

BATTERIES PLUS BULBS®
FRANCHISE DISCLOSURE DOCUMENT

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BATTERIES PLUS, L.L.C.
A Wisconsin Limited Liability Company
1325 Walnut Ridge Drive
Hartland, WI 53029
(262) 912-3000
www.batteriesplus.com
www.batteriesplusbulbs.com

Batteries Plus, L.L.C. offers individual and multiple unit franchises for the operation of Batteries Plus Bulbs® stores (“Stores”), selling batteries, light bulbs and other lighting solutions, and related items for the retail consumer and commercial accounts.

The total investment necessary to begin operation of a Store is from \$208,450 to \$385,750. This includes \$103,462 to \$139,962 that must be paid to us or our affiliates. If you sign a Multiple Unit Franchise Agreement, you also must pay us \$10,000 for each Store you commit to develop.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed 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 Tess Sale at 1325 Walnut Ridge Drive, Hartland, Wisconsin 53029, (262) 912-3154.

The terms of your contract will govern your franchise relationship. Don’t 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. More information on franchising, such as “[A Consumer’s Guide to Buying a Franchise](#),” which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC’s home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: March 28, 2014

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. **REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.**

Call the state franchise administrator listed in **Exhibit E** for information about the franchisor, or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT AND MULTIPLE UNIT FRANCHISE AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY NON-BINDING MEDIATION ONLY IN HARTLAND, WISCONSIN, THEN TO BINDING ARBITRATION ONLY IN MILWAUKEE, WISCONSIN. OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO MEDIATE OR ARBITRATE WITH US IN WISCONSIN THAN IN YOUR OWN STATE.
2. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of this franchise.

Effective Date: See the next page for state effective dates

STATE EFFECTIVE DATES

The following states require that the 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 disclosure document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

State	Effective Date	State	Effective Date
California	See separate FDD	New York	March 28, 2014
Hawaii	April 7, 2014	North Dakota	April 1, 2014
Illinois	March 28, 2014	Rhode Island	April 1, 2014
Indiana	March 28, 2014	South Dakota	March 31, 2014
Maryland	April 3, 20	Virginia	May 1, 2014
Michigan	March 28, 2014	Washington	April 11, 2014
Minnesota	April 2, 2014	Wisconsin	March 31, 2014

In the states listed below, the effective date (and issuance date) of this disclosure document is March 28, 2014.

Alabama	Kentucky	North Carolina
Alaska	Louisiana	Ohio
Arizona	Maine	Oklahoma
Arkansas	Massachusetts	Oregon
Colorado	Mississippi	Pennsylvania
Connecticut	Missouri	South Carolina
Delaware	Montana	Tennessee
District of Columbia	Nebraska	Texas
Florida	Nevada	Utah
Georgia	New Hampshire	Vermont
Idaho	New Jersey	West Virginia
Iowa	New Mexico	Wyoming
Kansas		

**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 shall 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 prior to the expiration of its term except for good cause. Good cause shall 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 shall 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 shall 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.

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EXHIBITS

EXHIBIT A	Financial Statements
EXHIBIT B	Multiple Unit Franchise Agreement
EXHIBIT C	Franchise Agreement (and exhibits)
EXHIBIT D	List of Franchise Stores and Former Franchisees
EXHIBIT E	List of State Administrators; Agents for Service of Process
EXHIBIT F	State-Specific Addenda (including form release of claims)
EXHIBIT G	Territory Reservation Agreement
EXHIBIT H	Triple Option Program Addendum
EXHIBIT I	Disclosure Acknowledgment Agreement
EXHIBIT J	Receipts

ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this disclosure document, “we” and “Batteries” means Batteries Plus, L.L.C., the franchisor. “You” means the person who buys the franchise. If a corporation, partnership or limited liability company buys a franchise, “you” also may refer to the shareholders of the corporation, partners of the partnership or members of the limited liability company.

The Franchisor

Batteries is a Wisconsin limited liability company formed on August 30, 1996. Our principal place of business is at 1325 Walnut Ridge Drive, Hartland, Wisconsin 53029; telephone number is (262) 912-3000. Our agents for service of process are disclosed in Exhibit E.

Our Business Experience and Parent

The first retail Batteries Plus® store opened in November 1988. We operate retail stores offering batteries, light bulbs and related accessories and services under the name “Batteries Plus Bulbs” (“Stores”) and sell franchises for the operation of Batteries Plus Bulbs® Stores. Until October 2012, all Stores were operated under the mark “Batteries Plus.” From October 2012 until March 2013, existing franchisees and new franchisees had the option of operating their Stores under the marks “Batteries Plus” or “Batteries Plus Bulbs.” We will require that all existing Batteries Plus® Stores operate under the mark “Batteries Plus Bulbs” no later than December 31, 2016. In this disclosure document, all references to “Batteries Plus Bulbs® franchisees” or “Batteries Plus Bulbs® Stores” also include franchisees and Stores still operating under the mark “Batteries Plus.”

As of December 31, 2013, we operated 40 Stores that are substantially similar to the franchised Stores. BP Limited Partnership (our predecessor) offered franchises for Stores from April 1992 to August 1996. We have offered franchises for Batteries Plus Bulbs® or Batteries Plus® Stores since August 1996.

On November 2, 2007, Batteries Buyer, a Georgia limited liability company, purchased all of the outstanding ownership interests of Square Brands International, LLC, the parent company of Batteries (the “Acquisition”). Contemporaneously, Batteries Plus Holding Corporation, a Georgia corporation, became the parent company and majority owner of the ownership interests of Square Brands International, LLC. All of these companies share our principal business address.

We have no predecessors required to be disclosed in this Item. Other than as described below, neither Batteries, nor any parent, affiliate or predecessor, has ever offered franchises for any other type of business.

Our Affiliates – Ascent

Ascent Battery Supply, L.L.C., a Wisconsin limited liability company (“Ascent”), is our wholly-owned subsidiary and an affiliate that acquires batteries, light bulbs, and other related products as well as services from suppliers for redistribution to Batteries Plus Bulbs® franchisees directly or through designated or approved third-party suppliers. Ascent’s principal business address is 6200 N. Baker Rd., Glendale, WI 53209 (see Item 8 for further discussion).

Affiliated Franchise Programs

Through common control with or common management by either Roark Capital Group, Inc. (“RCG”) or Roark Capital Management LLC, both Atlanta-based management companies affiliated with the private equity firm, Roark Capital Group, we are affiliated with the following franchise programs (“Affiliated Programs”):

FOCUS Brands is the direct or indirect parent company to 6 franchisors, including Carvel Corporation (“Carvel”), Cinnabon, Inc. (“Cinnabon”), Schlotzsky’s Franchise LLC (“Schlotzsky’s”), Moe’s Franchisor LLC (“MF”), Auntie Anne’s Inc. (“Auntie Anne’s”) and McAlister’s Corporation (“McAlister’s”).

Carvel is a leading retailer of branded ice cream cakes in the United States and a producer of premium soft-serve ice cream. Carvel was acquired by RCG in October 2001. Carvel’s principal place of business is 200 Glenridge Point Parkway, Suite 200, Atlanta, Georgia 30342. Carvel has been associated with the ice cream business since 1934. Carvel began franchising retail ice cream shoppes in 1947 and as of December 31, 2013, had 377 domestic retail shoppes (including 39 shoppes co-branded in Schlotzsky’s restaurants operated by our affiliate), 47 international retail shoppes, and 26 foodservice locations operated by independent third parties that offer Carvel® ice cream and frozen desserts including cakes and ice cream novelties. Carvel has not offered franchises in any other line of business.

Cinnabon licenses independent third parties to operate domestic and international franchised Cinnabon® bakeries and Seattle’s Best Coffee® franchises on military bases in the United States and in certain international countries, and to use the Cinnabon trademarks on products dissimilar to those offered in Cinnabon bakeries. On November 4, 2004, FOCUS Brands purchased Cinnabon International, Inc., the parent company of Cinnabon, from AFC Enterprises, Inc. and FOCUS Brands became the parent company of Cinnabon International, Inc. and indirect parent of Cinnabon. Cinnabon’s principal place of business is 200 Glenridge Point Parkway, Suite 200, Atlanta, Georgia 30342. Cinnabon began franchising in 1990 and, as of December 31, 2013, franchisees operated 582 Cinnabon retail outlets in the United States and 558 Cinnabon retail outlets outside the United States and 5 Seattle’s Best Coffee units in the United States and 148 units in other countries. As of December 31, 2013, Cinnabon operated one company-owned Cinnabon retail outlets in the United States. Cinnabon has not offered franchises in any other line of business.

Schlotzsky's franchises Schlotzsky's® quick-casual restaurants which feature sandwiches, pizza, soups, and salads. Schlotzsky's signature items are its "fresh-from-scratch" sandwich buns and pizza crusts that are baked on-site every day. On November 17, 2006, FOCUS Brands, through its wholly owned subsidiary, Schlotzsky's, purchased from Schlotzsky's, Ltd. and its affiliate, Schlotzsky's Real Estate Holdings, Ltd., both Texas limited partnerships, substantially all of the assets, including, among other items, all franchise agreements and trademarks, service marks and other intellectual property, that comprise the Schlotzsky's® restaurant franchise system and the Schlotzsky's brand. Schlotzsky's principal place of business is 11401 Century Oaks Terrace, Suite 400, Austin, Texas 78758. Schlotzsky's restaurant franchises have been offered since 1976. As of December 31, 2013, there were 298 franchised Schlotzsky's restaurants operating in the United States, 39 company-owned restaurants and 8 Schlotzsky's restaurants operating outside the United States. Schlotzsky's has not offered franchises in any other line of business.

On August 29, 2007, MF, a wholly owned subsidiary of FOCUS Brands, purchased from Moe's SWG Holdings, LLC, Moe's Holdings, LLC and Moe's Southwest Grill, LLC, substantially all of the assets, including, among other items, all franchise agreements and trademarks, service marks and other intellectual property, that comprised the Moe's Southwest Grill® fast casual restaurant concept. As a result, MF franchises the Moe's Southwest Grill® fast casual restaurant concept that offers fresh-mex and southwestern food. MF's principal place of business is 200 Glenridge Point Parkway, Suite 200, Atlanta, Georgia 30342. MF's predecessor, Moe's Southwest Grill, LLC, began offering Moe's franchises in 2001. As of December 31, 2013, there were 523 franchised Moe's restaurants operating in the United States, 5 operating outside the United States and 4 company-owned Moe's restaurants in the United States. MF has not offered franchises in any other line of business.

Auntie Anne's franchises Auntie Anne's® facilities that offer soft pretzels, lemonade, frozen drinks and related foods and beverages. On November 5, 2010, FOCUS Brands purchased all the outstanding shares of Auntie Anne's Food, Inc. ("AAFI"), the parent company of Auntie Anne's. Through an acquisition, FOCUS Brands became the indirect parent company of Auntie Anne's. Auntie Anne's principal place of business is 48-50 W. Chestnut Street, Suite 200, Lancaster, Pennsylvania 17603. Auntie Anne's has offered franchises since January 1991. As of December 31, 2013, there were approximately 962 franchised facilities and 15 company-owned stores in the United States and approximately 420 franchised facilities operating outside the United States. Auntie Anne's has not offered franchises in any other line of business.

McAlister's offers full-size and non-traditional fast casual restaurant franchises offering counter-service, on-premises and take-out services featuring a complete or limited line of deli foods, including hot and cold deli sandwiches, baked potatoes, salads, soups, desserts, iced tea and other food and beverage products under the names "MCALISTER'S DELI®" or "MCALISTER'S SELECT®." McAlister's principal place of business is 4501 North Point Parkway, Suite 100, Alpharetta, Georgia 30022 and it has an additional operations center located at 721 Avignon Drive, Suite A, Ridgeland, Mississippi 39157. McAlister's has been franchising since 1999 and as of December 31, 2013 had 275 domestic franchised restaurants and 46 company-owned restaurants. McAlister's became an affiliated franchise program through an acquisition in July 2005 and in October 2013, McAlister's parent was merged with a subsidiary of FOCUS Brands and McAlister's became an indirect subsidiary of FOCUS Brands. McAlister's has not offered franchises in any other line of business.

FASTSIGNS International, Inc. ("FASTSIGNS") is a franchisor of businesses specializing in selling, marketing, producing and installing visual communications including signs (both non-electrical and electrical), graphics, banners, flags, vehicle graphics, vehicle wraps, ADA signage, compliance signs, dimensional letters, dimensional signage, ready-to-apply lettering, exhibits and displays, decals and labels, exhibits, trade show and other displays, digital imaging printing (including small format, large format and grand format), advertising and promotional products (including wearables), electronic or digital signage, 2D barcodes, websites (both regular and mobile-optimized), logo/artwork design and illustration, product wraps and other related graphics, marketing services and other complementary products and services, with its principal place of business at 2542 Highlander Way, Carrollton, Texas 75006. FASTSIGNS has done business under the names American Fastsigns, Inc., FASTSIGNS International, Inc. and FASTSIGNS®. FASTSIGNS has been franchising since 1986 and as of December 31, 2013 had 485 centers in the United States and 47 centers internationally. Additionally, there are 17 SIGNWAVE centers operating in Australia under our Australian master franchisee. FASTSIGNS became an affiliated franchise program through an acquisition in October 2003. FASTSIGNS has not offered franchises in any other line of business.

Primrose School Franchising Company ("Primrose") is a franchisor that offers franchises for the establishment, development and operation of educational child care facilities serving families with children from 6 weeks to 12 years old operating under the Primrose® name. Primrose's principal place of business is 3660 Cedarcrest Road, Acworth, Georgia 30101. Primrose became an affiliated franchise program through an acquisition in June 2008. Primrose has been franchising since 1988 and as of December 31, 2013 had 272 franchised facilities and 1 company-owned facility. Primrose has not offered franchises in any other line of business.

Pet Valu Canada Inc. ("Pet Valu") is a franchisor that offers franchises for specialty retail stores operating under the trademark "Pet Valu" that sell food and supplies for dogs, cats, birds, fish, reptiles and small animals. Pet Valu's principal place of business is 7300 Warden Avenue, Suite 106, Markham, Ontario L3R 9Z6. Pet Valu became an affiliated franchise program through an acquisition in August 2009. Pet Valu has been franchising since 1987. Pet Valu also operates one other small chain of specialty retail pet supply stores in Ontario, Canada and one other chain of specialty retail pet supply stores in British Columbia, Canada. The small Ontario chain operates under the trademark "Paulmac's Pet Foods" and, as of December 28, 2013, there were 14 franchised and 3 company-owned stores. The British Columbia chain, acquired by Pet Valu in

April 2010, operates under the trademark “Bosley’s Pet Food Plus” and, as of December 28, 2013, there were 17 franchised and 29 company-owned stores. As of December 28, 2013, there were 251 franchised and 102 company owned Pet Valu stores operating in Canada, and 123 company-owned Pet Valu stores in the United States. Pet Valu has not offered franchises in any other line of business and currently only offers franchises for the operation of Pet Valu and Bosley’s stores in Canada.

Wingstop Restaurants, Inc. (“WINGSTOP”) is a franchisor of restaurants operating under the WING-STOP® trade name and business system that serve buffalo-style chicken wings and complementary side dishes and beverages. Its principal place of business is 5501 LBJ Freeway, 5th Floor, Dallas, Texas 75240. WINGSTOP became an affiliated franchise program through an acquisition in April 2010. WINGSTOP has been franchising since May 1997 and, as of December 29, 2013, had 593 restaurants operating in the United States (569 franchised and 24 company-owned) and 21 restaurants operating internationally. WINGSTOP has not offered franchises in any other line of business.

CBC Restaurant Corp. (“Corner Bakery”) is a franchisor of fast-casual restaurants operating under the Corner Bakery Cafe® trade name and business system that serve artisan breads, salads, sandwiches, soups and baked goods for breakfast, lunch and dinner. Corner Bakery’s principal place of business is 12700 Park Central Drive, Suite 1300, Dallas, Texas 75251. In June 2011, Corner Bakery became an affiliated franchise program through an acquisition. Corner Bakery has been franchising since June 2006 and, as of December 31, 2013, there were 110 company-owned restaurants and 49 franchised restaurants in the United States. Corner Bakery has not offered franchises in any other line of business.

Arby’s Restaurant Group, Inc. (“Arby’s”) is a franchisor of quick-serve restaurants operating under the Arby’s® trade name and business system that feature slow-roasted, freshly sliced roasted beef sandwiches. Arby’s principal place of business is 1155 Perimeter Center West, Suite 1200, Atlanta, Georgia 30338. In July 2011, Arby’s became an affiliated franchise program through an acquisition. Arby’s has been franchising since 1965 and, as of December 31, 2013, there were approximately 3,267 Arby’s restaurants operating in the United States (2,311 franchised and 956 company-owned), and 135 franchised Arby’s restaurants operating internationally. Predecessors and former affiliates of Arby’s have, in the past, offered franchises for other restaurant concepts including T. J. Cinnamons®. As of December 31, 2013, there were approximately 61 T. J. Cinnamons locations in the United States. T. J. Cinnamons stores serve gourmet baked goods.

Massage Envy Franchising, LLC is a franchisor of businesses that offers professional therapeutic massage services, facial services and related goods and services under the name “Massage Envy” or Massage Envy Spa®. Massage Envy Franchising’s principal place of business is 14350 North 87th Street, Suite 200, Scottsdale, Arizona 85260. In September 2012, Massage Envy became an affiliated franchise program through an acquisition. Massage Envy Franchising has been franchising since 2010 and through its predecessor since 2003. As of December 31, 2013 there were 940 franchised Massage Envy Spas operating in the United States. Additionally, the predecessor of Massage Envy Franchising previously sold franchises for regional developers, who acquired a license for a defined region in which they were required to open and operate a designated number of Massage Envy Spas either by themselves or through

franchisees that they would solicit. As of December 31, 2013, there were 41 regional developers operating 53 regions in the United States. Massage Envy Franchising has not offered franchises in any other line of business.

CKE, Inc., through two indirect wholly-owned subsidiaries (Carl's Jr. Restaurants LLC and Hardee's Restaurants LLC), owns, operates and franchises quick serve restaurants operating under the Carl's Jr.®, Hardee's®, Green Burrito® and Red Burrito® trade names and business systems. Carl's Jr. restaurants and Hardee's restaurants offer a limited menu of breakfast, lunch and dinner products featuring charbroiled 100% Black Angus Thickburger® sandwiches, Hand-Breaded Chicken Tenders, Made from Scratch Biscuits and other related quick serve menu items. Green Burrito and Red Burrito each offer certain Mexican food products in a quick-serve format. Green Burrito franchises are only offered in conjunction with a Carl's Jr. Dual Concept Restaurant that incorporates the Green Burrito Dual Concept System. Red Burrito franchises are only offered in conjunction with a Hardee's Dual Concept Restaurant that incorporates the Red Burrito Dual Concept System. CKE, Inc.'s principal place of business is 6307 Carpinteria Avenue, Suite A, Carpinteria, California 93013. On December 24, 2013, CKE, Inc. became an affiliated company through the acquisition of a substantial majority of CKE, Inc.'s stock. Hardee's restaurants have been franchised since 1961 and Red Burrito Dual Concept restaurants have been franchised since 2006. As of January 27, 2014, there were 457 company-operated Hardee's restaurants, including 318 Red Burrito Dual Concept restaurants, and there were 1264 domestic franchised Hardee's restaurants, including 133 Red Burrito Dual Concept restaurants. Additionally, there were 275 franchised Hardee's restaurants operating outside the United States. Carl's Jr. restaurants have been franchised since 1984 and Green Burrito Dual Concept restaurants have been franchised since 1996. As of January 27, 2014, there were 437 company-operated Carl's Jr. restaurants, including 296 Green Burrito Dual Concept restaurants, and there were 700 domestic franchised Carl's Jr. restaurants, including 315 Green Burrito Dual Concept restaurants. In addition, there were 298 franchised Carl's Jr. restaurants operating outside the United States. Neither CKE, Inc. nor its subsidiaries that operate the above-described franchise systems have offered franchises in any other line of business.

None of the affiliated franchisors are obligated to provide products or services to you; however, you may purchase products or services from these franchisors if you choose to do so.

Except as described above, we have no other parents, predecessors or affiliates that must be included in this Item.

Market and Competition

A Store will have an initial inventory of between 800 and 1,100 different types of batteries and other related products available for the customer for everything from aircraft to zambonis. In addition, a Store will have an initial inventory of between 700 and 900 different types of light bulbs. A Store also will offer device repair services, including the repair and replacement of screens and batteries in items such as smart phones, tablets and other electronic devices. The typical customer includes virtually any individual who needs batteries, light bulbs and related products for home or business. We operate a national accounts program through which we and our franchisees can service commercial accounts operating through multiple unit locations. (See Item 12 for more information.)

Your competition in the market for batteries will include other retailers of automotive parts, accessories and supplies, including auto supply stores, department stores, discount stores and general merchandise stores device repair stores, consumer electronics stores and other franchises offering different lines of batteries. The concept of having a one-stop battery store offering the consumer a complete line of batteries had not been previously developed until we started our concept. Your competition in the market for light bulbs will include other retailers of light bulbs, other lighting solutions and related products and supplies, including hardware stores, electrical supply businesses, lighting showrooms, department stores, discount stores and general merchandise stores. In most markets, the concept of having a one-stop light bulb store offering the consumer a complete line of light bulbs is not well developed.

Franchise Offered

If you are a Multiple Unit Franchisee, you will receive the exclusive right to open a certain number of Stores over a defined period of time in a defined area, as we determine, on the basis of the market potential and the size of the designated area. The term of your Multiple Unit Franchise Agreement generally will not be longer than 3 years and will require you to purchase or lease the approved location of the first Store within 6 months from the date of your Multiple Unit Franchise Agreement and open your first Store within 9 months from the date of your Multiple Unit Franchise Agreement and open your second Store within 24 months from the date of your Multiple Unit Franchise Agreement.

If you are an individual unit franchisee, you will receive the right to own and operate a Store at a location we approve, offering the products and services we approve and using our formats, designs, methods, specifications, standards, operating and marketing procedures and the “Licensed Marks” (as defined in Item 13) under a “Franchise Agreement” including “Batteries Plus Bulbs” (the “System”).

Laws, Licenses and Permits

You should be aware of zoning ordinances and regulations in your proposed territory. In certain areas of the country and affected municipalities, you may be prohibited from installing automobile batteries outside your Store.

Many states have enacted statutes that regulate the sale and disposal of batteries sold at your Store. All states prohibit retailers from discarding nickel cadmium batteries, as they must

be recycled. Some states have statutes that regulate the disposal of all rechargeable batteries. Some states also have statutes that regulate the handling and recycling of certain light bulbs. You should check your state statutes to determine the measures you must take to comply with legislation in your state, as these laws change frequently. In addition, several states impose environmental taxes on nickel cadmium batteries. Laws in all states require the collection of lead-acid batteries and most states have laws that require a point-of-sale notice, deposit or battery disposal fee for lead-acid batteries. State lead-acid battery laws were designed to remove automotive or starting, lighting and ignition (“SLI”) and sealed lead acid (“SLA”) batteries from the solid waste stream. In certain municipalities, zoning ordinances and regulations may prohibit you from installing SLI batteries outside your Store. In addition, several states have enacted laws requiring similar information pertaining to Ni-Cad batteries. The laws covering Ni-Cad batteries specifically target dry cell nickel-cadmium batteries.

Batteries Plus Bulbs® Stores are defined by the government as being waste “generators.” Subtitle C of the Resource Conservation and Recovery Act (RCRA) regulates hazardous waste generators. A “generator” is any person, or site, whose processes and actions create hazardous waste (see 40 CFR 260.10 located on ccfr.gpoaccess.gov). Generators are divided into three categories (large, small, and conditionally exempt), based upon the quantity of waste they produce per month.

Each class of generator is obligated to comply with a varying number of requirements. See EPA site (epa.gov) for the Generator Summary Chart for details. For a list of guidance documents and resources, see the Generator Background Information page.

All large & small quantity generators are required to: (1) obtain an EPA Identification number (available from your state environmental office); (2) comply with the manifest system; (3) handle wastes properly before shipment (packaging, labeling, marking, placarding, accumulation time, etc.); and (4) comply with record keeping and reporting requirements. (See also 40 CFR 262.)

Note that some states may have additional requirements for generators. You should contact your state environmental office if you are not familiar with the requirements that may apply to you.

Our recycling policies comply with the Rechargeable Battery Act (“Battery Act”) adopted in May 1996. The policies are disclosed in our Operations Manual. Our policies address proper handling, storage and disposal of universal waste batteries. You may only send waste batteries to a universal waste handler, or a destination facility or a foreign destination. Our Operations Manual lists the potential battery consolidators and disposal facilities. You also should check your state and local authorities for a listing of battery consolidators and disposal facilities. The Battery Act pre-empts state law by automatically subjecting certain types of batteries to the Rule.

You will need to comply with regulations regarding the testing, packaging and shipping of all batteries, including recycled batteries. In addition, you must package all batteries for shipping to comply with specific government regulations. If you desire to offer a lithium battery

pack that we have not tested, you must have that lithium battery pack tested by an independent third party prior to sale.

You also must comply with various federal and state laws and regulations governing disposal or recycling of certain light bulbs and ballasts. Management and disposal by businesses of fluorescent light bulbs and other mercury-containing bulbs are federally regulated under the Resource Conservation and Recovery Act (RCRA) Universal Waste Rule (UWR) and Subtitle C hazardous waste regulations. In addition, many states have light bulb and ballast disposal regulations that are more stringent than federal requirements.

All fluorescent light bulbs and high discharge (HID) lamps contain mercury. When they are discarded, federal and state regulators assume that light bulbs are a hazardous waste. In most circumstances, waste light bulb generators, such as Batteries Plus Bulbs® Stores, must manage, transport and dispose of light bulbs and some ballasts as a hazardous waste or comply with the more lenient Universal Waste Rule (UWR). The UWR provides streamlined regulations for the management and transportation of light bulbs and ballasts.

In some states, all mercury-added light bulbs are hazardous and must be recycled or disposed as a hazardous waste. Disposal regulations at the state level vary, but generally include more stringent regulations of light bulb disposal, for example in some states, all light bulbs with mercury are hazardous and must be recycled or disposed of as hazardous waste and allow for fewer exemptions under federal law. In most states, Batteries Plus Bulbs® Stores can comply with state and federal rules regulating disposal of light bulbs and ballasts by complying with the streamlined Universal Waste Rule requirements and sending their light bulbs and ballasts for recycling.

Also, you must understand and comply with the Payment Card Industry (PCI) Data Security Standards: <https://www.pcisecuritystandards.org/>, including those standards (and any related laws and regulations) governing privacy and data protection.

In providing authorized device repair services at your Store, you must understand and comply with various federal and state laws and regulations governing the handling of personal private information, including data security and other related consumer protection laws.

Each Store must comply with these laws, and we urge you to become familiar with these specific laws and regulations governing the operation of a Store in your state. You also should check your state and local authorities to determine if there are additional requirements.

ITEM 2

BUSINESS EXPERIENCE

Chief Executive Officer and Member of Operating Committee: Russell Reynolds

Mr. Reynolds has been Chief Executive Officer of Batteries since July 2001. From February 2000 to June 2001, he was Chief Operating Officer for Batteries. Mr. Reynolds also has been a Member of the Operating Committee for Batteries since February 2000.

Chief Operating Officer: Thomas O'Hare

Mr. O'Hare has been Chief Operating Officer of Batteries since October 2005.

Chief Financial Officer: Craig Cooper

Mr. Cooper has been Chief Financial Officer of Batteries since February 2003.

Chief Information Officer: Michael Lehman

Mr. Lehman has held various positions at Batteries since January 2000, including that of Chief Information Officer since March 2004.

Member of Operating Committee: Clayton D. Harmon

Mr. Harmon has been a Member of the Operating Committee since March 2009 and has been an associate with Roark Capital Management, LLC in Atlanta, Georgia since April 2007.

President of Batteries Plus Bulbs Store Group: Rich Reynolds

Mr. Reynolds has been our President of Batteries Plus Bulbs Store Group overseeing all Store operations since September 2012. From August 2006 until August 2012, Mr. Reynolds was the Vice President – Region for Target based out of White Plains, New York.

Vice-President – Marketing: Cathleen Stewart

Ms. Stewart has held various positions at Batteries since May 2004, including that of Vice-President of Marketing since June 2007.

Director of Franchise Administration: Linda Grotta

Ms. Grotta has held various positions at Batteries since August 1988, and has been Director of Franchise Administration since December 2006.

Vice President, Franchise and Business Development: John Twist

Mr. Twist has been Vice President, Franchise and Business Development since August 2008.

Director of Franchise Development: Rod Tremelling

Mr. Tremelling has held various positions at Batteries since September 1994, including that of Director of Franchise Development since November 2004.

ITEM 3
LITIGATION

Concluded Litigation

Columbia Sportswear Company v. Batteries Plus, L.L.C. et al. (Oregon Circuit Court for Multnomah County, Case No. 1201-01147). In January 2012, Columbia Sportswear Company (“Columbia”), an Oregon-based company, brought suit against us and a Batteries Plus® franchisee (“Franchisee”), alleging breach of warranty and breach of contract arising out of the Franchisee’s sale of batteries to Columbia, which were sourced through the Batteries Plus® supply chain program. Columbia alleged that the batteries sold to it were defective and that we also were liable because the Franchisee allegedly was our agent and that we sourced the products sold to Columbia, approved the sale of custom products to Columbia and authorized and directed the Franchisee’s activities. Columbia sought \$1,900,000 in direct damages and consequential damages in an unspecified amount. In August 2012, Franchisee and we settled the case with Columbia. Under the terms of the settlement agreement, Franchisee and we agreed to pay Columbia \$1,400,000 in exchange for a general release of claims. Additionally, we retained the right to seek indemnification claims against the manufacturer of the products.

In re Arbitration between Peak Batteries California, LLC, et al v. Batteries Plus, L.L.C. (commenced November 19, 2008) (removed from San Diego County, Central District, Superior Court of California Case No. 37-2007-00072132-CU-BC-CTL). Peak Batteries California, LLC (“Peak”), and its related entity, Peak Investments, LLC (collectively, the “Peak Entities”), each were parties to a franchise agreement with Batteries, for Batteries Plus® stores located in Southern California. Peak and Batteries also were parties to a multiple unit franchise agreement which was terminated in September 2007. In October 2007, Peak filed an action against Batteries which was amended in February 2009. Under the action (as amended), Peak alleged breach of contract for failure to honor contractual obligations and certain related promises; misrepresentations relating to specifications, pricing and warehousing of certain product and promised levels of additional franchise support; negligence in performing certain duties and in conducting certain activities; intrusion into private affairs relating to Batteries’ access to Peak’s computer system; breach of California Corporations Code Section 31201 and related sections based on claims that Batteries made misrepresentations regarding sales, earnings potential, product distribution and program costs; violation of California Code Section 17200; intentional interference with contract and prospective economic advantage, breach of the implied covenant of good faith and fair dealing; and violation of the Cartwright Act. Peak sought compensatory damages, attorney’s fees and costs, punitive damages, rescission of the agreements and injunctive relief involving these claims. Consistent with provisions of the agreements between Batteries and the Peak Entities, Batteries filed a motion to dismiss the case and compel arbitration. In February 2008, the Court granted Batteries’ motion and ordered the parties to arbitrate the dispute in California. After the case was transferred to arbitration, Batteries filed and Answer and Counterclaim against the Peak Entities and their personal Guarantor, Michel Boyce (“Boyce”), denying the allegations of the Peak Entities and seeking damages for (among other claims) breach of contract under the franchise agreement. On May 2, 2011, the arbitrator issued a Final Award in which: (1) Batteries was declared the prevailing party respecting breach of contract claims under the multiple unit and individual franchise agreements and was awarded

damages of \$263,947 resulting from Peak's breach of the multiple unit franchise agreement and one of the franchise agreements, together with \$814,213 in attorneys' fees and cost of arbitration, for a total damage award of \$1,078,160; (2) Batteries' remaining counterclaim for declaratory relief was denied; (3) Peak was awarded rescission, including damages of \$1,166,100, for breach of an oral promise by a former Batteries' employee in 2004 to buy back Peak's franchised stores; and (4) all of Peak's remaining contract, statutory and other claims were denied; and (6) Peak's request for attorneys' fees in this matter was denied. In July 2011, Batteries and the Peak Entities entered into a Settlement Agreement and Mutual General Release in which: (i) the parties acknowledged the termination of the franchise agreements for the franchise stores; (ii) Batteries on the one hand and the Peak Entities on the other hand released each other and certain related entities from various claims such individuals or entities may have had; and (iii) Batteries paid Peak the sum of \$85,663.13 in full satisfaction of all damages payable under the Final Award.

