Outdoor Lighting Business with any existing Outdoor Lighting Perspectives franchisees prior to signing any binding documents or paying any sums and Outdoor Lighting Perspectives has supplied me with a list of all existing franchisees if any exist.

7. I understand that a) entry into any business venture necessarily involves some unavoidable risk or loss or failure; b) while the purchase of a franchise may improve the chances for success, the purchase of an Outdoor Lighting Business or any other franchise is a speculative investment; c) investment beyond that outlined in the Franchise Disclosure Document may be required to succeed; d) there exists no guaranty against possible loss or failure in this or any other business; and e) the most important factors in the success of any Outdoor Lighting Business, including the one to be operated by me, are my personal business skills, which include marketing, sales, and management, and require sound judgment and extremely hard work.

8. I understand that this franchise business may be impacted by other risks, including those outside your or our control such as economic, political or social disruption.

If there are any matters inconsistent with the statements in this document or if anyone has suggested that you sign this document without all of its statements being true, correct and complete, immediately inform Outdoor Lighting Perspectives (Phone: 804-853-6999) and our president.

You understand and agree that, except as otherwise included in Item 19 of our Franchise Disclosure Document, we do not furnish, or authorize our salespersons, brokers or others to furnish any oral or written information concerning actual or potential sales, costs, income, expenses, profits, cash flow, tax effects or otherwise (or information from which such items might be ascertained), from franchise or non-franchised units, that no such results can be assured or estimated, and that actual results will vary from unit to unit.

[The following language is included in the event the Washington Franchise Investment Protection Act, RCW 19.100 and the rules adopted thereunder apply: "The Statement of Franchisee does not waive any liability the franchisor may have under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder."]

You understand and agree to all of the foregoing and represent and warrant that all of the above statements are true, correct and complete.

PROSPECTIVE FRANCHISEE:

MARKETING REPRESENTATIVE:

Date: _____ ~~Date:~~

REVIEWED BY FRANCHISOR:

By: _____

Its: _____

Date: _____

Do not sign this Questionnaire if you are a Maryland resident, or the franchise is to be located in Maryland.

Do not sign this Questionnaire if you are a Washington resident, or the franchise is to be located in Washington.



OUTDOOR LIGHTING PERSPECTIVES FRANCHISOR, LLC

EXHIBIT H

PROMISSORY NOTE

(default rate) per year (or if this rate exceeds the maximum permitted by law, then the interest rate will be the highest rate permitted by law); and

- B. ~~to~~ To pay ~~Holder's~~holders actual attorneys' fees and costs incurred in collection efforts as a result of the default, ~~but that amount will not exceed 15% of the then total unpaid balance owing.~~

67. In the event a default exists after the 10 -day notice period as provided above in paragraph 56, Holder[ENTITY NOTEHOLDER] may in addition elect to terminate and cancel the Franchise Agreement(s) between Holder[ENTITY NOTEHOLDER] and Makermaker described in paragraph 78 below in accordance with the provisions of that Agreementagreement(s).

78. This Note constitutes part performance of a certain written Franchise Agreement(s) between Makermaker and Holder[ENTITY NOTEHOLDER] dated the _____ day of _____, 20____, [DATE OF FRANCHISE AGREEMENT(S)] and as such, will be read and interpreted in a manner consistent with the terms of said agreement. Default under the terms of this Note will be sufficient grounds for termination or cancellation of ~~that~~the Franchise Agreement(s) in accordance with the terms of the Franchise Agreement(s).

89. The makermakers and endorsers of this Note waive and excuse presentment for acceptance and payment, notice of dishonor, and protest of dishonor, and agree to any extension of time of payment and partial payments before, at or after maturity.

910. In the event of any sale, transfer assignment, encumbrance or other conveyance of the rights, duties or obligations of maker under the terms of the Franchise Agreement(s) between Makermaker and Holder[ENTITY NOTEHOLDER], the entire unpaid principal and interest balances of this Note as of the date of such sale, transfer, assignment, encumbrance or other conveyance will immediately become due and payable in full without any further notice or demand.

Witness
Maker
Maker

Names of Maker(s):
Address of Maker(s):
Telephone Number(s) of Maker: _____

11. Maker may prepay this Note in whole or in part at any time or from time to time without penalty or premium by paying the principal amount to be prepaid together with accrued interest thereon the date of payment

12. All notices and other communications relating to this Note shall be in writing and shall be deemed given upon the first to occur of (x) deposit with the United States Postal Service or overnight courier service, properly addressed and postage prepaid; (y) transmittal by electronic communication (including email, internet or intranet websites, or facsimile properly addressed (with written acknowledgment from the intended recipient such as "return receipt requested" function, return e-mail, or other written acknowledgment); or (z) actual receipt by an employee or agent of the other party. Notices

hereunder shall be sent to the following addresses, or to such other address as such party shall specify in writing:

(a) If to the Holder:

Address: 2426 Old Brick Road, Glen Allen, Virginia 23060

Attention: Controller

With a copy to: General Counsel

(b) If to the Maker:

Address: [FRANCHISEE ADDRESS]

Attention: [PERSON(S) TO RECEIVE NOTICE ON BEHALF OF FRANCHISE ENTITY]

13. This Note and any claim, controversy, dispute, or cause of action (whether in contract, tort, or otherwise) based on, arising out of, or relating to this Note and the transactions contemplated hereby shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

14. Disputes.

(a) Submission to Jurisdiction.