InterState Battery System of America, Inc., et al. v. Batteries Plus, L.L.C. (U.S. District Court for the Northern District of Texas, Court File No. 3:09-cv-1132). In December 2008, InterState Battery System of America, Inc. ("IBSA") brought claims in Texas state court under the Lanham Act and Texas common law for trademark infringement, trademark dilution, and related claims against unnamed defendants operating a website at "allbatteryfranchises.com" IBSA claimed that the defendant(s) established the website to divert customers and potential customers from IBSA's website to the defendants' website and infringed IBSA's alleged trademark "All Battery" despite a disclaimer of those words as required by the U.S. Patent and Trademark Office in a then-current IBSA trademark application. We operated the website in question for a brief period of time until early 2009. In June 2009, we were served with IBSA's Amended Complaint in the Texas lawsuit, which named us as a defendant. We removed the case to U.S. District Court for the Northern District of Texas. In September 2009, we settled the case with IBSA. Under the terms of the settlement agreement, we agreed to transfer to IBSA all websites with the name "All Battery," not to seek registration of any trademark rights in "All Battery" and not to use or register any domain name with the term "All Battery." We also agreed to pay IBSA \$25,000 and a portion of its attorney's fees.

Other than these actions, no litigation is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

As a result of the continued precipitous downturn in the residential housing market in New England and the deepening economic crisis within the U.S. economy, on March 3, 2008, Wood Structures, Inc. and its subsidiary, Wood Assonet Corporation (collectively, "Wood Structures"), each filed separate petitions for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy Code in the United States Bankruptcy Court for the District of Maine. In re Wood Structures, Inc. (Case No. 09-20245) and In re Wood Assonet Corporation (Case No. 09-20246). On April 7, 2009, pursuant to an order of the Bankruptcy Court, the Chapter 11 proceeding was converted to a Chapter 7 liquidation case. The case was closed on January 28, 2014 with the liquidation of Wood Structures. Prior to liquidation, Wood Structures had not engaged in

business with us or our franchise system, nor had it offered franchises. Wood Structures was our affiliate solely as a result of common ownership.

Due to the financial crisis in the United States mortgage markets in or about 2008, numerous mortgage companies filed for bankruptcy, on November 5, 2008, Ace Holding Company, LLC and its subsidiaries, Ace Mortgage Funding, LLC, Ace Imaging, LLC and Archer Land Title, LLC (collectively, "Ace Companies"), each filed separate petitions for liquidation under Chapter 7 of the U.S. Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware. In re Ace Mortgage Funding, LLC (Case No. 08-12645-CSS), In re Ace Holding Company, LLC (Case No. 08-12642-CSS), In re Ace Imaging, LLC (Case No. 08-12644-CSS) and In re Archer Land Title, LLC (Case No. 08-12643-CSS). Those cases are pending. The Ace Companies have not engaged in business with us or our franchise system, nor have they offered franchises. The Ace Companies are our affiliates solely as a result of common ownership.

Other than these actions, no bankruptcies are required to be disclosed in this Item.

ITEM 5

INITIAL FEES

We offer an individual unit franchise and territory development rights under a multiple unit franchise. The "Initial Franchise Fee" for an individual unit franchise is \$37,500 for each Store. The Initial Franchise Fee is due when you sign the Franchise Agreement and is not refundable under any circumstances.

If you sign a Multiple Unit Franchise Agreement, the "Multiple Unit Territory Fee" is \$10,000 for each Store you agree to establish under the "Development Schedule" described in the Multiple Unit Franchise Agreement. The Multiple Unit Territory Fee that you pay for each Store will be credited against the applicable Initial Franchise Fee for that Store. The Multiple Unit Territory Fee and the Initial Franchise Fee must be paid in certified funds or by wire transfer and are not refundable under any circumstances. We provide a program which allows for the payment of a discounted Initial Franchise Fee if you are willing to commit to open two or three Stores. The total Initial Franchise Fee for the two Store program is \$67,500. The Initial Franchise Fee for the first Store is \$37,500 and the Initial Franchise Fee for the second Store is \$30,000. Under the two Store program, you would pay us \$47,500 when you sign the Franchise Agreement for the first Store and the Multiple Unit Franchise Agreement, \$37,500 of which is the Initial Franchise Fee for the first Store and \$10,000 of which is the Multiple Unit Territory Fee for the second Store. The balance of \$20,000 for the second Store would be due when you deliver the complete site report for the Store or 90 days before you must open that Store under the Development Schedule, whichever occurs first. The total Initial Franchise Fee for the three Store program is \$87,500. The Initial Franchise Fee for the first Store is \$37,500 and the Initial Franchise Fee for each of the second and third Stores is \$25,000. Under this program, you would pay \$57,500 when you sign the Franchise Agreement for the first Store and the Multiple Unit Franchise Agreement, \$37,500 of which is the Initial Franchise Fee for the first Store and \$20,000 of which is the Multiple Unit Territory Fee for the second and third Stores. The balance of \$15,000 for each of the second and third Stores would be due when you deliver the complete

site report for each Store or 90 days before you must open that Store under the Development Schedule, whichever occurred first. If you participate in this program in order to receive a discounted multiple Store Initial Franchise Fee, the Multiple Unit Territory Fees are not refundable under any circumstances.

Below is a summary of the fees due to us under a single Store Franchise Agreement or a Multiple Unit Franchise Agreement:

	SINGLE STORE	TWO STORE PROGRAM	THREE STORE PROGRAM
INITIAL FRANCHISE FEE – STORE 1	\$37,500	\$37,500	\$37,500
INITIAL FRANCHISE FEE – STORE 2	NA	\$30,000	\$25,000
INITIAL FRANCHISE FEE – STORE 3	NA	NA	\$25,000
MULTIPLE UNIT TERRITORY FEE (CREDIT TOWARDS FUTURE INITIAL FRANCHISE FEES)	NA	\$10,000	\$20,000
DUE AT SIGNING OF THE INITIAL FRANCHISE AGREEMENT (AND MULTIPLE UNIT FRANCHISE AGREEMENT, IF APPLICABLE)	\$37,500	\$47,500	\$57,500
BALANCE DUE (PER STORE) AT THE EARLIER OF: (A) DELIVERY OF COMPLETED SITE REPORT; OR (B) 90 DAYS BEFORE YOU MUST OPEN THE STORE	NA	\$20,000	\$15,000

As a member of the International Franchise Association’s VetFran program, we will offer you a \$10,000 discount off your Initial Franchise Fee for your first Store if you are a veteran who purchases your franchise through the IFA’s VetFran program.

We currently are offering the “Commit Program” to certain qualifying existing franchisees who desire to reserve a market area in which to develop an additional Store. Under the Commit Program, you will pay a discounted Initial Franchise Fee of \$30,000, and sign a Territory Reservation Agreement attached as Exhibit G. We will reserve for you a certain market area for a 6-month period. You must pay us a non-refundable deposit of 20% of the Initial Franchise Fee (or \$6,000) when you sign the Territory Reservation Agreement. If you fail to sign a Franchise Agreement for a Store in the market area during the 6-month period, the Territory Reservation Agreement will terminate, we will keep the \$6,000 deposit and you will have no further rights in that market area. If we and you sign a Franchise Agreement during that 6-month period, you must sign our then-current Franchise Agreement and pay us the \$24,000 balance of the Initial Franchise Fee. To participate in the Commit Program, you must have been a Batteries Plus Bulbs® franchisee for 3 years, must commit to develop a Store in the market we designate, meet our minimum financial requirements for net worth and cash liquidity, comply with all Store hour requirements, have the recommended percentage of inventory in stock, and be in good standing under your current Franchise Agreements. In addition, you must sign the

Territory Reservation Agreement by March 25, 2015. A copy of the Territory Reservation Agreement is attached as Exhibit G.

We also currently are offering the “Triple Option Program” to certain qualifying existing franchisees. Under the Triple Option Program, you will pay a discounted Initial Franchise Fee of \$27,500 and you may be eligible for two other incentive options depending on when you open your Store. To participate in the Triple Option Program, you must have been a Batteries Plus Bulbs® franchisee for at least 2 years, meet our financial requirements for net worth and cash liquidity, comply with all Store hour requirements, have the recommended percentage of inventory in stock, be in good standing under your current Batteries Plus Bulbs® Franchise Agreements, participate in our National Accounts Program, and satisfy our recommended standards for commercial sales activity. In addition, you must sign the Franchise Agreement under the Triple Option Program by December 31, 2014, and open the Store within 9 months after the effective date of the Franchise Agreement. As a second incentive option, if we approve you to open your Store and you open your Store within 5 months after the effective date of the Franchise Agreement, you will be credited \$5,000 towards your new Store initial inventory order with Ascent. As a third incentive option, if we approve you to open your Store and you open your Store by December 15, 2014, you will receive 6 months, interest free credit terms on up to \$80,000 of your new Store initial inventory order with Ascent. A copy of the Triple Option Program addenda is attached as Exhibit H.

In addition to the Initial Franchise Fee, you will pay us a fee for “POS System” access and development that includes access to the Counterpoint® Software, the ProSource™ Software and the B2B™ Software, and licenses for the store web security software, Citrix POS System connectivity fee, and the Symantec Endpoint Protection. (See “Point-of-Sale System” under Items 7 and 11 for further information.) The current POS System access development fee for Stores opening before March 31, 2014, is \$18,462 (which includes a \$1,500 development fee for the B2B Software). You must pay the then-current fees on or before the date you open your Store for business. These fees are not refundable under any circumstances.

Franchisees purchase most of the initial inventory of batteries, light bulbs and related products from Ascent (although the batteries and battery-related products are available from other sources). The inventory costs range from \$41,000 to \$45,000. Separately, you must pay Ascent approximately \$5,000 for certain Store signage, point of purchase materials and related costs. Finally, you must purchase some of your equipment from Ascent. The equipment costs approximately \$14,000.

ITEM 6

OTHER FEES

Type of Fee	Amount (See Note 1)	Due Date	Remarks
Royalty and Service Fee	5% of total Net Revenues on all products and services (See Note 3)	Payable monthly by electronic funds transfer on or before the 10 th day of the month following month in which sales were made.	See Note 2

Type of Fee	Amount (See Note 1)	Due Date	Remarks
Income and Sales Taxes	We may collect from you the cost of all taxes arising from our licensing of intellectual property to you in the state where your Store is located, as well as any assessment on fees and any other income we receive from you.	Payable monthly by electronic funds transfer at same time as royalty and service fee.	Only imposed if state collects these taxes or assessments.
National Marketing and Promotional Fee	1% of total Net Revenues	Payable by electronic funds transfer at same time as royalty and service fee.	Used for national marketing and promotional activities. See Item 11
Local Advertising	You must spend a minimum of \$20,000 in first 120 days of Store operations on an approved Store opening campaign. In addition, you must spend a minimum of 4% of total Net Revenues during the first calendar year and the greater of 4% of Net Revenues or \$15,000 during each subsequent calendar year (when combined with cooperative advertising expenses).	Minimum amount must be spent during each calendar year (except for 120-day requirement for Store opening campaign).	See Note 4
Advertising Cooperative	Amount determined by local cooperative but cannot exceed 4% of Net Revenues.	Established by Batteries or franchisees	Contributions to Advertising Cooperative are used for regional and local advertising and are credited to your obligation to spend 4% of Net Revenues on local advertising. See Note 4
Development Schedule Extension Fee	\$2,500 per Store for an extension of up to 6 months	Payable when you request an extension to the Development Schedule under the Multiple Unit Franchise Agreement.	Limited to a single extension per Store (if we allow extension).
Franchise Agreement Extension Fee (See Note 5)	\$2,500 for an extension of up to 6 months	Payable when you request an extension of time in which to open the Store.	Limited to a single extension to the time period in which to open the Store (if we allow extension).
Store Relocation Fee	\$4,500	Payable before we review the proposed new Store site.	Payable if you desire to change the location of your Store.

Type of Fee	Amount (See Note 1)	Due Date	Remarks
Transfer Fee	20% of then-current standard Initial Franchise Fee	Before completion of transfer.	See Note 6
Renewal Fee	20% of then-current standard Initial Franchise Fee	At least 30 days before renewal of Franchise Agreement.	
Remodeling Expenses	Will vary under circumstances	When incurred	See Note 7
Costs and Attorneys' Fees	Will vary under circumstances	When incurred	We may recover costs and reasonable attorneys' fees if you lose in a dispute with us.
Audit	Cost of audit plus 1½% interest per month from due date.	30 days after billing	Payable only if audit shows an understatement of at least 2% of Net Revenues for any month.
Interest Expenses	Lesser of 18% per year or the maximum rate permitted by law	When due	Payable if you do not timely pay Royalty and Service Fee, NMF Fee or other amounts owed to Batteries or our affiliates.
Insurance	Cost of insurance	Payable before opening	If you fail to obtain and maintain required insurance, we may immediately obtain insurance and you must promptly reimburse us for insurance, including late charges.
Software Support	Varies, currently \$265 per month	Payable monthly	See Item 11
National Accounts Program Fees	Varies, includes administrative fee on certain product and reimbursement of our program expenses	Will vary depending on fee	See Note 8
E-Commerce Program Fees	Varies, includes administrative fees to reimburse us for operational expenses and services provided to you.	Will vary depending on fee	See Note 9 and Item 12

Type of Fee	Amount (See Note 1)	Due Date	Remarks
Commercial Sales Training	Varies, currently \$2,500 per year	When incurred	See Note 10
Regional Workshops and Supplemental and Refresher Training	Varies, currently \$0 - \$150 per day	When incurred	See Item 12
National Conventions	Varies, currently \$479 per person plus lodging, meals and travel expenses	When incurred	See Item 9
Payments to Ascent Relating to Products Purchased Through Supply Chain Program	Will vary	When incurred	See Item 8
PCI Compliance Program Fee	\$75 per month	Payable monthly	See Item 11

Notes:

- (1) Except where otherwise noted, all fees are payable to us, are non-refundable, and are uniformly imposed.
- (2) “Net Revenues” generally means the aggregate amount of all sales of goods and services (including service charges in lieu of gratuity), whether for cash, on credit or otherwise, made or provided in connection with the Store, but excluding taxes paid or accrued by you.
- (3) We have elected, at our option, to periodically provide to select franchisees that joined the System before April 2011 and met certain other conditions a rebate of a portion of the Royalty and Service Fees in excess of 4% of Net Revenues. These franchisees generally include multi-unit franchisees, each of which satisfy certain minimum cumulative annual Net Revenues or certain minimum average annual unit Net Revenues, and other franchisees that satisfy certain minimum average annual unit Net Revenues. For calendar year 2014, multi-Store franchisees must satisfy either the minimum annual cumulative Net Revenue amount of \$9,758,376 or the minimum average annual unit Net Revenues of \$1,626,396; and single Store franchisees must satisfy the minimum annual Net Revenue of \$1,897,462.
- (4) You must spend a minimum of \$20,000 in the first 120 days of Store operations on an approved Store opening campaign. If you do not spend the required minimum amount during the calendar year for approved cooperative or local advertising, you must deposit with us the difference between what you should have spent for advertising during the calendar year and what you actually spent for advertising during the calendar year. We will deposit these monies in the NMF Fund (see Item 11 for further discussion).

- (5) This fee (and the extension request) applies only if you have not previously received an extension for this Store under a Multiple Unit Franchise Agreement.
- (6) You pay this fee when the Franchise Agreement or a substantial portion of the assets of the Store or any controlling interest in you is transferred.
- (7) You must remodel your Store on notice from us. Any refurbishing must comply with our then-current standards for Batteries Plus Bulbs® Stores. The scope of refurbishing may range from simply painting the Store to completely refurbishing the entire Store, including replacement of fixtures, signs, supplies and equipment. We cannot estimate the current cost for a refurbishing project because the refurbishing requirements will vary from Store to Store. You may make these payments in whole or in part to various third parties. If you relocate your Store, you will incur certain build-out or remodeling expenses at the new Store premises in addition to paying us the relocation fee.
- (8) The fees include an administrative fee based on a percentage of Net Revenues on product sold to national accounts customers in your service and revenue area, and reimbursement (from a separate national accounts pool) of our expenses related to the operation of the National Accounts Program.
- (9) If you qualify, you must participate in the E-Commerce Program and pay these fees to us or reimburse us for certain operational expenses related to operation of the E-Commerce Program.
- (10) If you do not maintain minimum Net Revenue attributable to commercial sales in operating your Store, as described in Item 11, we may require you to attend commercial sales training each year.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure (See Note 1)	Amount (See Note 2)	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee See Note 3	\$25,000 to \$37,500 See Note 3	Lump Sum	When you sign the Franchise Agreement	Batteries
Real Estate See Note 4	See Note 4	See Note 4	See Note 4	See Note 4
Leasehold Improvements See Note 5	\$0 to \$62,000	As Agreed Upon	As Incurred	Landlord, Various Third Parties
Equipment, Fixtures and Signs	\$38,700 to \$56,050 See Note 6	As Agreed Upon	Before Opening	Ascent; Various Suppliers

Type of Expenditure (See Note 1)	Amount (See Note 2)	Method of Payment	When Due	To Whom Payment Is To Be Made
Inventory See Note 7	\$60,000 to \$64,000	As Agreed Upon	As Ordered	Ascent; Various Suppliers
Miscellaneous Supplies See Note 8	\$2,600 to \$9,300	As Incurred	Before Opening	Various Suppliers
Prepaid Expenses and Deposits See Note 9	\$5,000 to \$13,000	As Incurred	Before Opening	Various Third Parties
POS System See Note 10	\$26,150 to \$28,400	Lump Sum	Before Opening	Batteries and Various Suppliers
Miscellaneous Pre-opening Expenses See Note 11	\$3,000 to \$8,500	As Incurred	Before Opening	Various Third Parties
Opening Advertising and Promotion See Note 12	\$20,000	As Incurred	As Ordered	Third Party Advertising Service Venders
Delivery Vehicle See Note 13	\$1,000 to \$30,000	Varies	As Incurred	Third Party Automotive Dealer
Additional Funds - 3 months See Note 14	\$27,000 to \$57,000	As Incurred	As Incurred	Employees Suppliers
TOTAL See Note 15	\$208,450 to \$385,750			

Notes:

- (1) The typical size of a Batteries Plus Bulbs® Store ranges from 1,600 to 2,200 square feet. For several items discussed below, your cost will increase as the number of square feet increases. The size of your Store is principally determined by requirements or restrictions that your landlord and appropriate municipality or zoning boards may impose, and availability and cost of leasable space. This Table reflects your estimated initial investment for a single Store operated under a Franchise Agreement that offers batteries, light bulbs, and related products as well as designated services. This information assumes that you will lease the premises for your Store.
- (2) Except where otherwise noted, all fees that you pay to us are non-refundable. Third party lessors, contractors and suppliers will decide if payments to them are refundable.
- (3) The Initial Franchise Fee paid is paid to us and is more fully described in Item 5. We also offer a discounted Initial Franchise Fee for franchisees committing to open two or three Stores and to certain existing franchisees, as more fully described in Item 5.

- (4) Although most franchisees lease the premises for their Store, a small number of franchisees will purchase the land and construct the building for their Store. The cost of purchasing unimproved land will vary depending on location, availability of utilities and other factors and cannot be estimated by us. The construction costs for the building also will vary significantly depending on many of the same factors mentioned above as well as the size of the building and the availability of financing. Due to these many factors and a lack of historical information on which to base an estimate, we cannot estimate the cost of the building.
- (5) Typical locations for your Store are smaller free-standing, multiple use and strip center locations. Assuming that you will lease the premises for your Store, you will need to make certain leasehold improvements to the leased premises to comply with our approved plans and specifications. Leasehold improvements include lighting, flooring and partition walls. We anticipate that you will negotiate the cost of leasehold improvements as part of your rental expense. The exact cost or impact on your rental expense will depend on several factors, including the condition of the premises, whether you elect to do more than the minimum required renovations, the landlord's agreement to reimburse you for certain improvements, the size and location of the premises for your Store and other economic factors. Although we do not recommend that you purchase the land and building for your Store, you will incur significantly greater costs in developing your Store if you choose to do so. All construction materials and fixtures must comply with our specifications. Although we estimate that you will need to lease premises of approximately 1,600 to 2,200 square feet for a Store, you may need larger premises in some situations. We estimate that you may pay from \$11 to \$39 per square foot in the rental expense (including common area maintenance (CAM) and taxes) for your Store premises. The exact amount of rental expense will vary greatly, depending on the location of the Store premises, the portion of rent representing the value of leasehold improvements at the Store premises, local market conditions and other factors. You will incur greater start-up costs if you cannot negotiate the cost of leasehold improvements as part of your rental expense. You are responsible for any architectural plans that you may be required to submit.
- (6) This amount includes estimated expenses for interior and exterior Store signs, test equipment, fixtures, and charging equipment. The cost of purchasing equipment and signs may vary as a result of the characteristics of the Store site, the number and size of the signs, and the shipping distances from suppliers. You may purchase or lease approved brands and models of equipment, fixtures and signs from any approved supplier.
- (7) You will need to purchase opening inventory that complies with our specifications and is purchased from approved suppliers. Our affiliate, Ascent, currently is an approved supplier (see Item 8). This amount does not reflect amounts needed to replenish inventory during the initial stage of operation. If you participate in the Triple Option Program and satisfy the requirements described in Item 5 above, and we approve you to open and you actually open the Store by December 15, 2014, you will receive 6 months interest free credit terms on up to \$80,000 of your new Store initial product order.

- (8) You will need to purchase supplies and materials that comply with our specifications and are purchased from approved suppliers. We or our affiliate may be an approved supplier (see Item 8).
- (9) Prepaid insurance, the lease deposit and utility deposits may vary considerably, depending on the size and location of your Store. Deposits are generally refundable, but prepaid insurance payments are not.
- (10) This amount reflects the amount you pay for the POS System software and hardware which we have selected for use in your Store and includes the computer access and POS System development fees. (See Item 11). The lower amount excludes optional POS System peripherals (touch screen monitors, signature draft capture equipment, etc.). Components of the POS System (including the Proprietary Software) must be purchased from approved suppliers or licensed from us. (See Item 11.)
- (11) Miscellaneous expenses include local permit and license fees, legal and accounting fees and lodging, meals and travel expenses for one person attending the initial training program.
- (12) You must spend a minimum of \$20,000 for Store opening campaign expenses within the first 120 days after you open your Store. In certain metropolitan areas, you may need to spend a greater minimum amount on the Store opening campaign. You must use our in-house marketing department and implement our recommended media plan when conducting the Store opening campaign. Periodically, we may develop incentive programs for new franchisees under which we may contribute to the cost of your Store opening campaign. See Item 8 for further details.
- (13) You must own or lease one delivery vehicle in each market area (as defined in Item 12) to be able to deliver product to customers in operating your commercial accounts business. The lower amount assumes that you will lease a new or used vehicle while the higher estimate assumes that you will purchase a vehicle to make these deliveries.
- (14) This amount estimates the expenses you will incur during the first three months of Store operations, including initial wages and fringe benefits, occupancy costs and utilities. In providing this estimate, we have assumed no sales of product inventory during the first three-month period. As a result, the estimated amount does not reflect any revenue from the sale of product or corresponding (variable) costs associated with product sales (such as the cost of replenishing inventory). It does not include inventory costs beyond the opening inventory costs identified in the Table and does not include your compensation during this three month period. These amounts are estimates, and we cannot guarantee that you will not incur additional expenses in starting the business. Your costs will depend on factors such as local economic conditions, the prevailing wage rate, how much you follow our systems and procedures, and assumes that there is no external financing.
- (15) This total is an estimate of your pre-opening initial investment and the expenses you will incur during the first three months of Store operations. This total is based on our estimate of nationwide average costs and prevailing market conditions and our (including our

predecessor's) over 20 years of experience in the business. You should review this amount carefully with a business advisor before deciding to purchase the franchise. Your initial investment must include a minimum of \$100,000 of personal cash or other liquid assets in the operation of each Store. These figures are estimates only and we cannot guarantee that you will not have additional expenses in starting or operating your Batteries Plus Bulbs® Store.

YOUR ESTIMATED INITIAL INVESTMENT – MULTIPLE UNIT FRANCHISE

We cannot estimate your initial investment under a Multiple Unit Franchise Agreement, other than the Multiple Unit Territory Fee, which is described in Item 5. The amount of this fee will depend on the number of Stores you agree to establish under the Development Schedule. We do not offer separate financing for multiple unit franchisees.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

To insure a uniform image and uniform quality of products and services throughout the Batteries Plus Bulbs® system, you must maintain and comply with our quality standards.

Supply Chain Program for Batteries, Light Bulbs and Related Products and Services

You must purchase for sale at your Store private label and branded batteries, light bulbs and related products as well as services from us, our designees or from other suppliers we approve. We (including our affiliate, Ascent) or our designees may be the designated or sole source of supply for certain batteries, light bulbs and related products as well as services. Ascent currently is the sole source of supply for certain batteries, light bulbs and related products as well as certain services. In addition, for certain device services that you cannot perform at the Store, including the repair and replacement of screens and batteries, you must send the device to Ascent for repair.

We have established a supply chain program, through Ascent, that is designed to make available to you and other Batteries Plus Bulbs® franchisees quality private label and branded batteries, light bulbs and related products as well as certain services. Ascent negotiates supply contracts for the manufacture of our private label and branded batteries, light bulbs and related products. Ascent then arranges for the acquisition and distribution of these products to Batteries Plus Bulbs® franchisees directly or through approved third-party suppliers. You will be required to pay for products purchased from Ascent by electronic transfer of funds. Ascent may purchase products directly and resell them to franchisees at a higher price.

National Accounts Program

We operate a national accounts program (the “National Accounts Program”) through which participating Stores sell products to and service commercial accounts that operate two or more units in two or more states, have the potential to purchase a minimum level of Product, and meet certain other qualifications. We retain the right to designate the supplier for products sold

to each national accounts customer unless the customer requires a specific supplier. See Item 12 for further details.

Recycling Services

We have identified East Penn, Exide, Gopher Smelting, RSR & Sanders Lead as our currently approved supplier for SLI batteries recycling. We have designated Battery Solutions Inc. (“BSI”) as our preferred supplier for other battery recycling. BSI offers a box and a pallet program to commercial establishments in which to place used batteries for recycling. We have designated Veolia ES Technical Solutions (“Veolia”) as our preferred supplier for light bulb and ballast recycling. Veolia offers a box and a pallet program to commercial establishments in which to place used light bulbs for recycling.

Location of your Store; Real Estate Lease

You must locate a site for your Store that we consent to, and you may not sign a lease for the site until we have given our consent in writing. We approve locations on a case by case basis, considering items such as size, appearance and other physical characteristics of the site, demographic characteristics, traffic patterns, competition from other businesses in the area and other commercial characteristics, such as rental obligations and other lease terms (including those that we require be in the lease). You are not required to purchase, lease or sublease the Store premises from us or our affiliate.

Fixtures, Equipment, Furniture & Signs

You must construct and develop your Store. We will furnish to you prototypical drawings and specifications for your Store, including requirements for interior and exterior materials, decor, fixtures, equipment, furniture and signs. You must meet our specifications and standards in developing your Store. You must submit construction plans and specifications to us for our approval before you begin construction of your Store, and you must submit all revised plans and specifications to us during the course of construction. You must ensure that the plans and specifications comply with the Americans With Disabilities Act and all other applicable federal, state and local laws, ordinances, building code and permit requirements and lease requirements and restrictions. If you must modify the prototypical drawings for your Store to comply with local laws or restrictions, you must engage, at your expense, an architect to modify the prototypical drawings to comply with those laws and provide us with a copy of the proposed modifications for our approval. In developing and operating your Store, you may purchase only the types of construction and decorating materials, fixtures, equipment, furniture and signs that we require and have approved as meeting our specifications and standards for quality, design, appearance, function and performance. You may purchase these items from any supplier who can satisfy our standards and specifications. We or our affiliate may be an approved supplier of one or more of these items.

Computer Hardware And Software

You must purchase the Proprietary Software from us and the computer hardware for the POS System from Insight or another approved vendor. See Item 11 for information regarding the POS System.

Insurance

At your expense, you must purchase and maintain for each Store you operate: (1) comprehensive general liability insurance with minimum limits of \$2,000,000 per occurrence and \$3,000,000 annual aggregate; (2) workers' compensation, employer's liability and other insurance to meet the greater of all applicable statutory requirements or the then-current minimum levels of coverage we require; (3) commercial property insurance including, at a minimum, fire, vandalism, theft, burglary, and extended coverage with limits of at least 100% replacement value of the Store premises, fixtures, equipment and inventory; (4) business interruption/time element coverage in the amounts we require either as a component of or an endorsement to a commercial property insurance policy; and (5) automobile liability insurance, including personal injury, wrongful death and property damage, with limits of at least \$1,000,000 per occurrence. Your general liability policy must name us and any other person that we designate as an additional insured and must meet any other requirements that we designate. If you own more than one Store, (1) we may require you to obtain an umbrella liability policy; and (2) we may allow you to obtain single policy for such Stores provided that we periodically will determine the levels of insurance coverage that you must obtain and other requirements that you must satisfy for each Store covered by such policy.

Advertising and Promotional Approval

You must use our in-house marketing department and must implement our recommended media plan in conducting the Store opening campaign. If we provide local store media planning systems, you must use our recommended media plan in promoting the Store. You also must use only our approved advertising and promotional materials in promoting the Store. See Item 11 for further information regarding advertising programs.

We may license third party suppliers to produce advertising and promotion items which bear the Licensed Marks. You may purchase these items for resale or for promotional purposes from approved third party suppliers.

Supplier and Product Approval

We will provide you with lists of approved manufacturers, suppliers and distributors ("Approved Suppliers List") and approved inventory, products, fixtures, furniture, equipment, signs, supplies and other items or services necessary to operate your Store ("Approved Supplies List"). The Approved Suppliers List may specify the specific manufacturer of a specific product or piece of equipment (for example, Duracell® batteries) and you must purchase the product or equipment only from a source identified on the Approved Suppliers List. We, an affiliate or a third-party vendor or supplier periodically may be the only approved supplier for certain products. The lists specify the suppliers and the products or categories of products and services which we have approved for use in the System. We may revise these lists and provide you with a copy of approved lists as we deem advisable. If you want to use any unapproved material, fixture, equipment, furniture or sign, or purchase any items from any supplier that we have not approved, you must first obtain our approval by notifying us in writing and must submit to us, at our request, sufficient specifications, photographs, drawings or other information or samples for us to determine whether the services, material, fixture, equipment, furniture or sign complies

with our specifications and standards, or the supplier meets our approved supplier criteria. We will notify you of our decision within a reasonable time following our receipt of all information requested. You must pay the reasonable cost of the inspection and evaluation and the actual cost of the test. We may reinspect the facilities and products of any supplier or approved item and revoke our approval of any item or supplier which fails to continue to meet any of our criteria. We will send written notice of any revocation of an approved supplier or supply. As part of the approval process, we may require that a proposed supplier sign a supplier agreement covering such items as insurance, product quality, trademark use, and indemnification. We do not provide material benefits to you based on your use of designated or approved sources.

We apply certain general criteria in approving a proposed supplier, including the supplier's quality and pricing of products, ability to provide products/services that meet our specifications, responsiveness, ability to provide products/services within the parameters required by the System, quickness to market with new items, financial stability, credit program for franchisees, freight costs, and the ability to provide support to the System (merchandising, field assistance, education and training respecting sales and use of products and services).

We will notify you in writing if we elect to revoke our approval of a supplier. If we revoke our approval of a supplier, you will have 30 days to stop offering, selling or using those products or other items or services in your Store.

Revenue Received From Franchisee Purchases

Both Batteries and Ascent will derive revenue as a result of the system-wide supply chain program or as a result of franchisee purchases or leases of other products and services described in this Item 8. We received approximately \$7,435,051 in gross revenue in fiscal year 2013 from franchisee purchases of goods, products and services, and rebates and other payments as otherwise described in this Item 8. Ascent received approximately \$142,469,243 in gross revenue in fiscal year 2013 from franchisee purchases of goods, products and services from Ascent, and rebates and other payments as otherwise described in this Item 8. On a consolidated basis, Batteries and Ascent received \$149,904,294 in gross revenue in fiscal year 2013 from franchisee purchases of goods, products and services, and rebates and other payments as otherwise described in this Item 8, which represented 74.2% of our total gross revenues of \$202,144,885.

Rebates from Approved Suppliers

Ascent and Batteries may receive rebates and other payments from approved third party suppliers. In fiscal year 2012, the rebates and other payments Batteries or Ascent received from suppliers ranged from less than 1% up to 10% of the price franchisees paid suppliers for those items. All supplier rebates currently are assigned to Ascent.

Miscellaneous

One or more of our officers have an indirect interest in Ascent. Our officers otherwise currently do not have an ownership interest in any supplier.

We negotiate prices for numerous products under the System, but not for the benefit of any individual franchisee. Except to the extent certain aspects of the Ascent supply chain program and the National Accounts Program described above and the E-Commerce Program (described in Item 12 below) may involve the cooperative efforts of franchisees and us or Ascent, we are not aware of any purchasing or distribution cooperative in the System. We attempt to receive volume discounts for the System.

You must accept those forms of payment we specifically approve in the Operations Manual.

We estimate that the purchase or lease of equipment (including the POS System hardware and software), signs, fixtures, furnishings, supplies, batteries, light bulbs and other products, as well as services, and advertising and sales promotions materials which meet our specifications will represent approximately 45% to 65% of the cost to develop the Store and 65% to 85% of the cost to operate your Store.

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 other items of this disclosure document.

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Sections 2 and 4(A) of Franchise Agreement, Section 5 of Multiple Unit Franchise Agreement and Territory Reservation Agreement	Item 11
b. Pre-opening purchases/leases	Section 4 of Franchise Agreement	Items 7, 8 and 11
c. Site development and other pre-opening requirements	Section 4 of Franchise Agreement and Section 5 of Multiple Unit Franchise Agreement	Item 5, 7, and 11
d. Initial and ongoing training	Sections 5(B) and 16(B) of Franchise Agreement	Items 7 and 11
e. Opening	Sections 4(E)-4(G) and 16(B) of Franchise Agreement	Items 5 and 11
f. Fees	Sections 3(B), 4(D), 4(F), 4(H), 9, 10(K), 11 and 15(D) of Franchise Agreement, Sections 3(D) and 6 of Multiple Unit Franchise Agreement, and Territory Reservation Agreement	Items 5, 6 and 7
g. Compliance with standards and policies/ Operations Manual	Sections 5(D) and (E) and 10 of Franchise Agreement	Items 11 and 16
h. Trademarks and proprietary information	Sections 1(A), 6 and 7 of Franchise Agreement and Sections 1(A), 8 and 9 of Multiple Unit Franchise Agreement	Items 13 and 14

Obligation	Section in Agreement	Disclosure Document Item
i. Restriction on products/services offered	Section 2 and 10(C) of Franchise Agreement	Items 8 and 16
j. Warranty and customer service requirements	Sections 10(G), (H), (K) and (N) of Franchise Agreement	Item 11
k. Territorial development and sales quotas	Sections 2(B) and (C) and 16(A) of Franchise Agreement, Sections 3, 4 and 5 of Multiple Unit Franchise Agreement and Territory Reservation Agreement	Item 12
l. Ongoing product/service purchases	Sections 4 and 10 of Franchise Agreement	Items 8 and 11
m. Maintenance, appearance and remodeling requirements	Sections 3(B), 4(D) and 10 of Franchise Agreement	Item 11
n. Insurance	Section 10(J) of Franchise Agreement	Items 6, 7 and 8
o. Advertising	Sections 4(G) and 11 of Franchise Agreement	Items 6, 7 and 11
p. Indemnification	Section 8(B) of Franchise Agreement and Section 19 of Multiple Unit Franchise Agreement	None
q. Owner's participation/management/staffing	Sections 10(G) and (I) of Franchise Agreement and Section 10 of Multiple Unit Franchise Agreement	Items 11 and 15
r. Records and reports	Section 12 of Franchise Agreement and Section 11 of Multiple Unit Franchise Agreement	Item 6
s. Inspections and audits	Section 13 of Franchise Agreement	Item 6
t. Transfer	Section 15 of Franchise Agreement and Section 16 of Multiple Unit Franchise Agreement	Items 6 and 17
u. Renewal	Section 13 of Franchise Agreement	Items 6 and 17
v. Post-termination obligations	Sections 14 and 18 of Franchise Agreement and Sections 14 and 15(B) of Multiple Unit Franchise Agreement	Item 17
w. Non-competition covenants	Sections 14 and 18(A) of Franchise Agreement and Section 15(B) of Multiple Unit Franchise Agreement	Item 17
x. Dispute resolution	Sections 19 and 20(D) and (E) of Franchise Agreement and Sections 17 and 18(D) and (E) of Multiple Unit Franchise Agreement	Item 17

ITEM 10

FINANCING

If you participate in the Commit Program, we will offer you certain extended payment terms if we and you sign a Franchise Agreement within six months after we and you sign a

Territory Reservation Agreement. In particular, you will not pay us for amounts due for the POS System access development fee or your initial inventory until six months after the Store opens.

If you participate in the Triple Option Program and satisfy the requirements as further described in Item 5, and we approve you to open and you actually open the Store by December 15, 2014, you will receive 6 months interest free credit terms on up to \$80,000 of your new Store initial inventory order with Ascent (the “Deferred Amount”). If, at any time, you fail to comply with any of the participation requirements and such breach remains uncured for 30 days following your receipt of written notice specifying such failure, you must immediately pay Ascent the Deferred Amount.

Except as described above, we do not offer direct or indirect financing. We do not guarantee your note, lease or obligation. Batteries Plus Bulbs® franchisees may be eligible for expedited Small Business Administration (the “SBA”) loan processing through the SBA’s Franchise Registry Program, www.franchiseregistry.com.

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 Assistance. Before you open your Store, we will:

- (1) Grant you rights to establish a specific number of Stores at locations we evaluate within the Designated Area if you sign a Multiple Unit Franchise Agreement (Multiple Unit Franchise Agreement – Sections 3 and 5).
- (2) Provide assistance in your evaluation and selection of a site for the Store (Franchise Agreement – Section 5(A)).
- (3) Provide you with prototype drawings and specifications for your Store, including those for dimensions, interior design and layout, building materials, fixtures, equipment, furniture, signs and décor (Franchise Agreement – Section 5(A)).
- (4) Provide the initial, store manager, commercial sales and investor training programs described below (Franchise Agreement – Section 5(B)).
- (5) Provide to you access to the confidential Operations Manual. You must keep the Operations Manual confidential and discontinue using it when the Franchise Agreement terminates (Franchise Agreement – Section 5(E)).
- (6) Provide you access to our Batteries Plus Bulbs® intranet web site through which you can access the Operations Manual and other Confidential Information relating to Store operations (Franchise Agreement – Section 4(D)).

(7) Make available to you the POS System that we have developed or selected for the System (described further below) (Franchise Agreement – Section 4(D)).

Ongoing Assistance. During the operation of your Store, we will:

(1) Make available a field consultant to assist you in the opening and initial operations of your Store for a minimum of 7 days (Franchise Agreement – Section 5(C)).

(2) Provide advisory services relating to Store operations, including products and services offered for sale, selecting, purchasing and marketing batteries, light bulbs and other products and services, marketing assistance and sales promotion programs, and operating, administrative and general operating procedures (Franchise Agreement – Section 5(D)).

(3) Periodically provide you with updated and revised materials for the Operations Manual (Franchise Agreement – Section 5(E)).

(4) Operate the NMF Fund (Franchise Agreement – Section 11(A)).

(5) Assist you in developing your Store opening campaign – Section 4(G).

(6) Conduct the National Accounts Program until such time as it may be terminated (Franchise Agreement – Section 10(K)).

(7) Conduct an E-commerce Program until such a time as it may be terminated (Franchise Agreement – Section 10(N)).

Advertising Programs. We establish and conduct various advertising programs as follows:

We operate a National Marketing Fund (the “NMF Fund”) to advertise and promote Stores in the System. You will pay us a monthly national marketing fee of 1% of your Store’s Net Revenues (the “NMF Fee”). We will deposit the NMF Fee in the NMF Fund that we manage through a separate account. We may use the NMF Fund to conduct national, regional and local advertising, marketing, promotional and public relations campaigns, including the cost of preparing and conducting print, point of purchase, radio, television, internet, electronic and billboard advertising, supporting National Accounts Program activities, e-commerce website activities, providing market intelligence through analytics to the System, and employing advertising agencies. We also will use the NMF Fund to develop advertising and promotional materials for regional and local advertising cooperatives and for use in each franchisee’s local market. In certain developing markets, we may assist franchisees’ initial advertising and promotional activities in an effort to increase brand awareness. We have an in-house advertising staff that assists in developing and placing local advertising and other matters. We also contract with various outside advertising agencies and third party vendors to produce certain advertising and promotional materials and to create and implement public relations campaigns. We will determine the use of monies in the NMF Fund. We are reimbursed for reasonable administrative costs and overhead incurred in administering the NMF Fund.

We are not required to spend any particular amount on marketing, advertising or production in the area in which your Store is located. NMF Fees not spent in any fiscal year will be carried over for future use. We may make loans to the NMF Fund bearing reasonable interest to cover any deficit of the NMF Fund and cause the NMF Fund to invest in a surplus for future use by the NMF Fund. NMF Fees will not be used for advertising principally directed at the sale of franchises. At your request, we will provide you with an annual unaudited statement of the receipts and disbursements of the NMF Fund.

Each new Batteries Plus Bulbs® franchisee must pay the NMF Fee. Other franchisees pay the same amount for the NMF Fee. In addition, each Batteries-owned Store will contribute to the NMF Fund on the same basis as franchisees.

When developing marketing strategy and allocating the use of NMF Fees, we consult with our NMF Council (the “Council”). There are 6 franchisees on the Council. Council members are elected by the franchisees and serve for a 3 year term. The Council serves in an advisory capacity to provide advice on advertising, research and promotional activities to us and our outside advertising agencies. We have the power to form, change or dissolve the Council.

During our 2013 fiscal year, 16% of the NMF Fund was spent for advertising and merchandising production, communication and related expenses, 2% was spent for public relations campaigns and related expenses, 19% was spent on the development and operation of the System e-commerce platform, 5% was spent for other internet-based advertising and promotional activities, 9% was spent for National Accounts, commercial sales development and related expenses, 24% was spent on exterior signage for Stores, and 25% was spent on in-house marketing services, administrative expenses and other miscellaneous expenses (including salaries of our in-house advertising staff that conducts media planning/buying, catalog and collateral production, advertising layout, and other related services).

You may not develop advertising or promotional materials for your own use. You must use only advertising and promotional materials we provide.

You must spend at least the following minimum amounts during each calendar year on “approved” local advertising and promotional activities in your local geographic area: (i) a minimum of 4% of the Net Revenues of your Store during the first year; and (ii) the greater of 4% of Net Revenues or \$15,000 during your first full calendar year and each successive calendar year. Store advertising and promotional activities are “approved” if they are included in our recommended media plan for the Store and otherwise satisfy our requirements (described above). Amounts spent on unapproved advertising activities will not qualify in determining whether you have satisfied this minimum expense requirement. If you do not spend the minimum amount required for local store advertising and public relations activities, you must pay us the amount of the difference for deposit in the NMF Fund.

During the first 120 days of Store operations, you must spend a minimum of \$20,000 for local Store advertising. In certain metropolitan areas, we may require that you spend a greater minimum amount on the Store opening campaign. You must use our in-house marketing department and implement our recommended media plan in conducting the Store opening

campaign. Upon our request, you must provide us with a monthly report during the first year of Store operations which identifies expenses for local advertising.

You also must participate in and contribute to the local or regional advertising cooperative (the “Cooperative”) established in the area where your Store is located. We or a majority of franchisees (with our approval) may form a local or regional advertising Cooperative in your area. If a Cooperative is established, you must contribute an amount determined by the Cooperative, up to 4% of your Store Net Revenues each calendar year. All members of the Cooperative, including those Stores we own, will contribute at the same rate. The Cooperative will use contributions to fund local and regional advertising and promotional campaigns and activities that we recommend or approve for use by the Cooperative. Our in-house advertising staff may establish advertising campaigns and activities that the Cooperative must use. Contributions to the Cooperative are credited to your local advertising obligation described above. We reserve the right to require each Cooperative to adopt written governing documents. A copy of the governing documents (if any) of any Cooperative for your market area is available upon request. We will determine the voting procedures for each Cooperative. Members of the Cooperative and their elected officials are responsible for administering the local Cooperative. We do not require, that each Cooperative prepare annual financial statements and make those financial statements available to all franchisees in the Cooperative. We have the power to establish advertising cooperatives and the rules under which regional and local advertising cooperatives will operate.

Point-of-Sale System. You must use in your Store a computerized multi-purpose point-of-sales system (“POS System”) that we have selected for use in Stores. We periodically may update or change the POS System in response to business, operations, marketing conditions, or changes in technology.

As of March 1, 2014, the POS System package includes the following: (1) the Counterpoint® point-of-sale and inventory management software, Version 8.X (the “Counterpoint Software”) - proprietary software that we have licensed from NCR Corporation (formerly known as Radiant Systems, Inc.) (“NCR”). The Counterpoint Software is specifically designed to track various aspects of your Store, including inventory, customer tracking, vendor purchase orders, daily sales reports and accounts receivable; (2) the ProSource™ software (the “ProSource Software”) – our proprietary software that assists franchisees in cross-referencing batteries, light bulbs and other products and services; and (3) the B2B™ Software (the “B2B Software”), our proprietary software that allows your commercial customers to place and manage orders for products through a secured website. You will operate the Counterpoint Software, the ProSource Software and the B2B Software (collectively, the “Proprietary Software”) with a software and hardware package we designate, including Windows 7 Professional (or higher), point-of-sale work station, 2 front counter computers, 1 back-office computer, 1 lap top tester PC, 1 Kiosk PC, and a managed, PCI-compliant WatchGuard firewall. Additional information on the required models is available to franchisees on our Internet Site under “POS System Services.”

The Proprietary Software is configured over a Wide Area Network (WAN) hosted by a third party. To access the Proprietary Software, each Store must have a primary WAN business-class connection. We also require a back-up WAN connection. We recommend that you use a

business-class DSL or cable connection as your primary WAN connection, with a separate cellular Internet service for a WAN back-up.

Because the POS System is configured as an integrated system to operate over the Wide Area Network/WAN, you must purchase the hardware from us or a supplier that we designate. This ensures that your Store POS System operates with the Proprietary Software over the WAN and uses a customized configuration to allow you to obtain economical support for your POS System (as described below). Currently, we are the only designated supplier of the Proprietary Software and Insight is the only designated suppliers of the hardware for the POS System. The cost of the POS System ranges from \$26,139 to \$28,324. See Items 5, 7 and 8.

We will provide to you limited ongoing maintenance and repairs respecting the Counterpoint Software, as well as upgrades or updates respecting the Counterpoint Software. (Counterpoint Software Agreement, Section 4.) There are no contractual limitations on the frequency and cost of this requirement, other than the requirement that the fee be reasonable in light of costs we incur to provide these services. (Franchise Agreement, Section 4(D) and Counterpoint Software Agreement, Section 3.) Through its Counterpoint Subscription Service (CSS), NCR Corporation (the owner of the Counterpoint Software) will provide new feature enhancements and updates as they become available. (Counterpoint Software Agreement, Section 4(B).) Fees related to CSS and our support services currently are incorporated into the monthly Store fee (currently \$265) covering POS System services, maintenance and hosting. You must incorporate these upgrades and updates to the POS System. There are no contractual limitations on the frequency and cost of this obligation.

The ProSource Software and B2B Software is our proprietary software and must be obtained from us. We will provide to you basic ongoing maintenance and repairs respecting the ProSource Software and the B2B Software (ProSource Software Agreement, Section 3 and B2B Rider, Section 5). We do not charge you a separate fee (aside from the initial POS System computer access fee (which includes a development fee of \$1,500 for the B2B Software) and the \$265 monthly Store fee described above) for the maintenance and repair services provided respecting the ProSource Software. We are not contractually required to provide to you modifications or enhancements respecting the ProSource Software or the B2B Software. You must incorporate these upgrades and updates to the POS System as they become available. (Franchise Agreement, Section 4(D).) There are no contractual limitations in the frequency or cost of this obligation.

Separately, we have negotiated a vendor agreement with WorldPay and recommend that you use WorldPay as your credit card processor.

Also, you must review, understand and comply with the Payment Card Industry (PCI) Data Security Standards: <https://www.pcisecuritystandards.org/>. As part of your compliance obligations with PCI Data Security Standards, you must participate in our PCI compliance program and pay us our then-current compliance fee. The monthly PCI compliance program fee is \$75 per month payable to us.

We have independent access to certain operational and financial information and data produced by your POS System. (Franchise Agreement, Section 4(D).) There are no contractual limitations on our right to access the information and data.

Site Selection. If you already have a potential site for a Store, you may propose the location to us. We may consent to the site after we have independently evaluated it. The site for the Store will be identified in Exhibit A to the Franchise Agreement. If you do not have a proposed site, you will sign Alternative Exhibit A to the Franchise Agreement and will have 180 days following the date of the Franchise Agreement to identify a Store site acceptable to us. We will provide you with our general site selection and evaluation criteria. You are solely responsible, however, for locating and obtaining a site which meets our standards and criteria and that is acceptable to us. If you sign Alternative Exhibit A to the Franchise Agreement and Batteries and you cannot agree on a site for a Store, you can request an extension for a \$2,500 fee. We will determine the length of the extension (which will not exceed 6 months). Any extension fees paid are non-refundable. If you do not request an extension, we do not grant your request for an extension or we and you cannot agree on a site during any extension period, we can terminate your Franchise Agreement.

You must submit to us a complete site report (containing information that we may reasonably require) for the proposed Store site. The general site and evaluation criteria which you should consider include demographic characteristics of the proposed location, traffic patterns, parking, the predominant character of the neighborhood, the proximity to other businesses (including other Batteries Plus Bulbs® Stores), and other commercial characteristics, and the proposed location, size of premises, appearance and other physical characteristics. We will notify you in writing within 30 days after we receive your complete site report and other materials we request whether the proposed site satisfies our site selection criteria. Our review of a site for the Store does not represent any recommendation or guaranty as to the success of the proposed site.

If you enter into a Multiple Unit Franchise Agreement, Batteries and you will have agreed to an Exclusive Area and a Development Schedule which identify the number of Stores you will develop, and the time frame and the area in which the Stores will be developed. We will evaluate a proposed site for a Store if, at the time of your request: (1) you have signed a Franchise Agreement for the proposed Store at least 9 months before the scheduled Store opening date; (2) you deliver to us a complete site report for the proposed Store site and receive our consent to the proposed Store site; (3) you meet the minimum financial standards described in the Multiple Unit Franchise Agreement; (4) you fully comply with all obligations and are in good standing under each existing Franchise Agreement between you and us for individual Stores; (5) you pay the balance of the Initial Franchise Fee due when you deliver the complete site report or 90 days before you are required to open the Store under the Development Schedule, whichever occurs first; and (6) you are not in default under the Multiple Unit Franchise Agreement.

Development Time. The typical length of time between our acceptance of the Franchise Agreement and the opening of your Store varies from 4 to 9 months. This period may be longer or shorter, depending on the time of year, availability of financing, local construction delays, how soon you can attend training or other factors. You must complete development and open

your Store within 9 months following the date of the Franchise Agreement if you sign a single unit Franchise Agreement. If you sign a Multiple Unit Franchise Agreement, you must complete development and open all of your Stores according to the Development Schedule.

Training. Our initial, commercial sales, store manager and investor training programs are conducted at our corporate training center in Pewaukee, Wisconsin and online. We currently offer the initial training program 6 to 7 times each year, with one training class generally offered every 6 to 7 weeks. Before attending the portion of the initial training program in Pewaukee, Wisconsin, you must complete our required online training, covering battery and bulb product information and systems training. The initial training program offered in Pewaukee, Wisconsin will last 3 weeks and includes classes conducted at other designated locations and on-the-job training provided at our local Stores. We may, in our discretion, require you or the proposed manager to continue training for up to 10 additional days. The initial training program includes instruction relating to Store operations, understanding the equipment and product use, costs and cash control, customer service, accountability for sales and marketing, methods of controlling operating costs and the POS System. After completing the initial training program in Pewaukee, Wisconsin and before opening your Store, you must complete additional online training covering back office accounting practices and processes.

You may not open your Store unless each proposed Store manager who will oversee day-to-day operations and management of the Store (“Store Manager”) successfully completes the initial training program, including all online courses. We anticipate that you (if franchisee is an entity, a Principal Owner) will be a proposed Store Manager. If we determine that the proposed Store Manager is not qualified to manage the Store, we will allow you to select a substitute Store Manager to complete the initial training program.

The initial training program consists of the following:

INITIAL TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
PRODUCTS AND SYSTEM TRAINING	20	0	ONLINE
ORIENTATION	3	0	PEWAUKEE, WISCONSIN
BATTERY PRODUCT TRAINING	21	0	PEWAUKEE, WISCONSIN
STORE OPERATIONS AND COMPUTER TRAINING	31.5	0	PEWAUKEE, WISCONSIN
TECHNICAL CENTER	12	0	PEWAUKEE, WISCONSIN
LIGHT BULB PRODUCT TRAINING	20	0	PEWAUKEE, WISCONSIN
EXPENSE CONTROL	5	0	PEWAUKEE, WISCONSIN
HUMAN RESOURCES	4	0	PEWAUKEE, WISCONSIN
COMMERCIAL SALES	16	0	PEWAUKEE, WISCONSIN
RETAIL SALES & CUSTOMER SERVICE	4.5	0	PEWAUKEE, WISCONSIN

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
IN-STORE OPENING PROCEDURES, ADMINISTRATIVE, DAILY OPERATIONS AND CLOSING PROCEDURES	0	16	PEWAUKEE, WISCONSIN
BACK OFFICE ACCOUNTING	6	0	ONLINE
TOTALS	144	16	

Each proposed Store Manager, including you (or a Principal Owner if applicable) if you are a Store Manager, also must participate in our commercial sales training program. The commercial training program is conducted in three phases over an 18 month period. Before beginning the commercial training program, you will attend a class conducted at our corporate offices that will last approximately 2 days.

Following completion of the introductory commercial sales class, you will begin the three phases of the commercial training program. Each phase is comprised of 6 individual modules that you must complete online. Each module has a one month commercial training course. Each module is divided into 3 parts:

1. **Sales plan and activity goal.** You will receive a monthly commercial sales plan divided into 3 categories: batteries, bulbs and total. Along with your sales plan, you will receive activity goals to help you achieve your sales plan. Each month, you will have a different sales plan and goal.
2. **Tasks to complete.** Each module focuses on a specific task to complete. Completing these tasks will help move you towards achieving your sales plan. Each month or module you will focus on a specific industry to call on. Knowing you may not be familiar with these industries and how to approach them, we have established a coaching page to assist in your efforts.
3. **Coaching and Resources.** You may need some coaching or resources to complete each task. This page is designed to assist you in your efforts.

The sales trainer will provide additional or skilled one-on-one coaching to address your specific needs, either on the phone or at your Store.

As part of your commercial sales training one of our commercial sales consultants will conduct prescheduled telephone conferences beginning approximately 3-4 weeks after your Store opening to review your commercial sales progress. You will continue to receive calls from your assigned commercial manager leading up to your initial Store visit. In addition, one of our commercial sales consultants will visit your Store Managers one or more times at your Store for up to 3 days beginning approximately 3-4 months after the initial telephone conference to review your commercial sales progress and provide sales coaching. To be eligible for the store training visit, you must conduct and provide information about your commercial sales activities as we require.

You may not open your Store (if it is your (the franchisee's) first Batteries Plus Bulbs® Store) unless each proposed Store Manager, including you (or a Principal Owner if applicable) if you are a Store Manager, successfully completes the first phase of the commercial sales training program. The first phase of the commercial sales training program consists of the following:

COMMERCIAL SALES TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
COMMERCIAL SALES TRAINING PROGRAM OVERVIEW	16		PEWAUKEE, WISCONSIN
TOTAL	16	0	

If you are opening your second or subsequent Store and your proposed Store Manager meets our then-current qualifications, we may provide your proposed Store Manager with a one-week Store Manager training program instead of the full 3-week initial training program. At a minimum, the proposed Store Manager must have at least 6 months of full time experience working in a Store and successfully complete all online training courses we require before he/she attends the training program. We currently offer the Store Manager program 4 to 5 times each year. The Store Manager training program consists of the following:

STORE MANAGER TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
ORIENTATION	1	0	PEWAUKEE, WISCONSIN
LOSS PREVENTION, INVENTORY CONTROL	12	0	PEWAUKEE, WISCONSIN
MERCHANDISING	8	0	PEWAUKEE, WISCONSIN
WAREHOUSE TOUR	3	0	GLENDALE, WISCONSIN
LEADERSHIP	4	0	PEWAUKEE, WISCONSIN
SELLING SKILLS	4	0	PEWAUKEE, WISCONSIN
HR LAW	5	0	PEWAUKEE, WISCONSIN
TOTAL	37	0	

If you (if franchisee is an entity, a Principal Owner) will not be a Store Manager overseeing the day-to-day operation of the Store, 2 Store Managers who we have approved and who have successfully completed the training requirements described above must be on-staff at all times. In addition, you (if franchisee is an entity, a Principal Owner) must successfully complete our investor training program in Pewaukee, Wisconsin. We offer the investor training program four times a year.

INVESTOR TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
WELCOME AND ORIENTATION	3	0	PEWAUKEE, WISCONSIN
REVIEW OF RETAIL OPERATIONS	4.5	0	PEWAUKEE, WISCONSIN
COUNTERPOINT HIGH LEVEL OVERVIEW	4	0	PEWAUKEE, WISCONSIN
BATTERIES PLUS BULBS® BUSINESS SEGMENT	1.5	0	PEWAUKEE, WISCONSIN
KEYS TO SUCCESS (BIG PICTURE)	2	0	PEWAUKEE, WISCONSIN
TOTAL	15	0	

You must identify two individuals who will participate in our device repair training program that takes place over three days. The device repair training program will be conducted at regional meetings throughout the United States through November 2014. Starting in December 2014, the device repair training program will be conducted in Pewaukee, Wisconsin. While we will schedule several device repair training programs in 2014, we anticipate holding device repair training 4 to 6 times a year commencing January 2015.

DEVICE REPAIR TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
DEVICE REPAIR OVERVIEW	.75	0	REGIONAL MEETING OR PEWAUKEE, WISCONSIN
REPAIR METHODOLOGY	.75	0	REGIONAL MEETING OR PEWAUKEE, WISCONSIN
CUSTOMER INTAKE	.5	0	REGIONAL MEETING OR PEWAUKEE, WISCONSIN
ARO TECHNICIAN LED REPAIR DEMONSTRATION	.75	0	REGIONAL MEETING OR PEWAUKEE, WISCONSIN
DEVICE REPAIR WRITTEN EXAM	.5	0	REGIONAL MEETING OR PEWAUKEE, WISCONSIN
DEVICE REPAIR	21	0	
TOTAL	24.25	0	

The instructional materials for all training programs include the Batteries Plus Bulbs® Online training modules, the Batteries Plus Bulbs® Product, Operations, and Technical Training manuals, handouts and visual aids, and will include lecture, classroom discussion, hands-on demonstration and/or practice training at a Batteries Plus Bulbs® Store.

Donn Felda oversees all aspects of the initial, Store Manager and investor training programs. Mr. Felda has been with us since 2002, and has been our Director of Retail Operations and Training since March 2008.

Ray Sandoval oversees the commercial sales training program. Mr. Sandoval has been our Director of Commercial Training since January 2006.

Oz Rahman, our Vice President of Quality Assurance, oversees the device repair training program. Mr. Rahman has been our Vice President of Quality Assurance since May 2012. Before joining us, he was the Director of Global Quality for Rayovac/Varta batteries. The classes will be facilitated by Ascent repair operations personnel.

We do not charge a fee for the initial, Store Manager, device repair, and investor training programs. For the commercial sales training program, we do not charge a fee for the first person for franchisees opening their first Store. We may charge you a fee if you desire to send any additional people (whether relating to your first Store or additional Stores) to the commercial sales training program. In addition, if your Net Revenues from commercial sales do not meet certain minimum levels, we may require you to attend additional commercial training at your expense. See Items 6 and 12. You are responsible for travel and living expenses that you and your proposed managers (if applicable) incur while attending any one of these training programs. See Item 7 for additional information on travel and living expenses. After you open your Store, each new Store Manager must attend and successfully complete one of the training programs that we designate. We may charge you a fee for this additional training. In addition, you (or the Principal Owner of a corporate franchisee) must attend the next Batteries Plus Bulbs® national convention following your Store opening and attend at least 2 out of every 3 national conventions after your first convention. We currently charge a fee of approximately \$479 to attend the national convention. You or your Store Manager also must attend at least one-half of all regional workshops we offer. Currently, we charge a daily fee of \$0-\$150 for regional workshops. Finally, we may require that you (or the Principal Owner of a franchisee that is an entity) and any Store Manager or any assistant Store Manager attend supplemental and refresher training programs during the term of the Franchise Agreement. We may determine the time and place of this additional training and may charge you a reasonable fee for the training.

Operations Manual. We will allow, during the term of the Franchise Agreement, electronic access to our Operations Manual (the “Operations Manual”). The current table of contents of the Operations Manual, as of January 30, 2014, is as follows:

Store Operations Manual	
Sections	Number of Topics
Introduction	2
Agreements	26
Category Management	9
Communication	7
Types of Business	2
Councils & Committees	7
Data Structure & Database	6
Finance	10
Inventory Management	18
Human Resources	94
Marketing	17
Advertising	24

Store Operations Manual	
Sections	Number of Topics
Store Development/Planning	15
Retail Operations Guide	14
Store Operations	51
Support	9
Training	9
TOTAL	320

We provide you with electronic access to the Operations Manual as a series of electronic pages that may vary in size and number depending on the settings of your computer. As a result, we have included the number of topics covered in each section, rather than the number of pages. In addition, the Operations Manual also will include various portions of our Batteries Plus Bulbs® Intranet site and several product catalogs which describe various batteries, light bulbs and related products as well as services offered at your Store.

Our Obligations Under the Multiple Unit Franchise Agreement. If we and you enter into a Multiple Unit Franchise Agreement, we and you will sign one Franchise Agreement at the time we and you sign the Multiple Unit Franchise Agreement. Except as described above, our obligations under the Franchise Agreement apply to a multiple unit franchisee. Each time we and a multiple unit franchisee signs another Franchise Agreement, our obligations are activated for the new Store to be established. Except as described above, we do not have separate obligations under the Multiple Unit Franchise Agreement.