(i) The maker irrevocably and unconditionally (A) agrees that any action, suit, or proceeding arising from or relating to this Note may be brought in the courts of the Commonwealth of Virginia nearest to Henrico County and (B) submits to the exclusive jurisdiction of such courts in any such action, suit, or proceeding. Final judgment against the maker in any such action, suit, or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(ii) Nothing in this Section 14(a) shall affect the right of the holder to bring any action, suit, or proceeding relating to this Note against the maker or its properties in the courts of any other jurisdiction.

(iii) Nothing in this Section 14(a) shall affect the right of the holder to serve process upon the maker in any manner authorized by the laws of any such jurisdiction.

(b) Venue. The Borrower irrevocably and unconditionally waives, to the fullest extent permitted by law, (i) any objection that it may now or hereafter have to the laying of venue in any action, suit, or proceeding relating to this Note in any court referred to in Section 14(a), and (ii) the defense of inconvenient forum to the maintenance of such action, suit, or proceeding in any such court.

(c) Waiver of Jury Trial. THE MAKER HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY RELATING TO THIS NOTE OR THE TRANSACTIONS CONTEMPLATED HEREBY, WHETHER BASED ON CONTRACT, TORT, OR ANY OTHER THEORY.

AMORTIZATION SCHEDULE
[INSERT AMORTIZATION SCHEDULE]



OUTDOOR LIGHTING PERSPECTIVES FRANCHISOR, LLC

EXHIBIT I

STATE EFFECTIVE DATES

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date:
California	January 26, 2024 Pending
Illinois	January 26, 2024 Pending
Indiana	January 29, 2024 Pending
Maryland	See Separate FDD Pending
Michigan	January 26, 2024 Pending
Minnesota	February 12, 2024 Pending
New York	February 6, 2024 Pending
Virginia	January 28, 2024 Pending
Washington	February 13, 2024 Pending
Wisconsin	January 26, 2024 Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.



OUTDOOR LIGHTING PERSPECTIVES FRANCHISOR, LLC

EXHIBIT J

RECEIPT

RECEIPT
(Retain This Copy)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Outdoor Lighting Perspectives Franchisor, LLC (“Outdoor Lighting”) offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, Outdoor Lighting or an affiliate in connection with the proposed franchise sale. Iowa, and New York require that Outdoor Lighting gives you this disclosure document at the earlier of the first personal meeting or 10 business days (or 14 calendar days in Iowa) before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that Outdoor Lighting gives you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Outdoor Lighting does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580, and the appropriate state agency identified on Exhibit D.

The franchisor is Outdoor Lighting Perspectives Franchisor, LLC located at 2426 Old Brick Road, Glen Allen, Virginia 23060. Its telephone number is (804) 353-6999.

Issuance Date: January ~~26~~24, ~~2024~~2025

Outdoor Lighting’s franchise sellers involved in offering and selling the franchise to you are Michael Glaeser, Chris Haile, Scott Majeski, ~~Tom McCombs~~, Corey Schroeder, R. Scott Sutton, Thomas Welter, Richard Young, Erin Zide, Chris Collier and Scott Zide, 2426 Old Brick Road, Glen Allen, Virginia 23060, (804) 353-6999, or is listed below (with address and telephone number), or will be provided to you separately before you sign a franchise agreement:

Outdoor Lighting authorizes the respective state agencies identified on Exhibit D to receive service of process for us in the particular state.

I have received a disclosure document dated January ~~26~~24, ~~2024~~2025, that included the following Exhibits:

- | | |
|---|---|
| Exhibit A: Financial Statements <u>and Guarantee of Performance</u> | Exhibit E: State-Specific Addenda |
| Exhibit B: Franchise Agreement | Exhibit F: Operations Manual Table of Contents |
| Exhibit C: List of Franchisees | Exhibit G: Statement of Franchisee |
| Exhibit D: List of State Administrators and Agents for Service | Exhibit H: Promissory Note |
| | Exhibit I: State Effective Dates and |
| | <u>Exhibit J: Receipt</u> |

Date

Signature

Printed Name

Date

Signature

Printed Name

**RECEIPT
(Our Copy)**

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| | Exhibit I: State Effective Dates and |
| | <u>Exhibit J: Receipt</u> |

_____	_____	_____
Date	Signature	Printed Name

_____	_____	_____
Date	Signature	Printed Name

Please sign ~~this copy of the receipt, date your signature, and return it to Outdoor Lighting Perspectives Franchisor, LLC at 2426 Old Brick Road, Glen Allen, Virginia 23060.~~ and date both copies of this receipt and keep one copy (Copy for Prospective Franchisee) for your records. If the receipts are not signed using a

software that automatically sends us an executed copy, then mail one copy to the address listed on the front page of this disclosure document or send to Scott Sutton by email to scott.sutton@EmpowerFranchising.com.

OUTDOOR LIGHTING COPY