ITEM 12

TERRITORY

FRANCHISE AGREEMENT

Territory/General. You will receive a “Protected Area” representing an area equal to the lesser of a 3 mile radius or 200,000 people surrounding the location of your Store when we and you sign the Franchise Agreement. The location of the Store and the Protected Area will be identified in Exhibit A to the Franchise Agreement. If you do not have a site for your Store when we and you sign the Franchise Agreement, you will sign Alternative Exhibit A to the Franchise Agreement and will have up to 180 days after the date of the Franchise Agreement to find a site for the Store (acceptable to us) within the designated geographic area. Once we approve a location within the geographic area established in Alternative Exhibit A, Batteries and you will then sign Exhibit A (which identifies the Protected Area). During the term of the Franchise Agreement, if you are complying with the provisions of the Franchise Agreement, we will not establish any other franchised or company-owned full-service Batteries Plus Bulbs® or Batteries Plus® store in the Protected Area. We (for ourselves and our affiliates) reserve the right, however, to sell in your Protected Area under the Licensed Marks through dissimilar channels of distribution (i.e., other than the operation of full-service Stores), including by electronic means such as the Internet and websites we establish. We also reserve the right to sell any products or services in your Protected Area under trademarks other than the Licensed Marks through similar or dissimilar channels of distribution, including by electronic means such as the

Internet and by websites we establish. We may advertise the System on the Internet and may create, operate, change or discontinue the use of a website using the Licensed Marks. We may grant franchises anywhere outside your Protected Area (or Designated Area under the Multiple Unit Franchise Agreement). We may sell anywhere at both wholesale and retail all products and services which are not a part of the System. We also may operate and franchise others to operate retail stores using different trademarks even if these stores compete with the Stores.

You may relocate your Store only with our written consent, which we will not unreasonably withhold. If we permit you to relocate your Store, you will pay us a \$4,500 relocation fee for services we will provide in assisting you in relocating your Store. In addition, you will need to build out the Store consistent with our then-current standards for new Stores.

You cannot conduct any advertising or otherwise solicit customers outside the “market area” of your Store unless you obtain our prior written consent. The “market area” for your Store will be a 20 mile radius surrounding the location of your Store. You cannot solicit national accounts customers (under the National Accounts Program) outside your service and revenue area unless you receive our consent. We and other Batteries Plus Bulbs® franchisees may advertise inside your Protected Area. In addition, we and other Batteries Plus Bulbs® franchisees may serve customers who reside in your Protected Area without compensation to you, except to the extent you participate in the National Accounts Program and we service a national accounts customer (see above).

Unless you entered into a Multiple Unit Franchise Agreement, we generally will not grant to you any options, rights of first refusal or similar rights to acquire additional franchises within a particular territory.

If you cannot open your Store by the deadline stated in the Franchise Agreement, you may request an extension to the time in which you must open the Store. You must pay us a non-refundable \$2,500 extension fee when you make the request. If we decide, in our discretion, to grant your request, the extension will be limited to the period of time we permit, not to exceed 6 months.

Ascent, our affiliate, has established a supply chain program that acquires batteries, light bulbs and related products for resale (through third parties) to Batteries Plus Bulbs® franchisees. See Item 8 for further discussion.

National Accounts Program. As described in Item 8 above, we operate a National Accounts Program designed to address the needs of certain multi-state or multiple location customers who desire to use a central billing account, multiple shipping destinations and similar requests that are typical of large volume customers. You must, if you qualify, participate in the National Accounts Program. You will need to sign and comply with the terms of a National Accounts Success Agreement in the form attached as Exhibit E to the Franchise Agreement. We may sell products to national accounts customers located in your Protected Area under the terms of the National Accounts Success Agreement. You must agree to service national accounts customers within a certain service and revenue area. We have established the rules under which you will participate in this program, including the servicing of accounts, recognition of revenues

received from national accounts customers located in any non-participant service area and other matters.

E-Commerce Program. We also established an E-Commerce Program designed to expand the market for Batteries Plus Bulbs® products and services through sales of product on a centralized Internet website. You must participate in this Program, if you qualify, and comply with the terms of an E-Commerce Agreement in the form attached as Exhibit F to the Franchise Agreement. We may sell products to customers located in your Protected Area under the terms of the E-Commerce Program.

Minimum Store Net Revenue Requirements. After the first 12 months of operation, you must generate, in each “Anniversary Year,” total annual Net Revenue of at least 75% of the average historical Net Revenue of all Stores in operation for at least 12 months, based on each Store’s historical Net Revenues for the same Anniversary Year. In addition, you must generate in each Anniversary Year annual “commercial sales” Net Revenue of at least 75% of the average historical commercial sales Net Revenue of all Stores in operation for at least 12 months based on each Store’s historical commercial sales Net Revenues for the same Anniversary Year. The term “Anniversary Year” means the 12 month period beginning on the first day of the month following the effective date of your Store opening and ending on the first anniversary of that date, and between each succeeding anniversary. The term “commercial sales” means the sale of batteries, light bulbs or related products as well as services to a company for resale or for use in commercial or industrial settings. The term “commercial sales” does not include sales made under the National Accounts Program. If you do not maintain these minimum Net Revenue levels in operating your Store for 2 consecutive years, we may terminate your Protected Area, effective 30 days after we deliver written notice to you. If we terminate your Protected Area rights, you may continue to operate the Store but we may establish and operate or franchise others to operate Batteries Plus Bulbs® Stores in your former Protected Area without restriction.

Territory Reservation Agreement. If you participate in the Commit Program and sign a Territory Reservation Agreement, we will reserve a geographic area (the “Reservation Area”) for 6 months within which you will develop a Store. During that 6-month period, we will not establish any other franchise or company-owned full-service Batteries Plus Bulbs® Store in the Reservation Area. We (for ourselves and our affiliates) reserve all the rights, as described above, in the Reservation Area as we do in your Protected Area. If you fail to sign a Franchise Agreement for a Store to be located in the Reservation Area within the 6-month period, all rights you have to develop a Store in the Reservation Area as well as the Territory Reservation Agreement will terminate.

MULTIPLE UNIT FRANCHISE AGREEMENT

If you enter into a Multiple Unit Franchise Agreement, you will receive certain protected rights to develop more than one Store within a designated geographic area (the “Designated Area”) to be described in Exhibit A attached to the Multiple Unit Franchise Agreement. The size of the Designated Area will vary, depending on the number Stores you intend to open, the population density, and the demographics in the area in which you desire to operate. The Designated Area may be one or more counties or cities in rural areas, and may be a portion of a metropolitan statistical area in heavily-populated major cities. We will not establish another

franchised or company-owned full-service Batteries Plus Bulbs® store in the Designated Area so long as you meet the Development Schedule, satisfy our minimum capital requirements to develop the Store, comply with all other provisions described in the Multiple Unit Franchise Agreement and you otherwise comply with the provisions of each related Franchise Agreement. As described above, however, we have certain rights under Multiple Unit Franchise Agreement and each Franchise Agreement to sell products and services using the Licensed Marks or other marks using similar or dissimilar channels of distribution in the Designated Area. If you do not comply with the Development Schedule and the Multiple Unit Franchise Agreement, we may terminate the Multiple Unit Franchise Agreement or terminate your protected rights to develop Stores in the Designated Area and grant individual or multiple unit franchises within the Designated Area to third parties. As described in Item 6 above, you may request an extension to the date by which you must open a Store under the Development Schedule (limited to the period of time we allow, not to exceed 6 months).

Except as described above, you will not receive an exclusive territory. You may face competition from other franchisees, from outlets we own, or from other channels of distribution or competitive brands that we control.


You may compete with the stores operated by our affiliates and franchisees of our affiliates that are located near your Batteries Plus Bulbs® Store. Item 1 describes our current affiliated franchise programs, most of which are not direct competitors of the Batteries Plus Bulbs® system given the products/services they sell. There is no formal mechanism in place for resolving any conflict that may arise between your Batteries Plus Bulbs® Store and the units of our affiliated franchise systems. However, we do not expect any material conflicts regarding territory, customers and franchise support.


ITEM 13

TRADEMARKS

We grant you the right to operate your Store under the name “Batteries Plus Bulbs.” You also may use our other Licensed Marks to operate your Store. You do not receive any right under Multiple Unit Franchise Agreement to use the Licensed Marks. Those rights are granted under the Franchise Agreement.

The following schedule lists only the principal Licensed Marks that you are licensed to use. We have filed all required affidavits and renewal registrations for those Licensed Marks listed below.

Principal Trademarks	U.S. Registration No.	Registration Date	Principal/Supplemental Register
BATTERIESPLUSBULBS (Color design) 	3,955,295	05/03/11	Principal

Principal Trademarks	U.S. Registration No.	Registration Date	Principal/Supplemental Register
BATTERIESPLUSBULBS (Color design plus words) 	4,353,192	06/18/13	Principal

We have the right to periodically change the list of Licensed Marks. Your use of the Licensed Marks and any goodwill is to our exclusive benefit and you retain no rights in the Licensed Marks. You also retain no rights in the Licensed Marks when the Franchise Agreement expires or terminates. You are not permitted to make any changes or substitutions respecting the Licensed Marks unless we direct in writing. In addition to the Licensed Marks listed above, we registered the domain name “batteriesplus.com” on March 31, 1997 and “batteriesplusbulbs.com” on June 19, 2009. You may not use any Licensed Mark or portion of any Licensed Mark as part of any corporate or any trade name, or any modified form or in the sale of any unauthorized product or service, or in any unauthorized manner. You may not use any Licensed Mark or portion of any Licensed Mark on any website without our prior written approval.

There are currently no effective material determinations by the U.S. Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, or any pending infringement, opposition or cancellation proceeding, or any pending material litigation, involving the Licensed Marks that are relevant to your use in any state. There are currently no agreements in effect that significantly limit our rights to use or license the use of any Licensed Marks in any manner material to the franchise.

You must immediately notify us of any apparent infringement of or challenge to your use of any Licensed Marks, and we have sole discretion to take any action we deem appropriate. We are unaware of any infringing uses or superior rights that could materially affect your use of the Licensed Marks.

We are not obligated to protect you against infringement or unfair competition claims arising out of your use of the Licensed Marks, or to participate in your defense or indemnify you. We reserve the right to control any litigation relating to the Licensed Marks and we will have the sole right to decide to pursue or settle any infringement actions relating to the Licensed Marks. You must notify us promptly of any infringement or unauthorized use of the Licensed Marks of which you become aware. If we determine that a trademark infringement action requires changes or substitutions to the Licensed Marks, you will make these changes or substitutions at your own expense.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do claim copyright ownership and protection for the Operations Manual and for certain other written materials we provide to assist you in operating your Store. The Batteries Plus Cross Reference Tool (ProSource) is a registered copyright under registration number TXU 1-768-970 effective October 13, 2011. Other than this copyright registration, there are no patents or copyrights currently registered that are material to the franchise.

We own certain proprietary or confidential information relating to the operation of Stores, including information in the Operations Manual (“Confidential Information”). You must keep confidential during and after the term of the Franchise Agreement the Confidential Information. When your Franchise Agreement expires or terminates, you must return to us all Confidential Information and all other copyright material. You must notify us immediately if you learn of an unauthorized use of the Confidential Information. We are not obligated to take any action and we will have the sole right to decide the appropriate response to any unauthorized use of the Confidential Information. You must comply with all changes to the Operations Manual at your cost. We do acknowledge that we and you will jointly own Store customer data, other than national accounts customer data, that is located on the POS System. We will periodically establish policies under which we or you may use this Store customer data. We will share ownership of customer data for each national accounts customer with participants in the National Accounts Program that will service that specific customer. Former participants in the National Accounts Program (including former franchisees) will not have any ownership interest in such customer data.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

The Store must at all times be under your direct supervision (or, if you are a partnership, corporation or limited liability company, a Principal Owner or an operating manager who we have approved and who has satisfactorily completed the training program(s) that we designate). If an operating manager supervises the Store, you (or the Principal Owner) must remain active in overseeing Store operations, or you must complete our investor training program and you must have at least 2 Store Managers on-staff at all times who have completed the training program(s) we designate. If you enter into a Multiple Unit Franchise Agreement, you (or a Principal Owner or operating manager who we approve) must devote your full-time efforts to your obligations under the Multiple Unit Franchise Agreement. You (or the Principal Owner or operating manager) must supervise the development and operations of Stores franchised under the Multiple Unit Franchise Agreement, but need not be engaged in the day-to-day operations of any Store.

The person who is responsible for the day-to-day supervision of the Multiple Unit Franchise Agreement or any Store (i.e., the Principal Owner or approved operating manager) assumes his/her responsibilities on a full-time basis and may not engage in any other business or other activity that requires any significant management responsibility, time commitments, or

otherwise may conflict with his/her obligations. If you are a corporation, partnership or limited liability company, you may not engage in any business or activities other than the ownership and operation of Stores under Multiple Unit Franchise Agreements or Franchise Agreements that we grant. In addition, the Principal Owner and any designated operating manager must successfully complete our initial, store manager, investor and commercial sales training programs, as described in Item 11.

Each individual who owns a 10% or greater interest in the franchisee entity is considered a “Principal Owner” and must sign the Guaranty and Assumption of Obligations attached to the Franchise Agreement (and the Multiple Unit Franchise Agreement, if applicable). These people agree to discharge all obligations of the franchisee entity to us under the Franchise Agreement and are bound by all of its provisions, including maintaining the confidentiality of Confidential Information described in Item 14 and complying with the non-compete covenants described in Item 17. In addition, all of your employees who have managerial duties at the Store, as well as all corporate officers and directors of a corporate franchisee entity (all partners in a partnership), must sign a written agreement to maintain the confidentiality of our Confidential Information described in Item 14 and comply with the non-compete covenants described in Item 17.

If at any time you do not manage the Store (or if you are a partnership, corporation or limited liability company, the designated Principal Owner) or an approved manager who has satisfactorily completed our initial or store manager training program does not manage the Store, we immediately may appoint a manager to manage the Store for you and charge you a reasonable fee for these management services.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell in your Store all, and only, those batteries, light bulbs and related products, equipment and services that we have approved (See Item 8). You must at all times maintain an inventory of approved batteries, light bulbs and related products and equipment in such quantities and variety that we direct. We may add new products or services that you must offer at your Store. Our right to modify the approved list of goods and services to be offered at a Store is not limited.

We may conduct market research and testing to determine consumer trends regarding new batteries, light bulbs, and other products and services. You must participate in our market research programs, test market new products and services in the Store and provide us with timely reports and other relevant information regarding market research. We may require that you purchase a reasonable quantity of the tested products and promote and make a reasonable effort to sell these products.

As described in Items 8 and 12 above, we operate a National Accounts Program. Each new franchisee who meets our qualifications must sign the National Accounts Success Agreement, participate in the Program and service national accounts customers in their service and revenue area. In addition, national accounts customers may establish certain service requirements for products and services sold to them.

As described in Items 8 and 12 above, we also operate an E-Commerce Program. Each new franchisee who meets our qualifications must sign the E-Commerce Agreement, participate in this Program and comply with the restrictions under the Program.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

Provision	Section in Agreement(1)	Summary(1)
a. Length of the franchise term	Section 3; Section 3 of Multiple Unit Franchise Agreement	Franchise Agreement: 10 years. Multiple Unit Franchise Agreement: Ends on last day of Development Schedule.
b. Renewal or extension of the term	Section 3	If you are in good standing, you can renew the Franchise Agreement for one additional 10 year term.
c. Requirements for you to renew or extend	Section 3	Provide advance notice, comply with current Franchise Agreement, you and your Store Manager satisfactorily complete any new/refresher training programs, sign new agreement (which may contain materially different terms and conditions than your original Franchise Agreement), remodel, pay renewal fee, and sign a general release of claims.
d. Termination by you	Section 17	If you comply with the Franchise Agreement, and we fail to cure a material provision within 60 days after written notice.
e. Termination by us without cause	Not Applicable	
f. Termination by us with cause	Section 16; Section 13 of Multiple Unit Franchise Agreement	We may terminate the Franchise Agreement and Multiple Unit Franchise Agreement only if you default.

Provision	Section in Agreement(1)	Summary(1)
g. "Cause" defined – curable defaults	Sections 16(B) and (C); Section 13(A) of Multiple Unit Franchise Agreement	<p>Franchise Agreement: You have 30 days to cure failure to open Store when required, failure to complete training, failure to comply with System standards, fail to renew or maintain Store lease, and a violation of any material provision of the Agreement. You have 10 days to cure a failure to pay amounts due us or any creditors.</p> <p>Multiple Unit Franchise Agreement: You have 30 days to cure failure to meet development requirements, failure to comply with this Agreement or the Franchise Agreement or you terminate a franchise Agreement without cause, and failure to comply with any requirements in the Operations Manual. You have 10 days to cure a failure to pay amounts due us or any creditors.</p>
h. "Cause" defined – non-curable defaults	Sections 16(B) and (C); Section 13(B) of Multiple Unit Franchise Agreement	<p>Franchise Agreement: Failure on 3 or more occasions in any 12 months to comply with any provision, default which is not curable, repeatedly deceive Store customers, conviction of or proof that you have committed a felony or other crime which harms the Store's reputation, insolvency, an assignment of assets to creditors, Store abandonment, defaults which injures the goodwill associated with the Licensed Marks, use of unapproved website or other unauthorized conduct on the internet, unauthorized assignment of agreement or interest, and intentionally falsify any information provided to us.</p> <p>Multiple Unit Franchise Agreement: Failure on 3 or more occasions in any 12 months to comply with any provision, unauthorized assignment, material misrepresentation or omission in franchise application, conviction of or proof that you have committed a felony or other crime that harms Store's reputation, improper disclosure of Confidential Information, insolvency, unauthorized use of Licensed Marks that injures goodwill, use of unapproved website or other unauthorized conduct on the internet, default which is not curable or an immediate threat or danger to public health or safety resulting from construction, maintenance or operation of the Store.</p>

Provision	Section in Agreement(1)	Summary(1)
i. Your obligations on termination/nonrenewal	Section 18; Section 13(C) of Multiple Unit Franchise Agreement	<p>Franchise Agreement: Pay all amounts due us, stop using and return manuals and other materials, assign to us the Store telephone number and telephone listing or (at our option) disconnect the telephone number, remove all signs and other materials containing any Licensed Marks, comply with obligations under the Proprietary Software license/access agreements and the National Accounts Success Agreement, cancel all fictitious or assumed name filings, cease using Confidential Information, agree not to divert Store customers to any competing business for 2 years and redecorate the Store premises (also see o, r below).</p> <p>Multiple Unit Franchise Agreement: lose rights to open Stores under agreement and agree not to divert Store customers to any competing business for 2 years.</p>
j. Assignment of contract by us	Section 15(A); Section 16(A) of Multiple Unit Franchise Agreement	Assignee must fulfill our obligations under the agreement.
k. "Transfer" by you-defined	Section 15(C); Section 18 of Multiple Unit Franchise Agreement	<p>Franchise Agreement: Includes transfer of Store or its assets, or your interest in agreement or any significant ("controlling interest") ownership change.</p> <p>Multiple Unit Franchise Agreement: Includes transfer of agreement or assets or ownership change.</p>
l. Our approval of transfer by franchisee	Sections 15(B), (C) and (D); Sections 16(B), (C) and (D) of Multiple Unit Franchise Agreement	We have the right to approve all transfers of the Franchise Agreement and the Multiple Unit Franchise Agreement, but will not unreasonably withhold approval.
m. Conditions for our approval of transfer	Section 15(C); Section 17(B) of Multiple Unit Franchise Agreement	<p>Franchise Agreement: New franchisee qualifies and completes training, all amounts owed us or our affiliates are paid, and you are in good standing, new franchisee assumes existing Agreement or (at our option) signs then-current agreement, we approve transfer agreement, transfer fee paid, lease assigned (if applicable), you sign non-compete agreement and general release. No transfer fee for transfer to immediate family member.</p> <p>Multiple Unit Franchise Agreement: New Multiple Unit Franchisee qualifies and has completed our initial training program, you are in compliance with the agreement, you pay the transfer fee, and you must sign a general release.</p>
n. Our right of first refusal to acquire your business	Section 15(F)	We can match any offer for your business.

Provision	Section in Agreement(1)	Summary(1)
o. Our option to purchase your business	Section 18(C)	When the Franchise Agreement expires or terminates, we may purchase assets at book value.
p. Your death or disability	Section 15(D)	Franchise must be assigned by estate to an approved buyer within reasonable time not exceeding 12 months.
q. Non-competition covenants during the term of the franchise	Section 14(B); Section 15(A) of Multiple Unit Franchise Agreement	<p>Franchise Agreement: No involvement in wholesale or retail battery or light bulb-related product business, or related products, any device repair or other services offered at a Batteries Plus Bulbs® store, or other competing business (including any e-commerce business).</p> <p>Multiple Unit Franchise Agreement: No involvement in wholesale or retail battery or light bulb-related product business or any business offering device repair or other services offered at a Batteries Plus Bulbs® store (including any e-commerce business) or other competing business other than one authorized under a Batteries Plus Bulbs® Franchise Agreement.</p>
r. Non-competition covenants after the franchise is terminated or expires	Sections 14(C) and 18(A); Section 15(B) of Multiple Unit Franchise Agreement	<p>Franchise Agreement: No wholesale or retail battery or light bulb-related products, any device repair or other services offered at a Batteries Plus Bulbs® store, or any other competing business for two years within 15 miles of your location or within 15 miles of another Store. Also, no e-commerce business that solicits customers within 15 mile radius of any Store.</p> <p>Multiple Unit Franchise Agreement: No wholesale or retail battery or light bulb-related products, any device repair or other services offered at a Batteries Plus Bulbs® store, or any other competing business for two years within 15 miles of any Store in Designated Area or within 15 miles of another Store. Also, no e-commerce business that solicits customers within 15 mile radius of any Store.</p>
s. Modification of the agreement	Sections 1(B), 1(G), 10(E) and 20(F); Section 18(F) of Multiple Unit Franchise Agreement	<p>Franchise Agreement: No modifications generally, except in writing. We may modify Operations Manual, Licensed Marks, System and goods/services to be offered to your Store.</p> <p>Multiple Unit Franchise Agreement: No modifications generally, except in writing.</p>

Provision	Section in Agreement(1)	Summary(1)
t. Integration/merger clause	Section 20(L); Section 18(L) of Multiple Unit Franchise Agreement	Franchise Agreement: Only the terms of the Franchise Agreement (including exhibits) and the Disclosure Acknowledgement Agreement are binding (subject to state law). Any other promises may not be enforceable. Multiple Unit Franchise Agreement: Only the terms of the Multiple Unit Franchise Agreement are binding (subject to state law). Any other promises may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 19; Section 17 of Multiple Unit Franchise Agreement	Franchise Agreement: Except for actions we bring for monies owed, injunctive or extraordinary relief, or actions involving real estate, all disputes first will be subject to non-binding mediation at our headquarters in Hartland, Wisconsin, then (if not resolved) to binding arbitration in Milwaukee, Wisconsin. Multiple Unit Franchise Agreement: Except for actions we bring us for monies owed, injunctive or extraordinary relief, or actions involving real estate, all disputes first will be subject to non-binding mediation at our headquarters in Hartland, Wisconsin, then (if not resolved) to binding arbitration in Milwaukee, Wisconsin.
v. Choice of forum	Section 20(D); Section 18(D) of Multiple Unit Franchise Agreement	Franchise Agreement: Litigation not subject to arbitration must be in Waukesha County, Wisconsin (subject to state law). Multiple Unit Franchise Agreement: Litigation not subject to arbitration must be in Waukesha County, Wisconsin (subject to state law).
w. Choice of law	Section 20(E); Section 18(E) of Multiple Unit Franchise Agreement	Franchise Agreement: Apply law of the state in which your Store is located. This is not a waiver of any right you may have under the General Business Law of New York. Multiple Unit Franchise Agreement: Apply law of the state in which your principal business is located. This is not a waiver of any right you may have under the General Business Law of New York.

(1) Unless otherwise noted, section references and summaries are to the Franchise Agreement.

ITEM 18

PUBLIC FIGURES

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

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

Under Section I below, we have provided an unaudited statement of average net revenue, merchandise margin, net revenue percentage increase, and percentage of net revenue in total and by customer type based on franchised and company-owned Stores operating as of December 31, 2013. Under Section II below, we have provided an unaudited statement of net revenue, expenses, and EBITDA for company-owned Stores owned and operated for 7 years or more. Information for franchise-owned Stores has been taken from their respective POS Systems. We have not audited or verified these reports nor have we asked questions of the submitting franchisees to determine whether they are in fact accurate and complete, although we have no information or other reason to believe that they are unreliable. We do not know whether the information was prepared consistent with generally accepted accounting principles.

I. Unaudited Statement Of Average Net Revenue, Merchandise Margin, Net Revenue Percentage Increase, And Percentage Of Net Revenue By Customer Type

Except for where specifically noted in Statement 1B and 1C below, the following statements are based on information reported by all Stores (both franchise-owned and company-owned) in operation as of December 31, 2013. There were 602 total Stores open as of December 31, 2013 (referred to as "All Stores"). Of All Stores, there were 545 Stores that were in operation for the entire 12 month period ended December 31, 2013 (referred to as "Same Stores"), and 57 Stores that opened during 2013. As noted, each category included in this statement specifies whether Same Stores or All Stores are included.

A. Statement of Average Annual Net Revenue and Merchandise Margin

This statement includes average Net Revenue⁽¹⁾ and Merchandise Margin⁽²⁾ for Same Stores for the 12 month period ended December 31, 2013. In addition, each group of Stores is divided into quartiles, with the range of and average Net Revenue in each quartile identified. This statement includes information from Same Stores only.

2013 Same Store Net Revenue and Margin Performance

Average Store Net Revenue in 2013 - \$807,291
 Number of Stores – 545
 Number of Stores Above Average – 222
 Percentage of Stores Above Average - 40.7%
 Average Merchandise Margin Percentage - 52.7%

Net Revenue by Quartiles	Range of Net Revenue by Quartile	Quartile Average	Number and Percentage of Stores Above Average
1st Quartile (136 stores)	\$983,784-\$2,893,178	\$1,357,758	48 (35%)
2nd Quartile (136 stores)	\$725,182-\$981,532	\$843,969	65 (48%)
3rd Quartile (136 stores)	\$520,132-\$725,032	\$619,339	68 (50%)
4th Quartile (137 stores)	\$181,192-\$519,762	\$411,010	76 (55%)

- (1) For purposes of this statement, the term “Net Revenue” means all revenues received from the sale of goods and services, whether for cash or by check, credit card or trade, in connection with the Store, less sales tax, discounts and customer refunds and returns.
- (2) For purposes of this statement, the term “Merchandise Margin” is Net Revenue less “product cost.” “Product cost” is the cost of the product only and does not include other cost of goods such as freight, warranty expense or inventory shrinkage. “Merchandise Margin Percentage” is Merchandise Margin divided by Net Revenue multiplied by 100.

B. Statement of Average Annual Net Revenue Percentage Increase for Same Stores

This statement includes the average Net Revenue Percentage Increase for Stores based on a comparison of Net Revenue in 2013 and 2012 for Stores that were in operation for the entire 12 month period ended December 31, 2013. Only Net Revenue for the comparable period in each year are included. For example, for a Store which opened in October 2012 and recorded its first full month of operation in November 2012, the Net Revenue Percentage Increase for that Store would be based on a comparison of November and December 2013 Net Revenue versus November and December 2012 Net Revenue.

Average Same Store Net Revenue Percentage Increase			
Comparison Year	Stores	Percentage Increase	Number and Percentage of Stores Above Average
2013 v 2012	545	5.80%	300 (55%)

C. Statement of Average Annual Net Revenue Percentage Increase for All Stores

This statement includes the Average Net Revenue Percentage Increase for all Stores in operation as of December 31, 2013. This Statement of Average Net Revenue Percentage Increase for All Stores differs from the Statement of Average Net Revenue Percentage Increase for Same Stores in Paragraph II above in that this Statement includes all Net Revenue in 2013 and 2012 for the Stores open as of December 31, 2013. For example, if a store opened in November 2012, for Comparison Year 2013 v 2012, Net Revenue for this store for all of 2013 would be compared to 2012 which included sales only for November and December.

All Store Net Revenue Percentage Increase			
Comparison Year	Stores	Percentage Increase	Number and Percentage of Stores Above Average
2013 v 2012	602	10.50%	225 (37%)

D. Statement of Average Merchandise Margin for All Stores

This statement includes information comparing the total average Merchandise Margin percentage for All Store retail Net Revenue with the total average Merchandise Margin for All Store commercial Net Revenue. This statement includes information from All Stores (602).

2013 All Store Merchandise Margin by Customer Type		
Stores	Merchandise Margin Percentage	Customer Type
602	59.2%	Retail
602	38.9%	Commercial

E. Statement of Average Retail and Commercial Percentage of Net Revenue for All Stores

This statement includes information comparing average retail Net Revenue and commercial Net Revenue as a percentage of total average Net Revenue for All Stores. This statement includes information from All Stores (602).

2013 All Store Percentage of Net Revenue by Customer Type		
Stores	Percentage of Net Revenue	Customer Type
602	68.1%	Retail
602	31.9%	Commercial

F. Average Net Revenue in the First 12 Full Months of Operation

This statement includes information showing the average Net Revenue in the first 12 full calendar months of operation for franchised Stores opened 2010, 2011, and 2012. 2010 includes Net Revenue for the 55 franchised Stores opened in 2010, 2011 includes Net Revenue for the 54 franchised Stores opened in 2011, and 2012 includes Net Revenue for the 45 franchised Stores opened in 2012. Franchised Stores opened in 2013 are not included as none of the Stores opened in 2013 were open 12 full months as of December 31, 2013.

Stores Opened in 2012			
Average Net Revenue in the First 12 Full Calendar Months of Operation - \$379,641			
Number of Stores – 45			
Number of Stores Above Average – 20			
Percentage of Stores Above Average - 44%			
Net Revenue by Quartiles	Range of Net Revenue by Quartile	Quartile Average	Number and Percentage of Stores Above Average
1st Quartile (11 stores)	\$426,460-\$782,614	\$558,757	7 (64%)
2nd Quartile (11 stores)	\$373,741-\$426,280	\$395,719	7 (64%)
3rd Quartile (11 stores)	\$303,564-\$349,143	\$322,701	5 (45%)
4th Quartile (12 stores)	\$181,192-\$289,217	\$252,907	6 (50%)

Stores Opened in 2011			
Average Net Revenue in the First 12 Full Calendar Months of Operation - \$382,278			
Number of Stores - 54			
Number of Stores Above Average - 28			
Percentage of Stores Above Average - 52%			
Net Revenue by Quartiles	Range of Net Revenue by Quartile	Quartile Average	Number and Percentage of Stores Above Average
1st Quartile (13 stores)	\$436,500-\$816,739	\$545,032	3 (23%)
2nd Quartile (13 stores)	\$390,293-\$434,872	\$407,981	6 (46%)
3rd Quartile (14 stores)	\$295,222-\$388,170	\$342,914	7 (50%)
4th Quartile (14 stores)	\$191,574-\$294,551	\$246,645	8 (57%)

Stores Opened in 2010

Average Net Revenue in the First 12 Full Calendar Months of Operation - \$379,098

Number of Stores - 55

Number of Stores Above Average - 28

Percentage of Stores Above Average - 51%

Net Revenue by Quartiles	Range of Net Revenue by Quartile	Quartile Average	Number and Percentage of Stores Above Average
1st Quartile (13 stores)	\$467,488-\$775,023	\$534,987	3 (23%)
2nd Quartile (14 stores)	\$384,708-\$437,944	\$410,483	8 (57%)
3rd Quartile (14 stores)	\$291,939-\$383,638	\$327,337	7 (50%)
4th Quartile (14 stores)	\$192,978-\$290,456	\$254,722	9 (64%)

G. Statement of Average Net Revenue and Merchandise Margin by Store Age Group for Same Stores

This statement includes average Net Revenue and average Merchandise Margin for Same Stores by length of time a Store has been in operation. For example, a Store open 1-3 years commenced operating in 2010, 2011, or 2012. In addition, each group of Stores is divided into quartiles, with the range and average of Net Revenue in each quartile identified. This statement includes information from Same Stores (545) only.

2013 Same Store Performance Stores Open 1-3 Years			
Average Store Net Revenue in 2013 - \$527,382			
Number of Stores – 165			
Number of Stores Above Average – 71			
Percentage of Stores Above Average – 43%			
Merchandise Margin – 52.8%			
Quartiles by Net Revenue	Range of Net Revenue by Quartile	Quartile Average	Number and Percentage of Stores Above Average
1st Quartile (41 stores)	\$624,049-\$1,385,928	\$778,449	17 (41%)
2nd Quartile (41 stores)	\$504,211-\$623,592	\$557,123	20 (49%)
3rd Quartile (41 stores)	\$400,166-\$503,172	\$453,408	22 (54%)
4th Quartile (42 stores)	\$181,192-\$398,332	\$325,473	24 (57%)

**2013 Same Store
Performance
Stores Open 4-6 Years**

Average Store Net Revenue in 2013 - \$685,582
 Number of Stores – 110
 Number of Stores Above Average - 48

Percentage of Stores Above Average – 44%
 Average Merchandise Margin – 53.1%

Quartiles by Net Revenue	Range of Net Revenue by Quartile	Quartile Average	Number and Percentage of Stores Above Average
1st Quartile (27 stores)	\$824,573-\$1,371,226	\$987,940	12 (44%)
2nd Quartile (27 stores)	\$654,077-\$821,848	\$745,877	12 (44%)
3rd Quartile (28 stores)	\$531,449-\$643,638	\$591,272	15 (54%)
4th Quartile (28 stores)	\$220,096-\$523,276	\$430,191	17 (61%)

**2013 Same Store
Performance
Stores open 7+ years**

Average Store Net Revenue in 2013 - \$1,027,931
 Number of Stores – 270
 Number of Stores Above Average – 107

Percentage of Stores Above Average – 40%
 Average Merchandise Margin – 52.6%

Quartiles by Net Revenue	Range of Net Revenue by Quartile	Quartile Average	Number and Percentage of Stores Above Average
1st Quartile (67 stores)	\$1,250,801-\$2,893,178	\$1,624,685	26 (39%)
2nd Quartile (67 stores)	\$945,485-\$1,249,900	\$1,065,349	29 (43%)
3rd Quartile (68 stores)	\$742,997-\$944,982	\$836,867	34 (50%)
4th Quartile (68 stores)	\$305,274-\$742,957	\$594,148	39 (57%)

II. Unaudited Statement of Net Revenue, Expenses, and EBITDA for Company-Owned Stores owned and operated for 7 years or more.

The following statement is based on information reported in 2013 by 15 Stores that we owned and operated (the “Company-Owned Stores”) for 7 years or more as of December 31, 2013. As of December 31, 2013, there were 40 Company-Owned Stores. The following statement is based on information for only 15 Company-Owned Stores, however, as we did not own and operate 25 of the 40 Stores for the entire 7 year period ended December 31, 2013.

	2013 Averages of Company-Owned Stores owned and operated 7 years or more as of December 31, 2013 (15 Stores)	Percentage of Sales
Net Revenue⁽¹⁾	\$1,220,976	100%
Cost of Goods Sold⁽²⁾	\$587,775	48%
Gross Profit⁽³⁾	\$633,200	52%
Wages Expenses ⁽⁴⁾	\$179,623	15%
Selling Expenses ⁽⁵⁾	\$31,395	3%
Delivery Expenses ⁽⁶⁾	\$7,327	1%
Facilities Expenses ⁽⁷⁾	\$67,695	6%
General/Administrative Expenses ⁽⁸⁾	\$16,097	1%
Amortization and Depreciation ⁽⁹⁾	\$11,716	1%
Other Expenses ⁽¹⁰⁾	\$2,475	0%
Total Expenses⁽¹¹⁾	\$316,328	26%
Net Income⁽¹²⁾	\$316,873	26%
EBITDA⁽¹³⁾	\$328,588	27%
4% Local Advertising ⁽¹⁴⁾	\$48,839	4%
5% Royalty ⁽¹⁴⁾	\$61,049	5%
Adjusted EBITDA⁽¹⁴⁾	\$218,701	18%

- (1) “Net Revenue” means all revenues received from the sale of goods and services, whether for cash or by check, credit card or trade, in connection with the Store, less sales tax, discounts and customer refunds and returns. Of the 15 Company-Owned Stores, 8 Stores (53%) met or exceeded the average Net Revenue.
- (2) “Cost of Goods Sold” includes all product costs including, the cost of the product, discounts earned, cost of customer repairs, recycling charges, restocking fees, purchase price variances, redistribution costs, core recovery, inventory shrinkage, tech center supplies, freight in, warranty expense, bulb breakage, coupon discrepancy, and inventory scrap.

- (3) “Gross Profit” is Net Revenue less Cost of Goods Sold.
- (4) “Wages Expenses” include wages, employee commissions, workers compensation insurance, group health insurance, payroll taxes, bonuses, and 401(k) profit sharing for all in-store employees. The Wages Expenses include wages for the Store manager. There are no wages included for any dedicated employee to conduct external commercial sales activities. We presume that in a single, franchised Store, the owner-operator will either be the Store manager or will be responsible for the external commercial sales activity.
- (5) “Selling Expenses” include tools and small equipment, the 1% National Marketing Fund (“NMF”) Fee, employee commissions paid, cost to serve fee recovery, National Accounts administrative fee, credit card fees, uniforms, business meals and entertainment, printed selling materials, and travel expenses.
- (6) “Delivery Expenses” include vehicle gas, vehicle repairs and maintenance, vehicle insurance, freight charges income and shipping/delivery services.
- (7) “Facilities Expenses” include facilities services, utilities, snow removal and lawn care, rent, building repairs and maintenance, equipment repairs and maintenance, business insurance and real estate/property taxes.
- (8) “General/Administrative Expenses” include supplies, postage, dues/subscriptions, bad debts, telephone, employee development, samples, data processing maintenance, data line and supply expense, and other miscellaneous costs.
- (9) “Amortization and Depreciation Expenses” are non-cash expenses and include leasehold improvements, computer, vehicle, equipment, furniture, and fixture depreciation. As these expenses reflect mature Stores, your Amortization and Depreciation expenses will likely differ.
- (10) “Other Expenses” include the gain or loss on disposal of assets, cash over/short, and other miscellaneous expenses and adjustments. Also included are one-time costs related to store relocations for building repairs required by lease to improve building to conditions required by landlord. Gain or loss on disposal of assets includes write-down of leasehold improvements not yet fully depreciated.
- (11) “Total Expenses” is the sum of Wages Expenses, Selling Expenses, Delivery Expenses, Facilities Expenses, General/Administrative Expenses, Amortization and Depreciation Expenses, and Other Expenses. Total Expenses do not include certain corporate allocated expenses such as Human Resources, IT support, banking fees (other than credit card fees), legal fees, accounting, invoicing, payment, collection, tax preparation and financial reporting expenses that were incurred because the Company-Owned Stores are part of a larger corporate structure. While an owner-operated, single unit, franchised Store will likely incur some costs related to one or more of these items, many of these allocated expenses are unique to our corporate structure and are not reflective of an owner-operated, single unit franchised operation.

- (12) “Net Income” is Net Revenue less the sum of Cost of Goods Sold and Total Expenses.
- (13) “EBITDA” is defined as Earnings Before Interest, Taxes, Depreciation, and Amortization. EBITDA is Net Income plus Depreciation and Amortization. Of the 15 Company-Owned Stores, 7 Stores (47%) met or exceeded the average EBITDA.
- (14) The Company-Owned Stores do not pay a royalty fee and are not required to spend 4% of Net Revenue on local marketing. A franchised Store would have incurred these expenses. As a result, we have included adjusted figures to the EBITDA as if the Company-Owned Stores had incurred these expenses.

Some Stores have attained the results described above in Sections I and II. Your individual results may differ. There is no assurance you will do as well.

The information and results described in Section II are based on mature Company-Owned Stores that have been owned and operated for 7 years or more.

We will, on reasonable demand, provide to you written substantiation for all information illustrated in this Item 19.

Other than the preceding financial performance representation, 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 revenue and/or income, you should report it to the franchisor’s management by contacting Linda Grotta, Batteries Plus, L.L.C., at 1325 Walnut Ridge Drive, Hartland, Wisconsin 53029, (262) 912-3000, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

**TABLE NUMBER 1
Systemwide Store Summary
For Years 2011-2013**

Store Type	Year	Stores at the Start of the Year	Stores at the End of the Year	Net Change
Franchised	2011	415	467	+52
	2012	467	511	+44
	2013	511	562	+51
Company-Owned	2011	28	33	+5
	2012	33	35	+2
	2013	35	40	+5
Total Stores	2011	443	500	+57
	2012	500	546	+46
	2013	546	602	+56

**TABLE NUMBER 2
Transfers of Stores From Franchisee to New Owners (Other than the Franchisor)
For Years 2011-2013**

State	Year	Number of Transfers
California	2011	0
	2012	0
	2013	2
Georgia	2011	0
	2012	0
	2013	2
Illinois	2011	0
	2012	1
	2013	1
Iowa	2011	0
	2012	1
	2013	0
Kentucky	2011	0
	2012	0
	2013	2

State	Year	Number of Transfers
Maryland	2011	0
	2012	0
	2013	1
Michigan	2011	0
	2012	0
	2013	2
Minnesota	2011	1
	2012	0
	2013	0
Missouri	2011	1
	2012	0
	2013	0
North Carolina	2011	0
	2012	1
	2013	0
Ohio	2011	0
	2012	0
	2013	2
Oregon	2011	1
	2012	0
	2013	0
Pennsylvania	2011	0
	2012	4
	2013	0
Texas	2011	0
	2012	0
	2013	1
Utah	2011	1
	2012	0
	2013	0
TOTAL	2011	0
	2012	0
	2013	13

TABLE NUMBER 3
Status of Franchised Stores
For Years 2011-2013

State	Year	Stores at the Start of the Year	Stores Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations / Other Reasons	Stores at the End of the Year
Alabama	2011	7	2	0	0	0	0	9
	2012	9	0	0	0	0	0	9
	2013	9	0	0	0	0	0	9
Alaska	2011	2	0	0	0	0	0	2
	2012	2	0	0	0	0	0	2
	2013	2	1	0	0	0	0	3
Arizona	2011	14	1	0	0	0	0	15
	2012	15	0	0	0	0	0	15
	2013	15	1	0	0	0	0	16
Arkansas	2011	1	0	0	0	0	0	1
	2012	1	1	0	0	0	0	2
	2013	2	1	0	0	0	0	3
California	2011	22	1	0	0	0	1	22
	2012	22	2	0	0	0	0	24
	2013	24	2	0	0	0	0	26
Colorado	2011	14	1	0	0	0	0	15
	2012	15	1	0	0	0	0	16
	2013	16	2	0	0	0	0	18
Connecticut	2011	0	1	0	0	0	0	1
	2012	1	2	0	0	0	0	3
	2013	3	0	0	0	0	0	3
Florida	2011	33	6	0	0	0	0	39
	2012	39	10	0	0	0	0	49
	2013	49	8	0	0	0	0	57
Georgia	2011	19	5	0	0	0	0	24
	2012	24	1	0	0	0	0	25
	2013	25	2	0	0	0	0	27
Idaho	2011	5	0	0	0	0	0	5
	2012	5	0	0	0	0	0	5
	2013	5	0	0	0	0	0	5
Illinois	2011	19	4	0	0	0	0	23
	2012	23	1	0	0	0	0	24
	2013	24	4	0	0	3	0	25
Indiana	2011	15	0	0	0	0	1	14
	2012	14	1	0	0	0	0	15
	2013	15	1	0	0	0	0	16

State	Year	Stores at the Start of the Year	Stores Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations / Other Reasons	Stores at the End of the Year
Iowa	2011	5	0	0	0	0	0	5
	2012	5	0	0	0	0	0	5
	2013	5	0	0	0	0	0	5
Kansas	2011	5	0	0	0	0	0	5
	2012	5	0	0	0	0	0	5
	2013	5	1	0	0	0	0	6
Kentucky	2011	8	0	0	0	0	0	8
	2012	8	1	0	0	0	0	9
	2013	9	1	0	0	0	0	10
Louisiana	2011	3	0	0	0	0	0	3
	2012	3	1	0	0	2	0	2
	2013	2	1	0	0	0	0	3
Maine	2011	1	0	0	0	0	0	1
	2012	1	0	0	0	0	0	1
	2013	1	0	0	0	0	0	1
Maryland	2011	3	1	0	0	0	0	4
	2012	4	0	0	0	0	0	4
	2013	4	1	0	0	0	0	5
Massachusetts	2011	3	2	0	0	0	0	5
	2012	5	1	0	0	0	0	6
	2013	6	1	0	0	0	0	7
Michigan	2011	17	4	0	0	0	0	21
	2012	21	1	0	0	0	0	22
	2013	22	3	0	0	0	1	24
Minnesota	2011	20	0	0	0	0	0	20
	2012	20	1	0	0	0	0	21
	2013	21	0	0	0	0	0	21
Mississippi	2011	1	0	0	0	0	0	1
	2012	1	2	0	0	0	0	3
	2013	3	0	0	0	0	0	3
Missouri	2011	11	1	0	0	0	0	12
	2012	12	1	0	0	0	0	13
	2013	13	0	0	0	0	0	13
Montana(1)	2011	5	2	0	0	2	0	5
	2012	5	0	0	0	0	0	5
	2013	5	0	0	0	0	0	5
Nebraska	2011	3	0	0	0	0	0	3
	2012	3	0	0	0	0	0	3
	2013	3	0	0	0	0	0	3

State	Year	Stores at the Start of the Year	Stores Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations / Other Reasons	Stores at the End of the Year
Nevada	2011	5	1	0	0	0	0	6
	2012	6	0	0	0	0	0	6
	2013	6	1	0	0	0	0	7
New Hampshire	2011	3	1	0	0	0	0	4
	2012	4	0	0	0	0	0	4
	2013	4	0	0	0	0	0	4
New Jersey	2011	4	3	0	0	0	0	7
	2012	7	2	0	0	0	0	9
	2013	9	2	0	0	0	0	11
New Mexico	2011	3	1	0	0	0	0	4
	2012	4	0	0	0	0	0	4
	2013	4	0	0	0	0	0	4
New York	2011	1	0	0	0	0	0	1
	2012	1	2	0	0	0	0	3
	2013	3	0	0	0	0	0	3
North Carolina	2011	20	3	0	0	0	0	23
	2012	23	1	0	0	0	0	24
	2013	24	0	0	0	0	0	24
North Dakota	2011	2	0	0	0	0	0	2
	2012	2	0	0	0	0	0	2
	2013	2	0	0	0	0	0	2
Ohio	2011	14	2	0	0	0	0	16
	2012	16	1	0	0	0	0	17
	2013	17	1	0	0	0	0	18
Oklahoma	2011	6	1	0	0	0	0	7
	2012	7	0	0	0	0	0	7
	2013	7	1	0	0	0	0	8
Oregon	2011	8	1	0	0	0	0	9
	2012	9	0	0	0	0	0	9
	2013	9	1	0	0	0	0	10
Pennsylvania	2011	8	1	0	0	0	0	9
	2012	9	0	0	0	0	0	9
	2013	9	1	0	0	0	0	10
South Carolina	2011	13	0	0	0	0	0	13
	2012	13	1	0	0	0	0	14
	2013	14	0	0	0	0	0	14
South Dakota	2011	2	0	0	0	0	0	2
	2012	2	0	0	0	0	0	2
	2013	2	0	0	0	0	0	2

State	Year	Stores at the Start of the Year	Stores Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations / Other Reasons	Stores at the End of the Year
Tennessee	2011	12	1	0	0	0	0	13
	2012	13	0	0	0	0	0	13
	2013	13	0	0	0	0	0	13
Texas	2011	40	4	0	0	0	0	44
	2012	44	7	0	0	0	0	51
	2013	51	12	0	0	0	0	63
Utah	2011	5	2	0	0	0	0	7
	2012	7	1	0	0	0	0	8
	2013	8	1	0	0	0	0	9
Virginia	2011	14	2	0	0	0	0	16
	2012	16	1	0	0	0	0	17
	2013	17	2	0	0	0	0	19
Washington	2011	11	1	0	0	0	0	12
	2012	12	2	0	0	0	0	14
	2013	14	1	0	0	0	0	15
West Virginia	2011	1	0	0	0	0	0	1
	2012	1	0	0	0	0	0	1
	2013	1	0	0	0	0	0	1
Wisconsin	2011	3	1	0	0	0	0	4
	2012	4	0	0	0	0	0	4
	2013	4	2	0	0	0	0	6
Wyoming	2011	1	0	0	0	0	0	1
	2012	1	0	0	0	0	0	1
	2013	1	0	0	0	0	0	1
Puerto Rico	2011	3	0	0	0	0	0	3
	2012	3	1	0	0	0	0	4
	2013	4	0	0	0	0	0	4
TOTAL	2011	415	56	0	0	2	2	467
	2012	467	46	0	0	2	0	511
	2013	511	55	0	0	3	1	562

TABLE NUMBER 4
Status of Company-Owned Stores
For Years 2011-2013

State	Year	Stores at the Start of the Year	Stores Opened	Stores Reacquired From Franchisees	Stores Closed	Stores Sold to Franchisees	Stores at the End of the Year
Alabama	2011	1	2	0	0	0	3
	2012	3	0	0	0	0	3
	2013	3	0	0	0	0	3
Illinois	2011	0	0	0	0	0	0
	2012	0	0	0	0	0	0
	2013	0	0	3	0	0	3
Louisiana	2011	0	0	0	0	0	0
	2012	0	0	2	0	0	2
	2013	2	0	0	0	0	2
Montana	2011	0	0	2	0	2	0
	2012	0	0	0	0	0	0
	2013	0	0	0	0	0	0
Tennessee	2011	4	1	0	0	0	5
	2012	5	0	0	0	0	5
	2013	5	2	0	0	0	7
Virginia	2011	4	1	0	0	0	5
	2012	5	0	0	0	0	5
	2013	5	0	0	0	0	5
Wisconsin	2011	19	1	0	0	0	20
	2012	20	0	0	0	0	20
	2013	20	0	0	0	0	20
TOTAL	2011	28	5	2	0	2	33
	2012	33	0	2	0	0	35
	2013	35	2	3	0	0	40

TABLE NUMBER 5
Projected Openings
As of December 31, 2013

State	Franchise Agreements Signed But Store Not Opened	Projected New Franchised Stores in the Next Fiscal Year	Projected New Company-Owned Stores in the Current Fiscal Year
Arkansas	0	1	0
Arizona	2	2	0
California	7	7	0
Florida	8	9	0
Georgia	1	1	0
Hawaii	1	1	0
Illinois	1	3	2
Indiana	0	1	0
Iowa	1	1	0
Kentucky	0	1	0
Louisiana	1	1	0
Michigan	1	1	0
Mississippi	0	2	0
Missouri	2	2	0
Montana	1	1	0
Nevada	1	1	0
New Jersey	2	2	0
North Carolina	1	2	0
North Dakota	1	1	0
Ohio	1	1	0
Oregon	1	2	0
Pennsylvania	3	3	0
South Carolina	2	1	0
Tennessee	2	2	0
Texas	6	7	0
Virginia	2	2	0
Washington	1	1	0
Puerto Rico	2	2	0
TOTAL	51	60	2

The names, addresses and telephone numbers of all Batteries Plus Bulbs® franchisees as of January 31, 2014, are listed in Exhibit D.

Also listed on Exhibit D is the name and last known city, state and business telephone number (or, if unknown, home telephone number) of every franchisee who has had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do

business under the Franchise Agreement during the most recently completed fiscal year or who has not communicated with us since January 31, 2014.

If you buy a Batteries Plus Bulbs® franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, current or former franchisees have signed confidentiality agreements. In certain instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the Batteries Plus Bulbs® franchise system. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

As described in Item 11, we have established a Franchisee advisory council (“FAC”). The FAC does not have an address, telephone number, email address or Web address. The FAC and related committees advise us on various franchise related matters.

ITEM 21

FINANCIAL STATEMENTS

Attached as Exhibit A are Batteries’ financial statements which include consolidated balance sheets for Batteries as of December 31, 2013, December 31, 2012 and December 31, 2011; and the related consolidated statements of income, members’ equity and cash flows for each of the years ended December 31, 2013, December 31, 2012 and December 31, 2011.

ITEM 22

CONTRACTS

The Multiple Unit Franchise Agreement is attached as Exhibit B and the Franchise Agreement (including Lease Addendum, Counterpoint Software Access Agreement, B2B Rider to Counterpoint Software Access Agreement, ProSource Software Agreement, National Accounts Success Agreement, E-Commerce Agreement, and Personal Guaranty) is attached as Exhibit C. The form of General Release is included in Exhibit F. The Territory Reservation Agreement is attached as Exhibit G. The Triple Option Program Addendum is attached as Exhibit H.

ITEM 23

RECEIPTS

Two copies of an acknowledgment of your receipt of this disclosure document are included at the end of this disclosure document (Exhibit J). You should keep one copy as your file copy and return the second copy to us.

EXHIBIT A
FINANCIAL STATEMENTS

BATTERIES PLUS, LLC
CONSOLIDATED FINANCIAL
STATEMENTS

Years Ended December 31, 2013, 2012 and 2011

BATTERIES PLUS, LLC

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INDEPENDENT AUDITORS' REPORT

To the Member
Batteries Plus, LLC
Hartland, Wisconsin

We have audited the accompanying consolidated financial statements of Batteries Plus, LLC, which comprise the consolidated balance sheets as of December 31, 2013, 2012 and 2011, 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.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to Batteries Plus LLC's preparation and fair presentation of the consolidated financial statements 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 Batteries Plus LLC's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Batteries Plus, LLC as of December 31, 2013, 2012 and 2011, and the results of their operations and their cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.



Certified Public Accountants

Milwaukee, Wisconsin
March 12, 2014

BATTERIES PLUS, LLC

CONSOLIDATED BALANCE SHEETS
December 31, 2013, 2012 and 2011

ASSETS	<u>2013</u>	<u>2012</u>	<u>2011</u>
<u>Current assets</u>			
Cash	\$ 5,321,485	\$ 4,660,502	\$ 585,549
Accounts receivable, net	20,432,897	17,499,260	18,355,365
Merchandise inventories	42,820,263	45,924,243	37,830,617
Prepaid expenses	1,736,858	1,556,064	991,592
Due from national marketing fund	812,134	-	-
Notes receivable - current maturities	<u>483,765</u>	<u>329,903</u>	<u>124,220</u>
Total current assets	<u>71,607,402</u>	<u>69,969,972</u>	<u>57,887,343</u>
<u>Property and equipment</u>			
Furniture, fixtures and equipment	6,797,072	4,664,159	4,095,931
Vehicles	739,261	626,057	433,368
Leasehold improvements	2,799,231	2,379,317	2,072,700
Software	<u>2,812,033</u>	<u>2,474,930</u>	<u>1,746,636</u>
	13,147,597	10,144,463	8,348,635
Less accumulated depreciation	<u>6,312,245</u>	<u>4,462,505</u>	<u>3,065,649</u>
Total property and equipment	<u>6,835,352</u>	<u>5,681,958</u>	<u>5,282,986</u>
<u>Other assets</u>			
Goodwill	5,805,666	5,808,060	5,732,870
Other intangible assets, net	30,315,445	34,087,005	37,805,555
Notes receivable, less current maturities	<u>233,000</u>	<u>94,700</u>	<u>19,337</u>
Total other assets	<u>36,354,111</u>	<u>39,989,765</u>	<u>43,557,762</u>
	<u>\$ 114,796,865</u>	<u>\$ 115,641,695</u>	<u>\$ 106,728,091</u>

See accompanying Notes to Consolidated Financial Statements.

BATTERIES PLUS, LLC

CONSOLIDATED STATEMENTS OF INCOME
Years Ended December 31, 2013, 2012 and 2011

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Merchandise sales	\$ 176,675,069	\$ 157,457,897	\$ 143,180,224
Cost of merchandise sold	<u>129,065,084</u>	<u>118,298,683</u>	<u>106,969,869</u>
Gross profit	<u>47,609,985</u>	<u>39,159,214</u>	<u>36,210,355</u>
<u>Other operating income</u>			
Franchise fees	1,420,990	1,020,045	1,594,153
Royalty fees	16,613,776	15,003,450	13,168,165
Supplier commissions	4,492,466	4,837,783	4,459,277
Other fees	<u>2,942,585</u>	<u>2,539,641</u>	<u>2,440,612</u>
	<u>25,469,817</u>	<u>23,400,919</u>	<u>21,662,207</u>
<u>Operating expenses</u>			
Selling and delivery	6,297,841	5,418,029	5,723,226
Occupancy	3,730,954	3,146,852	3,025,170
General and administrative	36,117,883	31,006,081	29,611,501
Advertising	2,050,152	1,697,510	1,200,549
Depreciation	1,867,880	1,607,775	1,313,087
Amortization	<u>3,771,560</u>	<u>3,767,482</u>	<u>3,766,667</u>
	<u>53,836,270</u>	<u>46,643,729</u>	<u>44,640,200</u>
Operating income	19,243,532	15,916,404	13,232,362
<u>Other income (expense)</u>			
Interest expense	(14)	(19,064)	-
Gain (loss) on sale of property and equipment	(18,097)	2,425	(87,340)
Other - net	<u>205,196</u>	<u>263,656</u>	<u>38,695</u>
Other income (expense), net	<u>187,085</u>	<u>247,017</u>	<u>(48,645)</u>
Net income	<u>\$ 19,430,617</u>	<u>\$ 16,163,421</u>	<u>\$ 13,183,717</u>

See accompanying Notes to Consolidated Financial Statements.

BATTERIES PLUS, LLC

CONSOLIDATED STATEMENTS OF MEMBER'S EQUITY
 Years Ended December 31, 2013, 2012 and 2011

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Member's equity at beginning of year	\$ 71,210,886	\$ 74,819,722	\$ 67,590,682
Net income	19,430,617	16,163,421	13,183,717
Stock-based compensation	183,000	63,000	63,000
Distributions to member	<u>(15,719,439)</u>	<u>(19,835,257)</u>	<u>(6,017,677)</u>
Member's equity at end of year	<u>\$ 75,105,064</u>	<u>\$ 71,210,886</u>	<u>\$ 74,819,722</u>

See Notes to Consolidated Financial Statements.

BATTERIES PLUS, LLC

CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended December 31, 2013, 2012 and 2011

	<u>2013</u>	<u>2012</u>	<u>2011</u>
<u>Cash flows from operating activities</u>			
Net income	\$ 19,430,617	\$ 16,163,421	\$ 13,183,717
Adjustments to reconcile net income to net cash provided by operating activities:			
Provision for doubtful accounts	16,727	(1,017)	31,835
Stock-based compensation expense	183,000	63,000	63,000
Depreciation	1,867,880	1,607,775	1,313,087
Amortization	3,771,560	3,767,482	3,766,667
Interest accrued on notes receivable	(41,064)	(12,524)	(4,625)
(Gain) loss on sale of property and equipment	18,097	(2,425)	87,340
Change in inventory obsolescence reserve	(160,195)	240,127	292,307
Changes in operating assets and liabilities:			
Accounts receivable	(2,950,364)	857,122	(4,746,638)
Merchandise inventories	3,264,175	(8,333,753)	(13,851,688)
Prepaid expenses	(180,794)	(564,472)	114,720
Due to/from national marketing fund	(1,071,964)	(547,041)	(115,571)
Accounts payable	(5,585,064)	12,430,550	5,732,678
Accrued expenses	570,683	561,763	369,928
Deferred revenue	539,667	77,168	(469,277)
Net cash provided by operating activities	<u>19,672,961</u>	<u>26,307,176</u>	<u>5,767,480</u>
<u>Cash flows from investing activities</u>			
Purchase of property and equipment	(3,041,441)	(2,018,462)	(2,272,749)
Issuance of notes receivable	(579,634)	(430,000)	(258,941)
Payments received on notes receivable	328,536	161,478	161,834
Purchase of goodwill	-	(75,190)	-
Purchase of other intangible assets	-	(48,932)	-
Proceeds from sale of property and equipment	-	14,140	41,269
Net cash used by investing activities	<u>(3,292,539)</u>	<u>(2,396,966)</u>	<u>(2,328,587)</u>
<u>Cash flows from financing activities</u>			
Cash distributions to member	<u>(15,719,439)</u>	<u>(19,835,257)</u>	<u>(6,017,677)</u>
<u>Cash</u>			
Increase (decrease) in cash	660,983	4,074,953	(2,578,784)
Beginning	<u>4,660,502</u>	<u>585,549</u>	<u>3,164,333</u>
Ending	<u>\$ 5,321,485</u>	<u>\$ 4,660,502</u>	<u>\$ 585,549</u>

See accompanying Notes to Consolidated Financial Statements.

BATTERIES PLUS, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013, 2012 and 2011

Note 1 - Nature of business and significant accounting policies

A. Basis of presentation

The accompanying consolidated financial statements include the accounts of Batteries Plus, LLC (Batteries Plus) and its wholly-owned subsidiaries Ascent Battery Supply, LLC (Ascent) and Batteries Plus Hong Kong Limited (Hong Kong), hereinafter collectively referred to as the "Company." All material intercompany transactions and balances have been eliminated in consolidation. The Company is wholly-owned by its parent Square Brands International LLC which in turn is a wholly-owned subsidiary of Batteries Plus Holding Corporation (Holdings).

Batteries Plus and Ascent are organized as limited liability companies. Hong Kong is a foreign entity incorporated under the laws of its respective country.

B. Nature of business

Batteries Plus operates and franchises a national chain of stores whose operations are in the commercial and retail distribution of batteries, light bulbs and related products. The following is the total number of stores at December 31:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Franchised	562	511	467
Batteries Plus operated	40	35	33
Total	<u>602</u>	<u>546</u>	<u>500</u>

Batteries Plus provides franchisees with a system of business training, site location, marketing, advertising programs and management support designed to assist the franchisee in opening and operating a Batteries Plus store.

Ascent operates a supply chain which purchases, warehouses, and distributes inventory for the Batteries Plus owned and franchised stores.

C. Use of estimates

Management uses estimates and assumptions in preparing consolidated financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses. Actual results could differ from those estimates.

D. Accounts receivable

Accounts receivable are stated at the amount the Company expects to collect from outstanding balances. The Company extends unsecured credit to its customers in the ordinary course of business, but mitigates the associated credit risk by performing credit checks, establishing credit limits and actively pursuing past due accounts. The Company provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after the Company has used reasonable collection efforts are written-off through a charge to the valuation allowance and a credit to accounts receivable.

BATTERIES PLUS, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013, 2012 and 2011

Note 1 - Nature of business and significant accounting policies, continued

E. Merchandise inventories

Inventories, which primarily consist of merchandise held for resale, are stated at the lower of cost or market. Cost is determined by the first-in, first out (Ascent) or average cost (Batteries Plus operated stores) method.

F. Property and equipment

Property and equipment are stated at cost. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets.

G. Goodwill and other intangible assets

Goodwill represents the excess of the purchase price over the fair value of assets acquired and liabilities assumed at the date of acquisition. Goodwill is not amortized, but is assessed for impairment annually.

Other intangible assets consist of contract rights, proprietary software, brand name and trade name. Finite lived intangible assets are amortized on a straight-line basis over their estimated useful lives. Indefinite-lived intangible assets are not amortized, but assessed for impairment at least annually. There was no impairment of goodwill or other intangible assets in 2013, 2012 or 2011.

H. Revenue recognition

Merchandise sales:

Revenues are recognized for Batteries Plus operated stores as products are sold and delivered to the customer. Revenues are recognized by Ascent as products are sold and delivered to franchised stores.

Franchise fees:

Batteries Plus enters into individual and multiple-unit franchise agreements. Individual franchise agreements grant the individual the right to open and operate a franchise store in the franchisee's individual territory. Multiple-unit franchise agreements grant the franchisee the right to establish and own a specified number of Batteries Plus stores within a defined geographic area pursuant to a development schedule. The fees for the individual franchise agreement and a portion of the fees for the multiple-unit franchise agreement are payable upon execution of the agreement and are nonrefundable. The remaining fees for multiple-unit franchise agreements are payable upon execution of the franchise agreement for each store developed pursuant to the multiple unit franchise agreement.

Batteries Plus recognizes all franchise fee revenue upon opening of the related store. Franchise fees received prior to the related store opening are deferred and totaled \$2,149,500, \$1,432,000 and \$1,177,000 at December 31, 2013, 2012 and 2011, respectively. Deferred revenue related to unexercised multiple unit agreements is recognized upon expiration of the related agreement.

BATTERIES PLUS, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013, 2012 and 2011

Note 1 - Nature of business and significant accounting policies, continued

Royalty fees:

Royalty fees are based upon a percentage of each franchisee's sales and are recognized as revenue based upon reported sales activity by each franchisee.

Vendor allowances and supplier commissions:

Vendor allowances and supplier commissions are based on a percentage of orders placed for purchases with specific vendors by Ascent, Batteries Plus operated and franchised stores. Vendor allowances for purchases by Ascent are recognized upon the vendor's shipment of the goods and are recorded as a reduction of cost of merchandise sold. Supplier commissions earned by Ascent on purchases which were directly shipped to Batteries Plus operated and franchised stores are included in other operating income on the Consolidated Statements of Income.

Other fees:

Other fees consist primarily of point of sale computer support and access fees charged to franchised stores. In connection with upgrading their point of sale software, a portion of the fees charged to franchised stores was deferred and amortized to income through December 31, 2013, the useful life of the software.

I. Shipping costs

Costs of shipping are included in selling and delivery expenses and totaled approximately \$5,141,000, \$4,423,000 and \$4,945,000 for the years ended December 31, 2013, 2012 and 2011, respectively.

J. Advertising

The Company expenses the costs of advertising as incurred. Advertising expense for the years ended December 31, 2013, 2012 and 2011 was approximately \$2,050,000, \$1,698,000 and \$1,201,000, respectively.

K. Concentration of credit risk

The Company maintains bank account balances which at times may exceed federally insured limits. The Company has not experienced any losses with these accounts. Management believes the Company is not exposed to any significant credit risk on cash.

L. Income taxes

No provision for federal income taxes is recorded in these consolidated financial statements since the Company is treated as a disregarded entity for federal income tax purposes. Accordingly, the Company's taxable income is reported on the income tax returns of Holdings. In addition, the Company is subject to various income taxes and surcharges in states with franchised stores.

BATTERIES PLUS, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013, 2012 and 2011

Note 1 - Nature of business and significant accounting policies, continued

L. Income taxes, continued

The Company follows the guidance for accounting for uncertainties in income taxes which is part of FASB Accounting Standards Codification 740, *Income Taxes*. This guidance increases the relevancy and comparability of financial reporting by clarifying the way companies account for uncertainties in income taxes for tax positions taken or expected to be taken. It makes recognition and measurement more consistent as well as offering clear criteria for subsequently recognizing, derecognizing and measuring such tax positions for financial statement purposes.

Holdings' federal income tax returns are subject to examination generally for three years after they are filed and its state income tax returns generally for four years after they are filed. Holdings had no interest and penalties related to income taxes for the years ended December 31, 2013, 2012 and 2011. It is the Company's accounting policy that penalties and interest, if and when assessed by income taxing authorities, are included in operating expense.

M. Cash equivalents

For purposes of the Consolidated Statements of Cash Flows, the Company considers all petty cash, checking, savings and money market accounts to be cash.

N. Distributions to member

Distributions are made in amounts as determined by the Company's management, which are generally used for Holdings' debt-service payments, income taxes and Holding company administrative expenses.

O. Presentation of sales taxes

Batteries Plus and Ascent collect sales tax from certain customers and remits the entire amount to the appropriate governmental entities. Batteries Plus and Ascent's accounting policy is to exclude the tax collected and remitted from merchandise sales and cost of merchandise sold.

P. Stock – based compensation plan

Batteries Plus recognizes stock-based compensation cost using fair value provisions prescribed on a straight-line basis over the vesting period for stock options issued.

Q. Fair value measurement of financial instruments

Based on Company estimates, the carrying amounts of cash, receivables, prepaid expenses, accounts payable, due to/from national marketing fund, accrued expenses and deferred revenue approximated fair value as of December 31, 2013, 2012 and 2011.

R. Subsequent events

The Company has evaluated events and transactions for potential recognition or disclosure in the financial statements through March 12, 2014, the date on which the financial statements were available to be issued.

BATTERIES PLUS, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013, 2012 and 2011

Note 2 - National Marketing Fund

Batteries Plus oversees and administers a National Marketing Fund (the Fund) which serves as a marketing association for all Batteries Plus stores. The Fund develops, initiates and executes marketing programs including, but not limited to, the development of marketing tools for the mutual benefit of its contributors. The Fund is not a separate legal entity and is included in Batteries Plus' balance sheet. The Fund is provided management services by Batteries Plus.

Contributions to the Fund are generally based upon 1% of adjusted gross sales of each Batteries Plus store. A summary of the contributions to the Fund, which are restricted for marketing, and the expenditures from the Fund is as follows for the years ended December 31:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Balance of fund, beginning of year	\$ 259,830	\$ 806,871	\$ 922,442
Contributions received	4,521,881	4,136,315	3,642,988
Marketing expenditures	<u>(5,593,845)</u>	<u>(4,683,356)</u>	<u>(3,758,559)</u>
Balance of fund, end of year	<u>\$ (812,134)</u>	<u>\$ 259,830</u>	<u>\$ 806,871</u>

Contributions to the Fund are not recorded as income of Batteries Plus and marketing expenditures of the Fund are not recorded as an expense of Batteries Plus.

Note 3 - Accounts receivable

Accounts receivable consists of the following as of December 31:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Trade receivables	\$ 15,875,981	\$ 13,666,734	\$ 15,355,473
Franchise royalty and marketing fees	2,497,230	2,302,147	1,749,404
Vendor allowances	1,128,173	1,120,938	884,736
Credit card	195,333	201,419	124,671
Other	<u>907,430</u>	<u>362,545</u>	<u>396,621</u>
	20,604,147	17,653,783	18,510,905
Less allowance for doubtful accounts	<u>(171,250)</u>	<u>(154,523)</u>	<u>(155,540)</u>
	<u>\$ 20,432,897</u>	<u>\$ 17,499,260</u>	<u>\$ 18,355,365</u>

Trade receivables consist primarily of amounts due from franchised stores for merchandise purchased from Ascent and from commercial customers of Batteries Plus operated stores.

BATTERIES PLUS, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013, 2012 and 2011

Note 4 – Merchandise inventories

Merchandise inventories are comprised of the following as of December 31:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Merchandise inventories	\$ 43,638,438	\$ 46,902,613	\$ 38,568,860
Less reserve for inventory obsolescence	<u>(818,175)</u>	<u>(978,370)</u>	<u>(738,243)</u>
	<u>\$ 42,820,263</u>	<u>\$ 45,924,243</u>	<u>\$ 37,830,617</u>

Note 5 - Notes receivable

Notes receivable were due from the following as of December 31:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Multiple unsecured notes from various franchisees for the purchase of POS software, bearing interest at 4.29%, each due in monthly principal and interest installments of \$100 with the balance due in forty months from the date of issuance, paid in full in 2013.	\$ -	\$ 9,338	\$ 32,020
Multiple unsecured notes from various franchisees for working capital purposes, bearing interest at December 31:			
2013: 6.25% to 8%, due in 2014 to 2016			
2012: 6.25% to 8%, due in 2013 to 2015			
2011: 6.25%, due in 2012 to 2013	<u>716,765</u>	<u>415,265</u>	<u>111,537</u>
	716,765	424,603	143,557
Less notes receivable - current maturities	<u>(483,765)</u>	<u>(329,903)</u>	<u>(124,220)</u>
	<u>\$ 233,000</u>	<u>\$ 94,700</u>	<u>\$ 19,337</u>

Note 6 – Operating leases

Batteries Plus leases all corporate stores and the administrative office facility under non-cancelable operating leases expiring at various dates through 2024. Batteries Plus is generally required to pay real estate taxes and other costs for the leased facilities. Ascent leases a warehouse facility under a non-cancelable operating lease that expires April 2018, with a five year option to extend. Related to the Ascent warehouse facility, Batteries Plus and Ascent lease certain equipment under non-cancelable leases.

Total rent expense for the years ended December 31, 2013, 2012 and 2011 was approximately \$2,585,000, \$2,275,000 and \$2,024,000, respectively.

BATTERIES PLUS, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013, 2012 and 2011

Note 6 – Operating leases, continued

Future minimum lease payments under operating leases that have remaining non-cancelable terms in excess of one year subsequent to December 31, 2013 are as follows:

<u>Year Ending</u> <u>December 31,</u>	
2014	\$ 2,533,000
2015	2,293,000
2016	1,976,000
2017	1,507,000
2018	992,000
Thereafter	<u>2,742,000</u>
	<u>\$12,043,000</u>

Note 7 - Contingencies

The Company guarantees several loan agreements on behalf of Holdings. The loan agreements, for which Holdings is primarily liable, expire in September 2016. The loan agreements are collateralized by substantially all assets of the Company. Holdings' liability for the unpaid loan balances was \$114,220,625 at December 31, 2013. The maximum amount of future debt service payments that could be required to be paid under the guarantee is approximately \$150,000,000, which reflects a maximum principal balance and an estimated amount for interest. In accordance with generally accepted accounting principles, no amount has been accrued in the accompanying financial statements for the guarantees. The Company holds no collateral in respect of the guarantees of their parent company.

From time to time, the Company is involved in various claims and lawsuits, both for and against the Company, arising in the normal course of business. Reserves are established based on estimates from available information. There is inherent uncertainty as to the eventual resolution of unsettled claims. Management believes that any financial responsibility that may be incurred in settlement of such claims and lawsuits beyond amounts not previously provided for would not have a material effect on the Company's financial condition, results of operations or cash flows.

Management's estimate of the accrual for product warranty claims is based upon a review of the Company's vendors, the purchases made from these vendors and their warranty terms. Management reviews the annual purchases from all of their vendors and their related warranty terms as well as their levels of expected returned merchandise to determine the Company's exposure regarding potential warranty liability for each vendor's product. The accrual is recorded to match management's expected warranty exposure and is included with accrued expenses on the consolidated balance sheets.

Note 8 - Profit-sharing plan

Batteries Plus has a qualified 401(k) contributory profit-sharing plan covering all eligible employees. Batteries Plus' contribution to the Plan is a discretionary amount determined each year by Batteries Plus. Batteries Plus' contributions for the years ended December 31, 2013, 2012 and 2011 were approximately \$526,000, \$327,000 and \$356,000, respectively.

BATTERIES PLUS, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013, 2012 and 2011

Note 9 - Purchase commitments

Through December 31, 2015, Batteries Plus has a strategic brand partnership license agreement (the Agreement) with Spectrum Brands, the parent company of Rayovac. As part of the Agreement, Batteries Plus has the rights to market the Rayovac brand across multiple battery categories in the U.S and Canada through its stores and over a captive web domain. Batteries Plus is also committed to purchases of batteries and other retail inventory as part of this agreement. For the years ending December 31, minimum future purchase commitments are as follows:

2014	\$ 4,859,000
2015	5,102,000

Note 10 – License agreements

As a component of the agreement with Spectrum Brands (see Note 9), Batteries Plus has agreed to pay Rayovac a minimum annual license fee based on a percentage of purchases of licensed merchandise through December 31, 2015. For the years ending December 31, minimum future payments are as follows:

2014	\$ 807,000
2015	847,000

During 2013, Batteries Plus entered into an amended and restated trademark license agreement (the License Agreement) with The Gillette Company, owner of the Duracell trademarks. As part of the License Agreement, Batteries Plus obtained a license to use certain Duracell trademarks in connection with the manufacture, sale and distribution of licensed merchandise. Batteries Plus has agreed to pay The Gillette Company a fixed guaranteed royalty plus an annual royalty based on a percentage of net sales of the licensed merchandise as defined in the License Agreement through June 30, 2023. The guaranteed and annual royalty fees may be reduced if Batteries Plus meets certain performance requirements. Furthermore, Batteries Plus will not be required to pay royalties greater than the royalty cap amounts set forth in the License Agreement.

For the years ending December 31, minimum and maximum future payments related to the License Agreement are as follows:

	<u>Minimum</u>	<u>Maximum</u>
2014	\$ 1,000,000	\$ 1,200,000
2015	1,000,000	1,200,000
2016	1,250,000	1,400,000
2017	1,500,000	1,600,000
2018	1,500,000	1,800,000
Thereafter	6,000,000	9,700,000

BATTERIES PLUS, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013, 2012 and 2011

Note 11 – Other intangible assets, net

The carrying amount and accumulated amortization of other intangible assets consists of the following as of December 31:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contract rights	\$45,200,000	\$45,200,000	\$45,200,000
Trade name	8,300,000	8,300,000	8,300,000
Proprietary software	400,000	400,000	400,000
Brand name	<u>48,932</u>	<u>48,932</u>	<u>-</u>
Gross carrying amount	<u>53,948,932</u>	<u>53,948,932</u>	<u>53,900,000</u>
Accumulated amortization - contract rights	(23,227,778)	(19,461,111)	(15,694,445)
Accumulated amortization - proprietary software	(400,000)	(400,000)	(400,000)
Accumulated amortization - brand name	<u>(5,709)</u>	<u>(816)</u>	<u>-</u>
Total accumulated amortization	<u>(23,633,487)</u>	<u>(19,861,927)</u>	<u>(16,094,445)</u>
	<u>\$30,315,445</u>	<u>\$34,087,005</u>	<u>\$37,805,555</u>

Trade name has an indefinite useful life and is therefore not amortized.

Scheduled amortization expense for intangible assets, which is comprised primarily of contract rights, for the years ended December 31 are as follows:

2014	\$ 3,772,000
2015	3,772,000
2016	3,772,000
2017	3,772,000
2018	3,772,000

Note 12 – Acquisitions

During 2013, Batteries Plus acquired the operating assets of 3 franchised stores in Crystal Lake, Vernon Hills and Palatine, IL and now operates the locations as Batteries Plus operated stores. The allocation of the \$484,000 purchase price was based on the fair value of the assets acquired, which is summarized as follows: \$223,000 to inventory and \$261,000 to property and equipment.

During 2012, Batteries Plus acquired the operating assets of 2 franchised stores in Houma and Lafayette, LA and now operates the locations as Batteries Plus operated stores. The allocation of the \$513,000 purchase price was based on the fair value of the assets acquired, which is summarized as follows: \$105,000 to accounts receivable, \$276,000 to inventory, \$57,000 to property and equipment and the remaining balance of \$75,000 to goodwill.

BATTERIES PLUS, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS December 31, 2013, 2012 and 2011

Note 13 – Stock option plan

Holdings has reserved 10,556,251 shares of common stock to provide for the exercise of stock options and the issuance of common stock under incentive compensation awards. Under the Batteries Plus Holding Corporation 2007 Stock Option Plan (Plan), eligible employees, directors and consultants may be granted options to purchase the shares of the \$.01 par value common stock of Holdings at an option price per share of not less than the fair market value of such shares on the date of grant. The option is a non-qualified option, that is, it is not qualified as an incentive stock option under Section 422 of the Internal Revenue Code. The options are subject to the terms and conditions as set forth in the Plan and the option certificates. Options to purchase shares shall expire and not be exercisable for any reason on or after the tenth anniversary of the grant date.

Batteries Plus recognizes compensation cost on a straight-line basis over the vesting period for stock options issued. Total stock-based compensation expense included in Batteries Plus' Consolidated Statements of Income was \$183,000, \$63,000 and \$63,000 for the years ended December 31, 2013, 2012 and 2011, respectively.

The exercise rights of options fall into one of four categories:

- **EBITDA Target Options** – If the eligible employee remains continuously employed by Batteries Plus throughout the respective year and the annual EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) target is met or exceeded during that year, then this option automatically will become vested and exercisable with respect to 20% of the total number of EBITDA Target Options held by the eligible employee. The EBITDA target will be established annually for each calendar year by the Board of Directors of Holdings with the first such target to be established for calendar year 2008 for some option holders. The EBITDA targets were met in 2013, 2012 and 2011.
- **Performance Target Options** – If the eligible employee remains continuously employed by Batteries Plus throughout the respective year and the individual performance target is met or exceeded during that year, then this option automatically will become vested and exercisable with respect to 20% of the total number of Performance Target Options held by the eligible employee. The individual performance target will be established annually for each calendar year by the Board of Directors of Holdings with the first such target to be established for calendar year 2013. The individual performance targets were met in 2013.
- **Service Based Options** – If the eligible employee remains continuously employed by Batteries Plus until their Initial Vesting Date (as defined by the Plan and which varies for each option holder), then this option will vest with respect to 20% of the Service Based Options held by the employee. The eligible employee will vest with respect to an additional 20% of Service Based Options on each of the next four anniversaries of their Initial Vesting Date if the eligible employee remains continuously employed by Batteries Plus through the respective anniversary dates.
- **Change in Control Options** – If there is a qualified Change in Control (as defined by the Plan) and the eligible employee remains employed until the Change Effective Date (also as defined in the Plan), the eligible employee will vest completely in the Change in Control Options.

BATTERIES PLUS, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013, 2012 and 2011

Note 13 – Stock option plan, continued

A summary of Holdings' stock option activity (in number of shares) for the years ended December 31, 2013, 2012, and 2011 is as follows:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Options outstanding at beginning of year	5,098,931	5,098,931	5,098,931
Options granted	865,000	-	-
Options exercised	-	-	-
Options forfeited/canceled	-	-	-
	<u>5,963,931</u>	<u>5,098,931</u>	<u>5,098,931</u>
Options exercisable at December 31	859,156	665,044	527,812

The 865,000 options granted during 2013 have an exercise price of \$2.60 each at December 31, 2013. All other options outstanding at December 31, 2013, 2012 and 2011 have an exercise price of \$.42 each.

The fair value of each stock option grant was determined using the Black-Scholes option pricing model with the following assumptions for the years ended December 31, 2013, 2012 and 2011:

	<u>Options granted in 2013</u>	<u>Options granted prior to 2013</u>
Risk free interest rate	1.72%	4.31%
Expected volatility	26.40%	24.20%
Expected dividend yield	0.00%	0.00%
Expected life (years)	10.00	10.00

The risk-free interest rate is based on the ten-year U.S. Treasury bond rate in effect as of the grant date. As Holdings' stock is not publicly traded, the best measure of volatility was determined to be that of an appropriate industry sector index which includes stocks of companies that operate in Holdings' industry as a specialty retailer. Daily stock activity for the past ten years for the index was used in determining estimated volatility. Expected life of the stock option represents the period of time that options granted are expected to be outstanding. The dividend yield represents Holdings' cash dividend for the expected life of the option. The weighted average fair value for stock option grants was \$865,000, \$0 and \$0 during the years ended December 31, 2013, 2012 and 2011, respectively. No options were exercised nor was any cash received from the exercise of options for the years ended December 31, 2013, 2012 and 2011. As of December 31, 2013, 2012 and 2011, total unrecognized compensation cost related to non-vested share based compensation options granted under the Plan was \$692,000, \$10,000 and \$73,000, respectively, which are expected to be recognized over a weighted average period of approximately 48, 6 and 18 months, respectively.

EXHIBIT B
MULTIPLE UNIT FRANCHISE AGREEMENT

**BATTERIES PLUS BULBS®
MULTIPLE UNIT FRANCHISE AGREEMENT**

FRANCHISEE

DATE OF AGREEMENT

Batteries Plus, L.L.C.
STD 2014 MFA

**BATTERIES PLUS BULBS®
MULTIPLE UNIT FRANCHISE AGREEMENT**

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EXHIBITS

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**BATTERIES PLUS BULBS®
MULTIPLE UNIT FRANCHISE AGREEMENT**

THIS MULTIPLE UNIT FRANCHISE AGREEMENT (this “Agreement”) is made this ____ day of _____, 20__ between Batteries Plus, L.L.C., a Wisconsin limited liability company, having its principal place of business at 1325 Walnut Ridge Drive, Hartland, Wisconsin 53029 (“Franchisor”), and _____, a _____ formed and operating under the laws of the state of _____, or _____, an individual, and having its principal place of business at _____ (“Multiple Unit Franchisee”).

INTRODUCTION

A. Franchisor has developed and owns a system (the “System”) relating to the establishment, development and operation of retail stores selling batteries, light bulbs and related products, together with device repair and other services for the individual retail and commercial consumer.

B. Franchisor is the owner of the Batteries Plus Bulbs® trademark and other trademarks, domain names, service marks, logos and commercial symbols (the “Licensed Marks”) used in operating the System.

C. Franchisor grants to qualified persons the right to establish, own and operate more than one Batteries Plus Bulbs® store within a defined geographic area pursuant to a development schedule.

D. Multiple Unit Franchisee desires to obtain the right to develop and operate Batteries Plus Bulbs® stores using the System within a defined geographic area.

AGREEMENTS

In consideration of the mutual covenants and agreements stated below, the parties agree as follows:

1. REFERENCES AND DEFINITIONS

A. Confidential Information. “Confidential Information” means the methods, techniques, formats, marketing and promotional techniques and procedures, specifications, information, systems and knowledge of and experience in the operation and franchising of Batteries Plus Bulbs® stores that Franchisor communicates to Multiple Unit Franchisee or that Multiple Unit Franchisee otherwise acquires in operating Stores under the System. Confidential Information does not include information, processes or techniques which are generally known to the public, other than through disclosure (whether deliberate or inadvertent) by Multiple Unit Franchisee.

B. Designated Area. “Designated Area” means the geographic area described in Exhibit A.

C. Development Schedule. “Development Schedule” means the period of time and cumulative number of Stores Multiple Unit Franchisee must open and operate as established in the Store Development Schedule (Exhibit B to this Agreement).

D. Franchise Agreement. “Franchise Agreement” means the then-current form of agreements (including franchise agreement and any exhibits, and other documents referenced therein), Franchisor customarily uses in granting franchises to own and operate a Store. Multiple Unit Franchisee acknowledges that the Franchise Agreement attached as Exhibit D is the current form of Franchise Agreement and Franchisor, at its discretion, may modify the standard form of Franchise Agreement customarily used in granting a Batteries Plus Bulbs® franchise; provided, that the initial franchise fee and royalty and service fees will remain at the same rate as provided in the Franchise Agreement attached as Exhibit D.

E. Operating Manager. “Operating Manager” means any manager selected by Multiple Unit Franchisee and approved by Franchisor to manage Multiple Unit Franchisee’s development of Stores pursuant to this Agreement.

F. Principal Owner. “Principal Owner” means any person or entity who directly or indirectly owns a ten percent (10%) or greater interest in Multiple Unit Franchisee. If any corporation or other entity other than a partnership is a Principal Owner, a “Principal Owner” also will mean each shareholder or owner of a ten percent (10%) or greater interest in such corporation or other entity. If a partnership is a Principal Owner, a “Principal Owner” also will mean each general partner of such partnership and, if such general partner is an entity, each owner of a ten percent (10%) or greater interest in such general partner. If the Multiple Unit Franchisee is one or more individuals, each individual will be deemed a Principal Owner of Multiple Unit Franchisee.

G. Store. “Store” means a Batteries Plus Bulbs® store offering a full line of batteries, light bulbs and related products, together with device repair and other services, that Multiple Unit Franchisee has developed and operates or will develop and operate under a Franchise Agreement.

2. USE OF SYSTEM

Multiple Unit Franchisee acknowledges, and does not contest, Franchisor’s exclusive ownership and rights to each and every aspect of the System, as Franchisor may, in the future, modify or further develop. Multiple Unit Franchisee’s right to use the System is specifically limited to the provisions of this Agreement and the Franchise Agreements for individual Stores executed by the parties hereto, and is subject to the supervision and control of Franchisor.

3. DEVELOPMENT RIGHTS AND OBLIGATIONS

A. Term of Agreement/Reservation of Rights. Subject to earlier termination as provided herein, this Agreement is for a term commencing on the date executed and expiring on the last day of the last Development Period as stated in the Development Schedule. Franchisor (for itself and its affiliates) retains the right: (1) to itself own and operate, and to grant other persons the right to own and operate, Batteries Plus Bulbs® stores at locations outside the Designated Area, who may offer products and services within the Designated Area, and on conditions as Franchisor deems appropriate; (2) to sell within and outside the Designated Area the products and services authorized for sale at Batteries Plus Bulbs® stores under trademarks and service marks other than the Licensed Marks through similar or dissimilar channels of distribution and pursuant to conditions Franchisor deems appropriate; (3) to sell the products and services authorized for sale at Batteries Plus Bulbs® stores under the Licensed Marks through dissimilar channels of distribution (i.e., other than the operation of full-service retail Batteries Plus Bulbs® stores), including by electronic means such as the Internet and by websites established by Franchisor, and pursuant to conditions Franchisor deems appropriate within and outside the Designated Area; and (4) to advertise the System on the Internet (or any other existing or future form of electronic

commerce) and to create, operate, maintain and modify, or discontinue the use of a website using the Licensed Marks.

B. Rights During Development Periods. If Multiple Unit Franchisee: (1) is in full compliance with the conditions contained in this Agreement, including the satisfaction of all development obligations as stated in Exhibit B; and (2) is in full compliance with all obligations under each franchise agreement entered into between Franchisor and Multiple Unit Franchisee for individual Stores; then, during the Development Schedule, Franchisor will: (i) grant franchises to Multiple Unit Franchisee to own and operate Stores located within the Designated Area; and (ii) not operate (directly or through an affiliate), nor grant a franchise to a third party to operate, any Store within the Designated Area, except franchises granted to Multiple Unit Franchisee. If Multiple Unit Franchisee fails to comply with the Development Schedule, Franchisor may terminate this Agreement under Section 13 below or grant individual or multiple unit franchises within the Designated Area to third parties.

C. Development Obligations. During the term of this Agreement, Multiple Unit Franchisee will honestly and diligently perform its obligations and continuously exert its best efforts to promote and enhance the development of Stores within the Designated Area. Multiple Unit Franchisee agrees to open and continue to operate the cumulative number of Stores as required in the Development Schedule.

D. Extension Fee. If Multiple Unit Franchisee cannot comply with the Development Schedule, Multiple Unit Franchisee may request in writing that Franchisor approve an extension of up to six (6) months of the time in which Multiple Unit Franchisee must open a Store. Multiple Unit Franchisee must pay Franchisor a nonrefundable extension fee of Two Thousand Five Hundred Dollars (\$2,500) when Multiple Unit Franchisee requests an extension to the Development Schedule for any Store. If Franchisor grants such an extension, the extension will be limited to the period permitted by Franchisor not to exceed six (6) months. Multiple Unit Franchisee will not receive more than one (1) extension per Store (whether under this Agreement or the Franchise Agreement governing the Store).

4. STORE CLOSINGS

A Store which is permanently closed with the approval of Franchisor after having been open is deemed open and in operation for purposes of the Development Schedule if a replacement Store is open and in operation within six (6) months from the date of closing. A replacement Store does not otherwise count toward quotas.

5. GRANT OF FRANCHISES TO MULTIPLE UNIT FRANCHISEE

Subject to the provisions of Sections 3 and 4 of this Agreement, Franchisor agrees to grant franchises to Multiple Unit Franchisee to operate Stores located in the Designated Area under the following conditions:

A. Site Report. Multiple Unit Franchisee delivers to Franchisor a complete site report (containing demographic, commercial, and other information and photographs as Franchisor reasonably requires) for each site at which Multiple Unit Franchisee proposes to establish and operate a Store and which Multiple Unit Franchisee reasonably believes to comply with site selection criteria established by Franchisor. The proposed site is subject to Franchisor's prior written acceptance, which will not be unreasonably withheld. In accepting or rejecting any proposed site, Franchisor will consider demographic characteristics of the proposed site, traffic patterns, parking, the predominant character of the neighborhood, competition from auto parts and auto service stores, the proximity to other businesses (including other Batteries Plus Bulbs® stores), the nature of other businesses in proximity to the site, and other commercial characteristics and the size of premises, appearance, and other physical characteristics.

Franchisor's acceptance of a proposed Store site does not represent a warranty or representation of any kind as to the suitability of the proposed location for a Batteries Plus Bulbs® store. Multiple Unit Franchisee must obtain Franchisor's acceptance of a site for the first Store within one hundred eighty (180) days from the date of this Agreement.

B. Financial Capability Criteria. Multiple Unit Franchisee meets the standard financial capability criteria developed by Franchisor. To this end, Multiple Unit Franchisee must furnish to Franchisor financial statements and other information regarding Multiple Unit Franchisee and the development and operation of the proposed Store (including pro forma statements and investment and financing plans for the proposed Store) as Franchisor reasonably requires.

C. Store Site Acceptance. Franchisor will accept or reject Store sites proposed by Multiple Unit Franchisee by delivering written notice to Multiple Unit Franchisee. Franchisor will exert its best efforts to deliver notification to Multiple Unit Franchisee within thirty (30) days of Franchisor's receipt of the complete site reports and the financial statements and other materials and information Franchisor requests. If Multiple Unit Franchisee fails to obtain lawful possession of an approved site (through acquisition or leasing) within one hundred twenty (120) days following Franchisor's delivery of site approval, Franchisor may withdraw approval of the site.

D. Franchise Agreement; Initial Franchise Fee. Multiple Unit Franchisee (and its Principal Owners (if any)) must sign the Franchise Agreement for a specific Store (other than the Franchise Agreement for Multiple Unit Franchisee's initial Store) and return it to Franchisor at least nine (9) months prior to the date by which Franchisee must open the Store pursuant to the Development Schedule. Multiple Unit Franchisee must pay the initial franchise fee for a specific Store (other than the first Store) when Multiple Unit Franchisee delivers the complete site report for the Store or ninety (90) days before Multiple Unit Franchisee must open the Store pursuant to the Development Schedule, whichever occurs first. Multiple Unit Franchisee will sign the Franchise Agreement and pay the initial franchise fee for the initial Store (unless such Store previously was developed and currently is in operation) at the time Multiple Unit Franchisee signs this Agreement.

6. MULTIPLE UNIT FRANCHISE FEE

Upon execution of this Agreement, Multiple Unit Franchisee must pay to Franchisor, as a nonrefundable "Territory Fee," the sum of Ten Thousand Dollars (\$10,000) for each Store that Multiple Unit Franchisee agrees to establish pursuant to the Development Schedule. The Territory Fee is deemed fully earned by Franchisor upon execution of this Agreement and is nonrefundable. The Territory Fee for each Store is credited against any applicable initial franchise fee (currently Thirty-Seven Thousand Five Hundred Dollars (\$37,500)) for the Store. If Multiple Unit Franchisee commits to opening two (2) Stores pursuant to this Agreement, the Territory Fee for each Store will remain at Ten Thousand Dollars (\$10,000), but the initial franchise fee for the second Store will be reduced to Thirty Thousand Dollars (\$30,000). If Multiple Unit Franchisee commits to opening three (3) Stores pursuant to this Agreement, the Territory Fee for each Store will remain at Ten Thousand Dollars (\$10,000), but the initial franchise fee for the second and third Stores will be reduced to Twenty-Five Thousand Dollars (\$25,000). The number of Stores that Multiple Unit Franchisee commits to open is described on the Development Schedule.

7. SUPERIORITY OF INDIVIDUAL FRANCHISE AGREEMENT

All individual Franchise Agreements that Franchisor and Multiple Unit Franchisee sign for Stores within the Designated Area are independent of this Agreement. The continued effectiveness of any individual Franchise Agreement does not depend on the continued effectiveness of this Agreement. If

any conflict arises between this Agreement and any individual Franchise Agreement as to any individual Store, the latter will control.

8. CONFIDENTIAL INFORMATION

A. Ownership and Use of Confidential Information. Multiple Unit Franchisee acknowledges and agrees that it does not acquire any interest in the Confidential Information, other than the right to use it in developing and operating Stores pursuant to this Agreement, and that the use or duplication of the Confidential Information in any other business constitutes an unfair method of competition. Multiple Unit Franchisee acknowledges and agrees that the Confidential Information is proprietary and is a trade secret of Franchisor and is disclosed to Multiple Unit Franchisee solely on the condition that Multiple Unit Franchisee agrees that it: (i) will not use the Confidential Information in any other business or capacity; (ii) will maintain the absolute confidentiality of the Confidential Information during and after the term of this Agreement; (iii) will not make unauthorized copies of any portion of the Confidential Information disclosed in written form; (iv) will adopt and implement all reasonable procedures Franchisor directs to prevent unauthorized use or disclosure of the Confidential Information, including restrictions on disclosure to Store employees; and (v) will require the Operating Manager and each of its officers, Store managers and other employees and agents with access to Confidential Information to sign a non-disclosure agreement in a form Franchisor directs or approves. Notwithstanding the foregoing, Franchisor and Multiple Unit Franchisee agree that, respecting each Store, each will own the “Customer Data” relating to that Store (as defined in and subject to the limits described in the Franchise Agreement for that Store).

The restrictions on Multiple Unit Franchisee’s disclosure and use of the Confidential Information will not apply to disclosure of Confidential Information in judicial or administrative proceedings to the extent Multiple Unit Franchisee is legally compelled to disclose this information, if Multiple Unit Franchisee uses its best efforts, and provides 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.

B. Improvements. Multiple Unit Franchisee must fully and promptly disclose to Franchisor, all ideas, concepts, methods, techniques, improvements, and additions relating to the development and/or operation of a Batteries Plus Bulbs® store or the System, or any new trade names, service marks or other commercial symbols, or associated logos relating to the operation of a Store, or any advertising or promotion ideas related to a Store (collectively the “Improvements”) conceived or developed by Multiple Unit Franchisee and/or its employees during the term of this Agreement. Multiple Unit Franchisee agrees that Franchisor has the perpetual right to use and authorize others to use the Improvements without any obligation to Multiple Unit Franchisee for royalties or other fees.

9. LICENSED MARKS

A. Ownership of Licensed Marks. Multiple Unit Franchisee acknowledges that he has no interest in or to the Licensed Marks and Multiple Unit Franchisee’s right to use the Licensed Marks is derived solely from the individual Franchise Agreements entered into between Multiple Unit Franchisee and Franchisor. Multiple Unit Franchisee agrees that all use of the Licensed Marks by him and any goodwill established exclusively benefits Franchisor. Multiple Unit Franchisee agrees that after termination or expiration of this Agreement, he will not, except with respect to Stores operated by Multiple Unit Franchisee under individual Franchise Agreements, directly or indirectly, identify himself or any business as a franchisee or former franchisee of, or otherwise associated with, Franchisor or use in any manner any Licensed Mark or trade dress of a Store or any colorable imitation thereof.

B. Limitations on Use of Licensed Marks. Multiple Unit Franchisee must not use any Licensed Mark as part of any corporate or trade name in any modified form, or in any other manner not explicitly authorized in writing by Franchisor. Multiple Unit Franchisee cannot use any Licensed Mark in any business or activity, other than the business conducted by Multiple Unit Franchisee pursuant to individual Franchise Agreements.

C. Litigation. Multiple Unit Franchisee must immediately notify Franchisor in writing of any apparent infringement of or challenge to Multiple Unit Franchisee's use of any Licensed Mark, or claim by any person of any rights in any Licensed Mark or similar trade name, trademark, or service mark of which Multiple Unit Franchisee becomes aware. Multiple Unit Franchisee must not communicate with any person other than Franchisor and its counsel regarding any infringement, challenge or claim. Franchisor may take any action it deems appropriate and the right to exclusively control any litigation or other proceeding arising out of any infringement, challenge or claim relating to any Licensed Mark.

D. Restrictions on Internet and Website Use. Franchisor retains the sole right to advertise the System on the Internet and to create, operate, maintain and modify, or discontinue the use of a website using the Licensed Marks. Multiple Unit Franchisee has the right to access Franchisor's website. Except as Franchisor may authorize in writing, however, Multiple Unit Franchisee will not: (1) link or frame Franchisor's website; (2) conduct any business or offer to sell or advertise any products or services on the Internet (or any other existing or future form of electronic communication); (3) create or register any Internet domain name in connection with Multiple Unit Franchisee's business; and (4) use any e-mail address which Franchisor has not authorized for use in operating a Store. Multiple Unit Franchisee will not register, as Internet domain names any of the Licensed Marks now or hereafter owned by Franchisor or any abbreviation, acronym or variation of the Licensed Marks, or any other name that could be deemed confusingly similar.

10. MANAGEMENT OF BUSINESS

Multiple Unit Franchisee (or a Principal Owner or Operating Manager) must exert full-time efforts to his/her obligations and must not engage in any other business or other activity, directly or indirectly, that requires any significant management responsibility or time commitments. Multiple Unit Franchisee (or the Principal Owner or Operating Manager) must supervise the development and operation of Stores and must be engaged in the day-to-day operations of any Store. If Multiple Unit Franchisee desires to designate an Operating Manager, Multiple Unit Franchisee must provide Franchisor with all relevant information available to Multiple Unit Franchisee concerning the financial background, employment history and experience of the designated manager not later than fifteen (15) days before the date upon which the designated manager assumes responsibility as "Operating Manager." Multiple Unit Franchisee will obtain Franchisor's written consent to any Operating Manager. The Operating Manager will devote full time, energy and effort to the management and operation of Multiple Unit Franchisee's business and will attend each Batteries Plus Bulbs® training program that Franchisor designates, including the Store manager training program.

11. MULTIPLE UNIT FRANCHISEE'S RECORDS AND REPORTS

Multiple Unit Franchisee must furnish to Franchisor monthly written reports regarding its progress on the development of Stores. In addition, Multiple Unit Franchisee must keep accurate financial records and other records relating to the development and operation of Stores in the Designated Area. Franchisor may at all reasonable hours examine and make photocopies of all such records or request that Multiple Unit Franchisee deliver, at its expense, such records to Franchisor. All records must be kept available for at least three (3) years after preparation.

12. RELATIONSHIP OF THE PARTIES

Franchisor and Multiple Unit Franchisee are independent contractors. Neither party is the agent, legal representative, partner, subsidiary, joint venturer or employee of the other. Neither party will obligate the other or represent any right to do so. This Agreement does not reflect or create a fiduciary relationship or a relationship of special trust or confidence.

Multiple Unit Franchisee acknowledges and agrees that no past, present or future director, officer, employee, incorporator, member, partner, stockholder, subsidiary, affiliate, controlling party, entity under common control, ownership or management, vendor, service provider, agent, attorney or representative of Franchisor will have any liability for (i) any of our obligations or liabilities relating to or arising from this Agreement, (ii) any claim against Franchisor based on, in respect of, or by reason of, the relationship between Multiple Unit Franchisee and Franchisor, or (iii) any claim against Franchisor based on any alleged unlawful act or omission of Franchisor.

13. TERMINATION BY FRANCHISOR

A. Multiple Unit Franchisee Defaults – Curable. Multiple Unit Franchisee will be in default and Franchisor may terminate this Agreement, effective ten (10) days following Multiple Unit Franchisee's receipt of written notice of termination, if Multiple Unit Franchisee fails to timely pay royalty and service fees, marketing fees or any other obligations or liabilities due and owing to Franchisor or its affiliates, other Batteries Plus Bulbs® franchisees or suppliers approved by Franchisor as a source for required items, or fails to timely pay any advertising cooperative obligations. In addition, Multiple Unit Franchisee will be in default and Franchisor may terminate this Agreement, effective thirty (30) days following Multiple Unit Franchisee's receipt of written notice of termination, if any of the following breaches occur and Multiple Unit Franchisee fails to cure such breach by the expiration of the notice period:

1. Multiple Unit Franchisee fails to meet its development requirements described in the Development Schedule;
2. Multiple Unit Franchisee fails to comply with any other provision of this Agreement; or
3. Multiple Unit Franchisee fails to comply with the provisions of any Franchise Agreement for the operation of a Store or terminates a Franchise Agreement without cause (other than monetary defaults described above).

B. Multiple Unit Franchisee Defaults – Non-curable. In addition to the rights of termination described in Section 13(A) above, Franchisor may terminate this Agreement without granting Multiple Unit Franchisee any opportunity to cure the default, effective immediately upon written notice to Multiple Unit Franchisee, if any of the following occur:

1. If Multiple Unit Franchisee (or any Principal Owner or Operating Manager) fails on three (3) separate occasions within any period of twelve (12) consecutive months to comply with any provision of this Agreement, whether or not the failure to comply is corrected after notice is delivered to Multiple Unit Franchisee;
2. Multiple Unit Franchisee (or any Principal Owner) makes an unauthorized assignment or transfer of this Agreement or an ownership interest in Multiple Unit Franchisee;

3. Multiple Unit Franchisee (or any Principal Owner) makes any material misrepresentation or omission in its application for the development rights conferred by this Agreement;

4. Multiple Unit Franchisee (or any Principal Owner or Operating Manager) is convicted of, or pleads guilty to or no contest to a felony, a crime involving moral turpitude, or any other crime or offense that Franchisor believes will injure the System, the Licensed Marks or the goodwill associated therewith, or if Franchisor has proof that Multiple Unit Franchisee has committed such a felony, crime or offense;

5. Multiple Unit Franchisee (or any Principal Owner or Operating Manager) makes any unauthorized use, disclosure or duplication of any portion of the Confidential Operations Manual or any other Confidential Information provided Multiple Unit Franchisee by Franchisor;

6. Multiple Unit Franchisee becomes insolvent because it cannot pay its debts as they mature or makes an assignment for the benefit of creditors or admits that it cannot pay Multiple Unit Franchisee's obligations as they become due;

7. Multiple Unit Franchisee (or any Principal Owner or Operating Manager) materially misuses or makes an unauthorized use of any Licensed Marks or commits any act which can reasonably be expected to materially impair or otherwise is prejudicial to the goodwill associated with any Licensed Marks;

8. Multiple Unit Franchisee develops or uses an unapproved website in connection with the Store or otherwise conducts any unauthorized activity on the Internet in violation of Section 9(D) above;

9. Multiple Unit Franchisee violates a provision of this Agreement which is not curable; or

10. If an immediate threat or danger to public health or safety results from the construction, maintenance or operation of a Store.

C. Rights to Development Stores on Termination. Upon termination of this Agreement, Multiple Unit Franchisee has no right to establish or operate any individual Store for which an individual Franchise Agreement has not been executed by Franchisor and delivered to Multiple Unit Franchisee at the time of termination. Franchisor may establish, and to license others to establish, Batteries Plus Bulbs® stores in the Designated Area, except as may be otherwise provided under any other agreement which has been executed between Multiple Unit Franchisee and Franchisor.

D. Effect of Other Laws. To the extent the provisions of this Section 13 respecting permissible grounds, cure rights or minimum periods of notice for termination of this franchise are inconsistent with applicable law, the applicable law will supersede such provision of this Agreement.

14. EFFECT OF TERMINATION AND EXPIRATION

All obligations of Franchisor and Multiple Unit Franchisee under this Agreement which expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect after the expiration or termination of this Agreement and until they are satisfied in full or by their nature expire.

15. COVENANTS

A. In-Term Covenants. During the term of this Agreement:

1. Multiple Unit Franchisee (including each Principal Owner) will not, during the term of this Agreement, directly or as an employee, agent, consultant, partner, officer, director or shareholder of any other person, firm, entity, partnership or corporation, own, operate, lease, franchise, conduct, engage in, be connected with, having any interest in, or assist any person or entity engaged in any "Competing Business" (as defined in Section 15(C) below) (including any e-commerce or internet-based business), except for Stores operated under Franchise Agreements granted by Franchisor and the ownership of securities listed on a stock exchange or traded on the over-the-counter market that represent one percent (1%) or less of that class of securities.

2. Multiple Unit Franchisee will not directly or indirectly divert or attempt to divert any business of or any customers of Stores to any Competing Business, by direct or indirect inducement or otherwise. During the term of this Agreement, and for a period of two (2) years thereafter, Multiple Unit Franchisee must not employ or seek to employ any person employed by Franchisor, or any other person who is at that time operating or employed by or at any other Store or otherwise directly or indirectly induce persons to leave their employment.

B. Post-Term Covenant Not to Compete. For a period of two (2) years from the date of the termination or expiration of this Agreement, Multiple Unit Franchisee (and each Principal Owner) will not directly or as an employee, agent, consultant, partner, officer, director or shareholder of any other person, firm, entity, partnership or corporation, own, operate, lease, franchise, conduct, engage in, be connected with, having any interest in, or assist any person or entity engaged in any Competing Business that is located within a fifteen (15) mile radius of the Designated Area, or outside the Designated Area within a fifteen (15) mile radius of any then-existing Batteries Plus Bulbs® or Batteries Plus® store; provided the restrictions stated in this Section 15(B) will not apply to Stores operated under separate individual Franchise Agreements or the ownership of securities listed on a stock exchange or traded on the over-the-counter market that represent one percent (1%) or less of the class of securities. For purposes of this Section, any form of e-commerce business or website (other than one authorized by Franchisor and operated pursuant to a separate individual Franchise Agreement) that distributes, sells or otherwise deals in, at wholesale or retail, any batteries, light bulbs or related products, any device repair or other services offered at a Batteries Plus Bulbs® store, or any other related business that is competitive with, or similar to, a Batteries Plus Bulbs® store, will be in violation of this provision if such e-commerce business or website offers, sells or otherwise makes its products or services available to individuals residing within or businesses located within the Designated Area or a fifteen (15) mile radius of any then-existing Batteries Plus Bulbs® or Batteries Plus® store.

C. Definition of Competing Business. The term "Competing Business" means any business that distributes, sells or otherwise deals in, at wholesale or retail, any batteries, light bulbs or related products, any device repair or other services offered at a Batteries Plus Bulbs® store, or any other related business that is competitive with, or similar to, a Batteries Plus Bulbs® store.

D. Operating Manager Covenant Not to Compete. If the Operating Manager is not a Principal Owner and is not required to sign a personal guaranty, Multiple Unit Franchisee will require its Operating Manager to sign a non-competition agreement in a form Franchisor directs or approves.

16. ASSIGNMENT

A. By Franchisor. This Agreement is fully assignable by Franchisor and benefits any assignee or other legal successor to the interests of Franchisor. Any such assignment will require the assignee to fulfill Franchisor's obligations under this Agreement.

B. Multiple Unit Franchisee Assignment Requiring Consent of Franchisor. Multiple Unit Franchisee understands and acknowledges that the rights and duties created by this Agreement are personal to Multiple Unit Franchisee and that Franchisor has granted this Agreement in reliance upon Multiple Unit Franchisee's individual or collective character, skill, aptitude, attitude, business ability, and financial capacity (or its Principal Owners). Neither this Agreement (or any interest), nor any part or all of Multiple Unit Franchisee's ownership may be voluntarily, involuntarily, directly or indirectly, assigned, sold, subfranchised, or otherwise transferred by Multiple Unit Franchisee or its Principal Owners without the Franchisor's prior written consent. Franchisor may impose conditions to any proposed transfer or assignment, including the following:

1. Multiple Unit Franchisee is in complete compliance with the terms of this Agreement and all other agreements between the parties;
2. The proposed transferee has been approved by Franchisor as meeting Franchisor's then-current standards for multiple unit franchisees;
3. The proposed transferee has completed Franchisor's training program;
4. Multiple Unit Franchisee pays Franchisor a transfer fee of One Thousand Dollars (\$1,000); and
5. Multiple Unit Franchisee (and each Principal Owner, if applicable) signs a general release, in form and substance satisfactory to Franchisor, of any and all claims against Franchisor and its affiliates, officers, directors, employees and agents, except to the extent limited or prohibited by applicable law.

Any assignment or transfer without Franchisor's prior written consent constitutes a breach and conveys no rights to or interests in this Agreement to an assignee.

C. Public or Private Offerings.

Subject to Section 16(B) above, if Multiple Unit Franchisee (or any of its Principal Owners) desires to raise or secure funds by the sale of securities (including common or preferred stock, bonds, debentures or general or limited partnership interests) in Multiple Unit Franchisee or any affiliate of Multiple Unit Franchisee, Multiple Unit Franchisee agrees to submit any written information to Franchisor before its inclusion in any registration statement, prospectus or similar offering circular or memorandum and must obtain the written consent of Franchisor to the method of financing before any offering or sale of securities. The written consent of Franchisor will not imply or represent Franchisor's approval respecting the method of financing, the offering literature submitted to Franchisor or any other aspect of the offering. No information respecting Franchisor or any of its affiliates will be included in any securities disclosure document, unless Franchisor furnishes the information in writing in response to Multiple Unit Franchisee's written request, which request will state the specific purposes for which the information is to be used. Should Franchisor, in its discretion, object to any reference to Franchisor or any of its affiliates in the offering literature or a prospectus, the literature or prospectus will not be used

unless and until the objections of Franchisor are withdrawn. Franchisor assumes no responsibility for the offering.

The prospectus or other literature utilized in any offering must contain the following language in bold-face type on the first textual page:

“NEITHER BATTERIES PLUS, L.L.C. NOR ANY OF ITS AFFILIATES IS DIRECTLY OR INDIRECTLY THE ISSUER OF THE SECURITIES OFFERED. NEITHER BATTERIES PLUS, L.L.C. NOR ANY OF ITS AFFILIATES ASSUMES ANY RESPONSIBILITY RESPECTING THIS OFFERING AND/OR THE ADEQUACY OR ACCURACY OF THE INFORMATION CONTAINED HEREIN. NEITHER BATTERIES PLUS, L.L.C. NOR ANY OF ITS AFFILIATES ENDORSES OR MAKES ANY RECOMMENDATION RESPECTING THE INVESTMENT CONTEMPLATED BY THIS OFFERING.”

D. Multiple Unit Franchisee Assignment Permitted Without Franchisor Consent. Notwithstanding Section 16(B) above, upon fifteen (15) days’ prior written notice to Franchisor, Multiple Unit Franchisee (as an individual) may, without first obtaining Franchisor’s consent and without the payment of any assignment fee, assign this Agreement to a corporation or limited liability company that conducts no business other than the operation of Stores under franchise agreements granted by Franchisor, provided: (1) Multiple Unit Franchisee actively manages the corporation; (2) Multiple Unit Franchisee owns and controls at least seventy percent (70%) of the shares and voting power of the issued and outstanding capital stock of the corporation or must maintain seventy percent (70%) ownership interest in a limited liability company; (3) Multiple Unit Franchisee and all Principal Owners of the assignee entity sign the Guaranty and Assumption of Obligations agreement attached hereto as Exhibit C; (4) Multiple Unit Franchisee provides Franchisor fifteen (15) days’ written notice before the proposed date of assignment of this Agreement to the corporation or limited liability company; (5) Multiple Unit Franchisee provides to Franchisor a certified copy of the articles of incorporation, operation agreement, organizational documents, a list of all shareholders or members having beneficial ownership, reflecting their respective interest in the assignee entity; and (6) the organizational documents and all issued and outstanding stock or membership certificates will bear a legend, in form acceptable to Franchisor, reflecting or referring to the assignment restrictions stated in Section 16(B) above. The assignment does not relieve Multiple Unit Franchisee of obligations under this Agreement, and Multiple Unit Franchisee remains jointly and severally liable for all obligations.

E. Guaranty. All Principal Owners of a Multiple Unit Franchisee which is a corporation, partnership or other entity will sign the Guaranty and Assumption of Obligations agreement in the form attached to this Agreement as Exhibit C. Any person or entity that at any time after the date of this Agreement becomes a Principal Owner of Multiple Unit Franchisee under the provisions of this Section 16 or otherwise will, as a condition of becoming a Principal Owner, sign the Guaranty Agreement. Multiple Unit Franchisee must furnish to Franchisor at any time upon reasonable request a certified copy of the Articles of Incorporation or Articles of Organization and a list, in a form Franchisor reasonably requires, of all shareholders or members of record and all persons having a beneficial interest in any corporation or other entity that is or becomes a Multiple Unit Franchisee.

17. DISPUTE RESOLUTION

A. Mediation. Except as otherwise stated in this Section 17(A), the parties agree to submit any claim, controversy or dispute arising out of or relating to this Agreement (and attachments) or the relationship created by this Agreement to non-binding mediation before bringing such claim, controversy or dispute to arbitration or to a court. The mediation will be conducted either through an individual

mediator or a mediator appointed by a mediation services organization, experienced in the mediation of disputes between franchisors and franchisees, agreed upon by the parties. If the parties do not agree upon a mediator or mediation services organization within fifteen (15) days after either party has notified the other of its desire to seek mediation, the dispute will be mediated by the American Arbitration Association pursuant to its rules governing mediation, at Franchisor's corporate headquarters in Hartland, Wisconsin. The costs and expenses of mediation, including compensation of the mediator, will be borne equally by the parties. If the parties cannot resolve the claim, controversy or dispute within ninety (90) days after conferring with the mediator, either party may submit such claim, controversy or dispute to arbitration under Section 17(B) below. Either party may bring an action under the applicable provisions of this Section 17 without first submitting the action to mediation under this Section 17(A): (i) for monies owed, (ii) for injunctive relief, or (iii) involving the possession or disposition of, or other relief relating to, real property.

B. Arbitration. Except to the extent Franchisor elects to enforce the provisions of this Agreement by injunction as provided in Section 17(C) below, all disputes, claims and controversies between the parties arising under or in connection with this Agreement or the making, performance or interpretation thereof (including claims of fraud in the inducement and other claims of fraud in the arbitrability of any matter) that have not been settled by or are not otherwise subject to mediation as described in Section 17(A) above will be resolved by arbitration on an individual basis under the authority of the Federal Arbitration Act in Milwaukee, Wisconsin. The arbitrator(s) shall have no authority to select a different hearing locale for the arbitration. The arbitrator(s) will have a minimum of five (5) years' experience in franchising or distribution law and will have the right to award specific performance of this Agreement. The proceedings will be conducted under the Commercial Arbitration Rules of the American Arbitration Association, or the rules of such other arbitration services organization as the parties otherwise may agree upon in writing, to the extent such rules are not inconsistent with the provisions of this arbitration provision or the Federal Arbitration Act. The decision of the arbitrator(s) will be final and binding on all parties; provided, however, the arbitrator(s) may not under any circumstances: (i) stay the effectiveness of any pending termination of this Agreement; (ii) assess punitive or exemplary damages; or (iii) make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business performance set by Franchisor. This Section 17 will survive termination or nonrenewal of this Agreement under any circumstances. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction thereof. During any arbitration proceeding, Franchisor and Multiple Unit Franchisee will fully perform their respective obligations under this Agreement.

C. Injunctive Relief. Notwithstanding Sections 17(A) and (B) above, Multiple Unit Franchisee recognizes that a single multiple unit franchisee's failure to comply with the terms of its agreement could cause irreparable damage to Franchisor and/or to some or all other Batteries Plus Bulbs® franchisees and multiple unit franchisees. Therefore, if Multiple Unit Franchisee breaches or threatens to breach any of the terms of this Agreement, Franchisor will be entitled to an injunction restraining such breach and/or a decree of specific performance, without showing or proving any actual damage, together with recovery of reasonable attorneys' fees and other costs incurred in obtaining such equitable relief, until such time as a final and binding determination is made by the arbitrators.

D. Attorneys' Fees. The nonprevailing party will pay all costs and expenses, including reasonable attorneys' fees, the prevailing party incurs in any action brought to enforce any provision of this Agreement or to enjoin any violation of this Agreement.

18. ENFORCEMENT

A. Severability. If any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of or non-renewal of this Agreement than is required, or the undertaking of some other action not required, or if under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any specification, standard or operating procedure prescribed by Franchisor is invalid or unenforceable, the prior notice and/or other action required by law or rule will be substituted for the comparable provisions.

B. Waiver of Obligations. Franchisor's waiver of any breach by Multiple Unit Franchisee, or Franchisor's delay or failure to enforce any provision of this Agreement, will not be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce Franchisor's rights respecting that or any other breach.

C. Rights of Parties are Cumulative. The rights of Franchisor and Multiple Unit Franchisee are cumulative and no exercise or enforcement by either party of any right or remedy precludes the exercise or enforcement by such party of any other right or remedy to which such party is entitled by law or equity to enforce.

D. Venue. Any claims, controversies or disputes arising out of or related to this Agreement which are not subject to arbitration as provided above, will be brought in the Federal District Court for the Eastern District of Wisconsin or in Waukesha County District Court in Waukesha, Wisconsin. Both parties hereto irrevocably consent to the jurisdiction of such courts. The provisions of this Section 18(D) will survive the termination of this Agreement.

E. Governing Law. Subject to Franchisor's rights under federal trademark laws and the parties' rights under the Federal Arbitration Act respecting Section 17 above, this Agreement will be governed by and construed under the laws of the state in which Multiple Unit Franchisee's principal business office, as identified in the first paragraph to this Agreement, is located, without regard to any conflict of laws principles of such state. Multiple Unit Franchisee waives, to the fullest extent permitted by law, the rights and protections that might be provided through any state franchise or business opportunity laws, other than those of the state in which Multiple Unit Franchisee's principal business office is located.

F. Binding Effect. This Agreement is binding upon the parties and their respective executors, administrators, heirs, assigns, and successors in interest, and will not be modified except by written agreement signed by both Multiple Unit Franchisee and Franchisor. Except as provided above, this Agreement is not intended, and will not be deemed, to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

G. References. If Multiple Unit Franchisee consists of two or more individuals, such individuals will be jointly and severally liable, and references to Multiple Unit Franchisee in this Agreement will include all such individuals. Reference to Multiple Unit Franchisee as neuter or a male will also include a neuter, male or female Multiple Unit Franchisee as relevant in the context.

H. Interpretation of Rights and Obligations. The following provisions will apply to and govern the interpretation of this Agreement, the parties' rights under this Agreement and the relationship between the parties:

(1) Franchisor's Rights. Whenever this Agreement provides that Franchisor has a certain right, that right is absolute and the parties intend that Franchisor's exercise of that right will not be

subject to any limitation or review. Franchisor has the right to operate, administrate, develop and change the System in any manner that is not specifically precluded by the provisions of this Agreement.

(2) Franchisor's Reasonable Business Judgment. Whenever Franchisor reserves discretion in a particular area or where Franchisor agrees or is required to exercise its rights reasonably or in good faith, Franchisor will satisfy its obligations whenever it exercises "reasonable business judgment" in making its decision or exercising its rights. A decision or action by Franchisor will be deemed to be the result of "reasonable business judgment", even if other reasonable or even arguably preferable alternatives are available, if Franchisor's decision or action is intended to promote or benefit the System generally even if the decision or action also promotes a financial or other individual interest of Franchisor. Examples of items that will promote or benefit the System include enhancing the value of the Licensed Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the System. Neither Multiple Unit Franchisee nor any third party (including a trier of fact), will substitute its judgment for Franchisor's reasonable business judgment.

I. Waiver of Punitive Damages. Multiple Unit Franchisee and Franchisor and their affiliates agree to waive, to the fullest extent permitted by law, the right to or a claim for any punitive or exemplary damages against the other and agree that in the event of any dispute between them, each will be limited to the recovery of actual damages sustained by it.

J. Force Majeure. If any party fails to perform any obligation under this Agreement due to a cause beyond the control of and without the negligence of such party, such failure will not be deemed a breach of this Agreement, provided such party uses reasonable best efforts to perform such obligations as soon as possible under the circumstances. Such causes include strikes, wars, riots, civil commotion, and acts of government, except as specifically may be provided for elsewhere in this Agreement.

K. Notice of Potential Franchisor Profit. Franchisor advises Multiple Unit Franchisee that Franchisor and/or Franchisor's affiliates periodically may make available to Franchisee goods, products and/or services used or sold in the Store through a supply chain program and that Franchisor and/or its affiliates may profit from this supply chain program. Franchisor further advises Multiple Unit Franchisee that Franchisor and its affiliates periodically may receive consideration from suppliers and manufacturers respecting sales of goods, products or services to Multiple Unit Franchisee or in consideration for services provided or rights licensed to such suppliers and manufacturers. Multiple Unit Franchisee agrees that Franchisor and its affiliates will be entitled to such profits and consideration.

L. Entire Agreement. The "Introduction" section and exhibit(s) to this Agreement are a part of this Agreement, which represents the entire agreement of the parties, and there are no other oral or written understandings or agreements between Franchisor and Multiple Unit Franchisee relating to the subject matter of this Agreement.

M. Effective Date. The effective date of this Agreement is the date designated in the first paragraph; provided, however, that this Agreement will not become effective until the Agreement and all Exhibits (including the Guaranty and Assumption of Obligations) are signed by Franchisor, Multiple Unit Franchisee and Principal Owners, as applicable.

19. INDEMNIFICATION

Franchisor has no liability for any sales, use, excise, income, gross receipts, property, or other taxes levied upon Multiple Unit Franchisee or its assets or upon Franchisor in connection with the business conducted by Multiple Unit Franchisee, or any payments made by Multiple Unit Franchisee to

Franchisor under this Agreement or any Franchise Agreement. **Multiple Unit Franchisee agrees to indemnify Franchisor and its subsidiaries, affiliates, stockholders, members, directors, officers, employees, agents and assignees against and to reimburse them for all obligations, damages, and taxes for which they are held liable and for all costs reasonably incurred by them in the defense of any claim brought against them or in any action in which they are named as a party, including reasonable attorneys' fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses. Franchisor has the right to defend any claim against it. The indemnities and assumptions of liabilities and obligations continue in full force and effect after the expiration or termination of this Agreement.**

20. ACKNOWLEDGEMENTS

A. Success of Franchised Business. The success of the business venture Multiple Unit Franchisee intends to undertake under this Agreement is speculative and depends, to a large extent, upon Multiple Unit Franchisee's (or the Principal Owner's) ability as an independent businessman, and Multiple Unit Franchisee's active participation in the daily affairs of the business as well as other factors. Franchisor does not make any representation or warranty, express or implied, as to the potential success of the business venture.

B. Independent Investigation. Multiple Unit Franchisee acknowledges that it has entered into this Agreement after making an independent investigation of Franchisor's operations and not upon any representation as to gross revenues, volume, potential earnings or profits which Multiple Unit Franchisee might be expected to realize, nor has anyone made any other representation, which is not expressly stated herein, to induce Multiple Unit Franchisee to accept this franchise and execute this Agreement.

C. Receipt of Documents. Except for fill in the blank provisions and changes made as a result of negotiations that Multiple Unit Franchisee initiated, Multiple Unit Franchisee acknowledges that it received a copy of the complete Multiple Unit Franchise Agreement, and exhibits attached hereto, at least seven (7) calendar days prior to the date on which this Agreement was executed. Multiple Unit Franchisee further acknowledges that it received the disclosure document required by the trade regulation rule of the Federal Trade Commission entitled "Franchise Disclosure Document" at least fourteen (14) days prior to the date on which this Agreement was executed. Multiple Unit Franchisee represents that he/she has read this Agreement in its entirety and that he/she has been given the opportunity to clarify any provisions that Multiple Unit Franchisee did not understand and to consult with any attorney or other professional advisor. Multiple Unit Franchisee further represents that he/she understands the provisions of this Agreement and agrees to be bound.

D. Other Franchises. Multiple Unit Franchisee acknowledges that other multiple unit franchisees of Franchisor have or will be granted franchises at different times and in different situations, and further acknowledges that the provisions of such franchises may vary substantially from those contained in this Agreement.

21. NOTICES

All written notices and reports permitted or required to be delivered by the provisions of this Agreement are deemed so delivered at the time delivered by hand, one (1) business day after sent by a recognized overnight delivery service which requires a written receipt, or three (3) business days after placed in the U.S. Mail by registered or certified mail, return receipt requested, postage prepaid and addressed to the party to be notified at the address stated herein or at such other address as may have been designated in writing to the other party.

The parties have signed this Agreement on the date stated in the first paragraph.

FRANCHISOR:

BATTERIES PLUS, L.L.C.,
a Wisconsin limited liability company

MULTIPLE UNIT FRANCHISEE:

(If Multiple Unit Franchisee is a corporation or
limited liability company)

Name of corporation or limited liability company

By: _____
Title: _____

By: _____
Title: _____

(If Multiple Unit Franchisee is an individual
owner, Multiple Unit Franchisee must sign
below; if a partnership, all partners must sign
below)

Multiple Unit Franchisee

Multiple Unit Franchisee

Multiple Unit Franchisee

Multiple Unit Franchisee

**EXHIBIT A
TO MULTIPLE UNIT FRANCHISE AGREEMENT**

DESIGNATED AREA

This Exhibit is attached to and is an integral part of the Batteries Plus Bulbs® Multiple Unit Franchise Agreement dated _____, 20____, between Franchisor and Multiple Unit Franchisee.

The development rights and obligations of Franchisee, _____, to timely develop and open Stores will be within the following described area:

APPROVED:

FRANCHISOR:

BATTERIES PLUS, L.L.C.,
a Wisconsin limited liability company

MULTIPLE UNIT FRANCHISEE:

(If Multiple Unit Franchisee is a corporation or limited liability company)

Name of corporation or limited liability company

By: _____
Title: _____

By: _____
Title: _____

(If Multiple Unit Franchisee is an individual owner, Multiple Unit Franchisee must sign below; if a partnership, all partners must sign below)

Multiple Unit Franchisee

Multiple Unit Franchisee

Multiple Unit Franchisee

Multiple Unit Franchisee

**EXHIBIT B
TO MULTIPLE UNIT FRANCHISE AGREEMENT**

STORE DEVELOPMENT SCHEDULE

This Exhibit is attached to and is an integral part of the Batteries Plus Bulbs® Multiple Unit Franchise Agreement dated _____, 20____, between Franchisor and Multiple Unit Franchisee.

1. Development Schedule.

Multiple Unit Franchisee, _____, agrees to timely open Stores in compliance with the following development schedule.

STORE #	DATE OF STORE OPENING	CUMULATIVE NUMBER OF STORES TO BE OPENED

APPROVED:

FRANCHISOR:

BATTERIES PLUS, L.L.C.,
a Wisconsin limited liability company

By: _____
Title: _____

MULTIPLE UNIT FRANCHISEE:

(If Multiple Unit Franchisee is a corporation or limited liability company)

Name of corporation or limited liability company

By: _____
Title: _____

(If Multiple Unit Franchisee is an individual owner, Multiple Unit Franchisee must sign below; if a partnership, all partners must sign below)

Multiple Unit Franchisee

Multiple Unit Franchisee

Multiple Unit Franchisee

Multiple Unit Franchisee

EXHIBIT C
TO MULTIPLE UNIT FRANCHISE AGREEMENT
GUARANTY AND ASSUMPTION OF OBLIGATIONS

In consideration of Batteries Plus, L.L.C.'s (the "Franchisor") execution of that certain Multiple Unit Franchise Agreement of even date (the "Agreement") with _____ ("Multiple Unit Franchisee"), each of the undersigned (a "Guarantor") jointly and severally agree as follows:

A. Guarantors personally and unconditionally guarantee to Franchisor and its successors and assigns that: (i) Multiple Unit Franchisee will timely pay Franchisor and its affiliates all monies Multiple Unit Franchisee owes to Franchisor and its affiliated and related entities, including all monies payable by Multiple Unit Franchisee under the Agreement; (ii) Multiple Unit Franchisee will timely perform all other undertakings, agreements and covenants stated in the Agreement; and (iii) agree to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement (collectively, "Multiple Unit Franchise Agreement Obligations").

B. Each of the Guarantors waives: (1) acceptance and notice of acceptance by Franchisor of the foregoing undertaking; (2) notice of demand for payment of any indebtedness; (3) protest and notice of default to any party respecting the indebtedness; (4) any right he/she may have to require that an action be brought against Multiple Unit Franchisee or any other person as a condition of liability.

C. Each Guarantor consents and agrees that:

(1) Guarantor's liability under this undertaking will be direct and independent of the liability of, and will be joint and several with, Multiple Unit Franchisee and the other Guarantors of Multiple Unit Franchisee;

(2) Guarantor will make any payment or perform any obligation required under the Agreement upon demand if Multiple Unit Franchisee fails to do so;

(3) Guarantor's liability hereunder will not be diminished or relieved by bankruptcy, insolvency or reorganization of Multiple Unit Franchisee or any assignee or successor;

(4) Guarantor's liability will not be diminished, relieved or otherwise affected by any extension of time or credit which Franchisor may grant to Multiple Unit Franchisee, including the acceptance of any partial payment or performance, or the compromise or release of any claims;

(5) Franchisor may proceed against Guarantor and Multiple Unit Franchisee jointly and severally, or Franchisor may, at its option, proceed against Guarantor, without having commenced any action, or having obtained any judgment against Multiple Unit Franchisee or any other Guarantor; and

(6) Guarantors will indemnify, defend and hold harmless Franchisor and its affiliates, and their respective shareholders, directors, employees, and agents, against and from all losses, damages, costs, and expenses, which Franchisor or its affiliates may sustain, incur, or become liable for as a result of:

a. Multiple Unit Franchisee's or Guarantor's failure to pay or perform any of the Multiple Unit Franchise Agreement Obligations; or

b. any action by Franchisor to obtain performance by Multiple Unit Franchisee of any act, matter, or thing required by the Agreement.

(7) Guarantor will pay all reasonable attorneys' fees and all costs and other expenses Franchisor incurs in enforcing this Guaranty against Guarantor or any negotiations relative to the obligations hereby guaranteed.

This Guaranty will terminate upon the termination or expiration of the Agreement, except that all obligations and liabilities of the Guarantors which arose from events which occurred on or before the effective date of such termination will remain in full force and effect until satisfied or discharged by the Franchisee or the Guarantors, and all covenants which by their terms continue in force after the expiration or termination of the Agreement will remain in force according to their terms. Upon the death of an individual Guarantor, the estate of such Guarantor will be bound by this Guaranty, but only for defaults and obligations hereunder existing at the time of death; and the obligations of any other Guarantors will continue in full force and effect.

The provisions of Sections 17 and 18 of the Agreement will apply as to any interpretation or enforcement of this Guaranty, and the provisions of Section 21 of the Agreement will apply to any notice to either party, except that notice to Guarantors will be provided as follows: _____ . If no address is provided, any notice to Guarantors will be sent to the address designated in Section 21 of the Agreement.

Each of the undersigned has signed this Guaranty as of the same day and year as the Agreement was executed.

GUARANTOR(S)

PERCENTAGE OWNERSHIP IN MULTIPLE
UNIT FRANCHISEE

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

EXHIBIT D
TO MULTIPLE UNIT FRANCHISE AGREEMENT
BATTERIES PLUS BULBS® FRANCHISE AGREEMENT
(Current Form)

EXHIBIT C
FRANCHISE AGREEMENT

BATTERIES PLUS BULBS FRANCHISE AGREEMENT

FRANCHISEE

DATE OF AGREEMENT

Batteries Plus, L.L.C.
STD 2014 FA

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BATTERIES PLUS BULBS® FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (“Agreement”) is made and entered into this ____ day of _____, 20____, between Batteries Plus, L.L.C., a Wisconsin limited liability company, with a principal place of business at 1325 Walnut Ridge Drive, Hartland, Wisconsin 53029 (“Franchisor”), and _____, a _____ formed and operating under the laws of the State of _____, or _____, an individual, with a principal place of business at _____ (“Franchisee”).

INTRODUCTION

A. Franchisor develops and owns a system (the “System”) relating to the development and operation of retail stores selling batteries, light bulbs and related items, and offering device repair and related services for the individual retail and commercial consumer.

B. Franchisor is the owner of the Batteries Plus Bulbs® trademark, and other trademarks and service marks (the “Licensed Marks”) used in operating the System.

C. Franchisor grants qualified persons the right to develop, own and operate a Batteries Plus Bulbs® store at a specific location.

D. Franchisee desires to obtain the right to develop and operate a Batteries Plus Bulbs® store using the System at a specific location.

AGREEMENTS

In consideration of the mutual covenants and agreements stated below, the parties agree as follows:

1. DEFINITIONS

A. “Confidential Information” means the methods, techniques, formats, marketing and promotional techniques and procedures, specifications, information, systems and knowledge of and experience in the operation and franchising of Batteries Plus Bulbs® stores that Franchisor communicates to Franchisee or that Franchisee otherwise acquires in operating the Store under the System. Confidential Information does not include information, processes or techniques that are generally known to the public, other than through disclosure (whether deliberate or inadvertent) by Franchisee.

B. “Effective Date” means the date designated in the first paragraph of this Agreement; provided, however, that this Agreement will not become effective until the Agreement and all Exhibits (including the Guaranty and Assumption of Obligations) are signed by Franchisor, Franchisee and Principal Owners, as applicable.

C. “Licensed Marks” means the Batteries Plus Bulbs® trademark and service mark and other trademarks, service marks, domain names, logos and commercial symbols that Franchisor has designated, or may in the future designate, for use in the System.

D. “Net Revenues” means the aggregate amount of all sales of goods and services (including service charges in lieu of gratuity), whether for cash, on credit or otherwise, made or provided at or in connection with the Store, including off-premises sales and monies derived at or away from the Store. The term “Net Revenues” does not include: (1) any federal, state, municipal or other sales, value added or

retailer's excise taxes paid or accrued by Franchisee; and (2) adjustments for net returns on salable goods and discounts allowed to customers on sales. Net Revenues will not be adjusted for uncollected accounts. For purposes of the royalty and service fee described in Section 9(B) below, the sale is made at the earlier of delivery of the product or service, or receipt of payment.

E. "Principal Owner" means any person or entity who directly or indirectly owns a ten percent (10%) or greater interest in Franchisee. If any corporation or other entity other than a partnership is a Principal Owner, a "Principal Owner" also will mean a shareholder or owner of a ten percent (10%) or greater interest in such corporation or other entity. If a partnership is a Principal Owner, a "Principal Owner" also will mean each general partner of such partnership and, if such general partner is an entity, each owner of a ten percent (10%) or greater interest in such general partner. If Franchisee is one or more individuals, each individual will be deemed a Principal Owner of Franchisee.

F. "Protected Area" means the geographic area, identified in Exhibit A, which is the lesser of: (i) a three (3) mile radius surrounding the location of the Store; or (ii) an area surrounding the location of the Store determined by Franchisor, which encompasses a residential population of Two Hundred Thousand (200,000) people.

G. "Store" means the Batteries Plus Bulbs® store developed and operated under this Agreement which offers a full line of batteries, light bulbs and related products, together with device repair and other services, as designated by Franchisor.

H. "System" means the Batteries Plus Bulbs® system which includes the sale of batteries, light bulbs and related items for the individual retail and commercial consumer under the Licensed Marks, using certain distinctive types of retail facilities, equipment (including the POS System (as defined in Section 4(D) below)), supplies, Confidential Information, business techniques, methods and procedures, and sales promotion programs, as Franchisor periodically may modify and further improve.

2. GRANT OF FRANCHISE

A. Grant Of Franchise, Store Location And Protected Area. Subject to the provisions contained in this Agreement, Franchisor grants Franchisee a franchise (the "Franchise") to own and operate a Batteries Plus Bulbs® Store at a site approved by Franchisor and to use the Licensed Marks in operating the Store. The location of the Store and Franchisee's Protected Area are identified in Exhibit A, or alternatively, Franchisor and Franchisee will complete and sign Alternative Exhibit A, in which Franchisor and Franchisee agree upon a geographic area in which the location of the Store will be established, subject to Franchisor's acceptance, at least one hundred and fifty days (150) days before the date the Store is scheduled to open as stated in Exhibit A or Alternative Exhibit A. The designation of the geographic area in Alternative Exhibit A does not confer any territorial rights upon Franchisee, and Franchisor and its affiliates have the right to operate and franchise other Stores within the designated area. Once Franchisor consents to a location for the Store within the geographic area established in Alternative Exhibit A, however, Franchisor and Franchisee will sign Exhibit A and identify the Protected Area.

B. Nature of Franchisee's Protected Area. During the term of this Agreement (as described in Section 3) and subject to Section 2(C) below, if Franchisee is in compliance, Franchisor will not directly operate or franchise another to operate any other full-service Batteries Plus Bulbs® store within the Protected Area. The license granted to Franchisee under this Agreement is personal in nature, may not be used at any location other than the Store, does not include the right to sell products or services identified by the Licensed Marks at any location other than at the Store, and does not include the right to sell products or services identified by the Licensed Marks through any other channels of distribution, including the Internet (or any other existing or future form of electronic commerce). Franchisee will not

open any other Batteries Plus Bulbs® store in the Protected Area. Franchisee will not have the right to subfranchise or sublicense any of its rights under this Agreement. Franchisee will not use the Store for any purposes other than the operation of a Batteries Plus Bulbs® store. Franchisee will not conduct any advertising or otherwise solicit potential customers located outside Franchisee's "Market Area," unless Franchisee obtains Franchisor's prior written consent. For purposes of this Section, the term "Market Area" means the geographic area identified in Exhibit A attached hereto.

C. Rights Reserved To Franchisor. Franchisor (for itself and its affiliates) retains the right:

1. to itself operate, and to grant other persons the right to operate, Batteries Plus Bulbs® stores at locations outside the Protected Area (except to the extent Franchisor may be restricted under a separate Batteries Plus Bulbs® Multiple Unit Franchise Agreement or Franchise Agreement to which Franchisee is a party);

2. to sell the products and services authorized for sale at Batteries Plus Bulbs® stores under trademarks and service marks other than the Licensed Marks through similar or dissimilar channels of distribution;

3. to sell the products and services authorized for sale at Batteries Plus Bulbs® stores under the Licensed Marks through dissimilar channels of distribution (i.e., other than the operation of full-service retail Batteries Plus Bulbs® stores), including by electronic means such as the Internet and by websites established by Franchisor, and pursuant to conditions Franchisor deems appropriate within and outside the Protected Area; and

4. to advertise the System on the Internet (or any other existing or future form of electronic commerce) and to create, operate, maintain and modify, or discontinue the use of a website using the Licensed Marks.

D. Protected Area - Minimum Net Revenues Requirement. Franchisee's rights respecting the Protected Area described in Section 2(B) above will terminate and be of no force and effect if Franchisee fails to satisfy the "Minimum Revenue Requirement" or the "Commercial Sales Revenue Requirement" described in Section 10(M) below.

3. TERM OF FRANCHISE; RENEWAL RIGHTS

A. Term. The term of this Agreement will be for ten (10) years commencing on the Effective Date.

B. Renewal. Franchisee will have the right to renew the Franchise for the Store for one (1) additional ten (10) year term, provided Franchisee meets the following conditions:

1. Franchisee has given Franchisor written notice at least one hundred eighty (180) days before the end of the term of this Agreement of its intention to renew;

2. Franchisee has complied with all of the material provisions of this Agreement, including the payment of all monetary obligations owed by Franchisee to Franchisor or its affiliates, and has complied with Franchisor's material operating and quality standards and procedures;

3. Franchisee maintains possession of the Store premises and has at its expense made such reasonable capital expenditures necessary to remodel, modernize and

redecorate the Store premises and to replace and modernize the supplies, fixtures, signs, and equipment used in Franchisee's business so that Franchisee's business reflects the then-current physical appearance of new Batteries Plus Bulbs® stores, or is able to secure a new location within the Protected Area which has been accepted by Franchisor (such acceptance not to be unreasonably withheld) and agrees to construct all required improvements to the Store premises and install all required fixtures and equipment in compliance with Franchisor's then-current standards and specifications for new Batteries Plus Bulbs® stores;

4. Franchisee (or if Franchisee is an entity, a Principal Owner who has been approved by Franchisor) and the Store manager completes, to Franchisor's satisfaction, any new training and refresher programs as Franchisor may reasonably require. Franchisee is responsible for travel, living and compensation costs of attendees;

5. Franchisee has paid to Franchisor at least thirty (30) days before the term of this Agreement expires a Renewal Fee of twenty percent (20%) of Franchisor's then-current standard initial franchise fee applicable to new Batteries Plus Bulbs® franchisees;

6. Franchisee signs the standard Franchise Agreement then being used by Franchisor; provided that Franchisee will be required to pay the Renewal Fee in lieu of the Initial Franchise Fee stated in the then-current Franchise Agreement; and

7. Franchisee and each Principal Owner signs a general release, in form acceptable to Franchisor, of all claims against Franchisor and its affiliates, officers, directors, employees, and agents.

4. DEVELOPMENT AND OPENING OF THE STORE

A. Lease for Store Premises. If Franchisee enters into a lease for the Store premises, Franchisee must provide the proposed lease to Franchisor and receive Franchisor's prior written approval of the proposed lease (which will not be unreasonably withheld) before Franchisee signs it. In addition, Franchisee and the landlord of the Store premises ("Landlord") must sign a "Lease Addendum" in the form attached hereto as Exhibit B.

B. Franchisee's Development of Store. Promptly after Franchisee signs a lease or acquires the premises for the Store, and receives from Franchisor the prototype plans and specifications for the Store, Franchisee will:

1. prepare and submit to Franchisor for approval, which will not be unreasonably withheld, any proposed modifications to Franchisor's basic plans and specifications, which Franchisee may modify only to the extent necessary to comply with applicable ordinances, building codes, permit requirements and lease or deed requirements and restrictions. If Franchisee is required to modify Franchisor's prototype plans and specifications for the Store, Franchisee will engage, at Franchisee's expense, an architect to modify the prototype plans and specifications to comply with such local laws and restrictions;

2. obtain all required building, utility, sign, health, sanitation and business permits and licenses, and any other required permits and licenses;

3. construct all required improvements to the Store premises, purchase and install all required fixtures and equipment and decorate the premises in compliance with the plans and

specifications approved by Franchisor and all applicable ordinances, building codes, permit requirements and lease or deed requirements and restrictions;

4. secure, consistent with Franchisor's specifications and standards, a commercial delivery vehicle for use in operating the Store. Each vehicle must comply with Franchisor's then-current standards, including the color schemes and display of the Licensed Marks;

5. acquire, consistent with Franchisor's specifications and standards, an opening inventory of batteries, light bulbs and related products required for the Store;

6. establish filing, accounting and inventory control systems complying with Franchisor's requirements; and

7. contract with a qualified, licensed, insured and bonded general contractor to supervise the construction of the Store.

C. Fixtures, Equipment, Furniture And Signs. Franchisee will use in constructing and operating the Store only those types of construction and decorating materials, fixtures, equipment (including computer hardware and software), furniture, and signs that Franchisor has approved for Batteries Plus Bulbs® stores as meeting its specifications and standards for appearance, function and performance. Franchisee may purchase approved types of construction and decorating materials, fixtures, equipment, furniture and signs from any supplier approved or designated by Franchisor (which may include Franchisor and/or its affiliates). If Franchisee proposes to purchase any material, fixture, equipment, furniture or sign not then approved by Franchisor, or any items from any supplier not then approved by Franchisor, Franchisee must first notify Franchisor in writing and will provide to Franchisor (upon its request) sufficient specifications, photographs, drawings and other information or samples for Franchisor to determine whether the material, fixture, equipment, furniture or sign complies with Franchisor's specifications and standards, or the supplier meets Franchisor's approved supplier criteria, which determination Franchisor will make and communicate in writing to Franchisee within a reasonable time.

D. Point-of-Sale System. Franchisee will use in the Store the point-of-sale system, including all existing or future communication or data storage systems, components thereof and associated service, which Franchisor has developed and/or selected for the System (the "POS System"). The POS System developed for use in Franchisee's business includes one or more proprietary software programs developed for Franchisor (the "Proprietary Software"). Franchisee must use the Proprietary Software from Franchisor or its designated third party supplier. The Proprietary Software will remain the confidential property of Franchisor or its third party supplier. Franchisee and Franchisor will enter into Franchisor's standard form computer software access or license agreement attached hereto as Exhibit C (the "Software Access Agreement") in connection with Franchisee's use of the Counterpoint® Proprietary Software, and will enter into Franchisor's standard form computer software license agreement attached hereto as Exhibit D (the "ProSource Software Agreement") in connection with Franchisee's use of the ProSource Proprietary Software. Franchisee will pay Franchisor a computer access and POS System development fee related to Franchisee's use of the Counterpoint® Proprietary Software and a computer access fee related to Franchisee's use of the ProSource Proprietary Software. Franchisee will pay the then-current fee for the Proprietary Software at or before Franchisee opens the Store for business. In addition, Franchisor will charge Franchisee a reasonable monthly fee, in the amount then posted on Franchisor's intranet site, for point-of sale system support Franchisor or its designee provides to Franchisee respecting the Counterpoint® Proprietary Software. Franchisor reserves the right to assign its rights, title and interest in the Proprietary Software, the Software Access Agreement or the ProSource Software Agreement to a third party designated by Franchisor or to replace the Proprietary Software. In such event, Franchisee may be required to enter

into a separate computer software license agreement specified by the third party supplier of the Proprietary Software. Franchisee must participate in Franchisor's designated Payment Card Industry ("PCI") compliance program and comply with all applicable data security standards. Franchisee will pay Franchisor or its designated third party supplier the then-current monthly fee and sign Franchisor's or its designated third party supplier's standard form agreement related to Franchisee's participation in Franchisor's designated PCI compliance program. Franchisor also may access financial information and customer data produced by or otherwise located on Franchisee's POS System (collectively the "Customer Data"). Except as otherwise provided in any applicable agreement governing a National Accounts Program (as described in Section 10(K) below), Franchisor and Franchisee each own the Customer Data that is stored on the POS System. Franchisor periodically will establish policies respecting the use of the Customer Data. Franchisee will have at the Store Internet access with a form of high-speed connection as Franchisor requires. Franchisee will use an e-mail address designated by Franchisor for communication with Franchisor. The computer hardware component of the POS System must comply with specifications Franchisor develops and must be configured as a package unit. Franchisor has the right to designate a single source from whom Franchisee must purchase the POS System, any software or hardware components thereof or associated service, and Franchisor or its affiliates may be that single source. Franchisee will be required to use and, at Franchisor's discretion, pay for all future updates, supplements and modifications to the POS System.

E. Store Opening. Franchisee will not open the Store for business without Franchisor's prior written approval. Franchisee agrees to complete the development and open the Store for business within the time period stated in Exhibit A or Alternative Exhibit A, whichever Exhibit is applicable.

F. Extension Fee. If Franchisee cannot develop and open the Store within the time period stated in Exhibit A or Alternative Exhibit A, Franchisee may request in writing that Franchisor approve an extension of up to six (6) months within which Franchisee must open the Store. Franchisee must pay Franchisor a non-refundable extension fee of Two Thousand Five Hundred Dollars (\$2,500) when Franchisee requests the extension regarding the Store. If Franchisor grants an extension pursuant to a request, the extension will be limited to the period permitted by Franchisor not to exceed six (6) months. Franchisee will not receive more than one (1) extension for the Store, whether under this Agreement or any applicable multiple unit franchise agreement.

G. Store Opening Campaign. During the first one hundred twenty (120) days of Store operations, Franchisee agrees to conduct a store opening campaign, and will spend a minimum of Twenty Thousand Dollars (\$20,000) for advertising and marketing activities in connection with the store opening campaign. In certain metropolitan areas, Franchisor may require that Franchisee spend a greater minimum amount on the store opening campaign. Franchisee will use Franchisor's designated media vendor (if any) and must implement Franchisor's recommended media plan in conducting the store opening campaign. Franchisor agrees that it will not receive compensation from any media supplier for directing media purchases on Franchisee's behalf in any Store opening campaign. On or before the last day of each month during the first year of Store operations, Franchisee must provide Franchisor with an accurate accounting of store opening campaign (advertising and marketing) expenses.

H. Relocation Of Store. Franchisee will not relocate the Store from the approved site of the Store without Franchisor's prior written consent. If Franchisee relocates the Store under this Section, the "new" franchised location of the Store, including the real estate and building, must comply with all applicable provisions of this Agreement and with Franchisor's then-current specifications and standards for Batteries Plus Bulbs® stores. If Franchisee must relocate the Store because the Store was destroyed, condemned or otherwise became untenable by fire, flood or other casualty, Franchisee must reopen the Store at the new franchised location in the Protected Area within six (6) months after Franchisee discontinues operation at the existing Store site. Franchisor will not unreasonably withhold its consent to

the proposed relocation, provided Franchisor has received at least ninety (90) days' written notice prior to the closing of the Store at the existing franchised location of the Store, Franchisee has obtained a site acceptable to Franchisor, and Franchisee agrees to open the "new" location for the Store within five (5) days after Franchisee closes the Store at the "prior" franchised location and otherwise complies with any other conditions that Franchisor may require. In addition, Franchisee must pay Franchisor a fee of Four Thousand Five Hundred Dollars (\$4,500) for services Franchisor will provide in connection with the relocation of the Store before Franchisor will review a proposed new site for the Store. There is no guarantee that an acceptable location will be available for relocation, and if Franchisee is unable to relocate its Store within the Protected Area and reopen Franchisee's Store within the time periods described in this Section 4(H), this Agreement will terminate.

I. Minimum Store Capital Requirements. Franchisee must: (1) directly invest in the operation of Franchisee's business relating to the Store a minimum of One Hundred Thousand Dollars (\$100,000) in equity (assets belonging to Franchisee or the Principal Owner(s) if Franchisee is a corporate entity); and (2) maintain during the term of this Agreement minimum equity invested in Franchisee's business of Seventy-Five Thousand Dollars (\$75,000) determined according to United States Generally Accepted Accounting Principles (GAAP). For purposes of this Section, the term "equity" means the sum of shareholder/owners capital invested plus (minus) cumulative retained earnings (losses) less cumulative distributions to shareholders/owners, unless Franchisor determines otherwise.

J. Commercial Sales Development Program. Franchisee must, at its expense, participate in Franchisor's then-current commercial sales development program, attend (and successfully complete) the related training program described in Section 5(B) below, and pay Franchisor's then-current fee (if any) relating to the commercial sales development program. Franchisor retains the right to establish rules under which Franchisee may or will participate in such program.

5. TRAINING AND OPERATING ASSISTANCE

A. Development Of Store. Franchisor will provide Franchisee with prototype drawings and specifications for a Store, reflecting Franchisor's requirements for dimensions, interior design and layout, image, building materials, fixtures, equipment, furniture, signs and decor. Franchisor will provide Franchisee with reasonable consulting services in connection with the selection and evaluation of the proposed Store site and development of the Store. Franchisee acknowledges that Franchisor's assistance in site location and acceptance of the premises does not represent a representation or guaranty by Franchisor that the location will be a successful location for Franchisee's Batteries Plus Bulbs® Store.

B. Training. Before the opening of the Store, Franchisor will provide, and any proposed manager of the Store must attend, an initial training program on the operation of a Store, provided at a place and time Franchisor designates. If Franchisee (or if Franchisee is an entity, a Principal Owner) will oversee the day-to-day operations of the Store, Franchisee (or if applicable, a Principal Owner) must attend the initial training program and the commercial sales training program described below.

The initial training program will take place over a period of three (3) weeks. Franchisor may, however, require the proposed Store manager(s) to continue training for up to ten (10) additional days. The training program includes instruction relating to Store operations, understanding the equipment and product usage, customer service, marketing and sales programs, accountability for sales and marketing, employee scheduling and methods of controlling operating costs. If, during any training program, Franchisor determines that any proposed manager is not qualified to manage the Store, Franchisor will notify Franchisee and Franchisee must select and enroll a substitute manager in the training program. If Franchisee is opening its second or subsequent Store and its proposed Store manager meets Franchisor's

then-current qualifications, Franchisor may provide such manager with a one (1) week store manager training program.

Before opening the Store (provided the Store is Franchisee's first Batteries Plus Bulbs® store), Franchisor also will provide and any proposed Store manager must attend a commercial sales training program on techniques and procedures for soliciting and securing commercial sales provided at a place and time Franchisor designates. The first phase of the commercial sales training program will take place over a period of approximately five (5) days. The Store manager(s) must continue their commercial sales training after the Store opens by conducting and reporting on certain commercial sales activities as Franchisor requires, participating in one or more telephone conferences and, if Franchisee qualifies, participating in commercial sales training that Franchisor conducts at the Store. Franchisee will pay Franchisor the then-current commercial sales training fee: (1) for each additional person desiring to attend such training program; or (2) if Franchisee already owns one Store and desires to send to such training program one or more persons managing the second or any subsequent Store.

Franchisor also will provide, and two (2) individuals Franchisee identifies must attend, our device repair training program that takes place over approximately three (3) days. Such training must be successfully completed and Franchisee must begin offering device repair services at the Store within ninety (90) days following the day the Store opens.

After the Store opens, Franchisor will provide training (at times Franchisor determines) to any new Store manager at Franchisee's expense. Franchisor may require that Franchisee (or a Principal Owner) and any manager(s) and assistant manager(s) attend all supplemental and refresher training programs that Franchisor designates, at Franchisee's cost. In addition, Franchisee and Store managers must attend, at Franchisee's expense, the minimum number of national conventions and regional meetings for the System as Franchisor periodically requires. In addition, if Franchisee fails to meet the Commercial Sales Revenue Requirement stated in Section 10(M) below in any year during the term of this Agreement, Franchisor may require Franchisee to attend additional commercial sales training. Franchisor will charge Franchisee a reasonable fee for these supplemental and refresher training programs.

If Franchisee (if Franchisee is an entity, a Principal Owner) will not be a Store manager overseeing the day-to-day operation of the Store, two (2) Store managers who Franchisor has approved and who have successfully completed the training requirements described above must be on-staff at all times. In addition, Franchisee (if Franchisee is an entity, a Principal Owner) must successfully complete Franchisor's investor training program.

Franchisee is solely responsible for the compensation, travel, lodging and living expenses Franchisee and its employees incur in attending the initial, store manager and/or commercial sales training programs as well as any supplemental or refresher training programs.

C. Opening Assistance. Franchisor will provide Franchisee with the services of one employee of Franchisor for seven (7) days to assist Franchisee in the opening and initial operations of the Store. Franchisor may determine the time at which the employee is available to Franchisee.

D. Operating Assistance. Franchisor will advise Franchisee on operational issues and provide assistance in operating the Store as Franchisor deems appropriate. Operating assistance may include advice regarding the following:

1. additional products and services authorized for sale at Batteries Plus Bulbs® stores;

2. selecting, purchasing and marketing batteries, light bulbs and related products together with device repair services, and other approved products, materials, supplies, and services;
3. employee relations, marketing assistance and sales promotion programs and accountability of employees; and
4. establishing and operating administrative, bookkeeping, accounting, inventory control, sales and general operating procedures for the proper operation of a Batteries Plus Bulbs® store.

Franchisor will provide such guidance, in its discretion, through Franchisor's Operations Manual bulletins or other written materials, telephone conversations and/or meetings at Franchisor's office or at the Store in conjunction with an inspection of the Store. Franchisor will provide additional assistance for a fee.

E. Operations Manual. Franchisor will provide on loan to Franchisee, during the term of this Agreement, electronic (internet) access to an Operations Manual, which may include the Franchise Administration Manual and Store Manual, and other handbooks, manuals and written materials (collectively, the "Operations Manual") for Batteries Plus Bulbs® stores. The Operations Manual will contain mandatory and suggested specifications, standards and operating procedures that Franchisor develops for Batteries Plus Bulbs® stores and information relating to other obligations of Franchisee. Franchisor may add to, and otherwise modify, the Operations Manual to reflect changes in authorized products and services, and specifications, standards and operating procedures of a Batteries Plus Bulbs® store. The master copy of the Operations Manual that Franchisor maintains at its principal office or on its website, and makes available to Franchisee by electronic access, will control if there is a dispute involving the contents of the Operations Manual.

6. LICENSED MARKS

A. Ownership And Goodwill Of Licensed Marks. Franchisee acknowledges that Franchisee has no interest in or to the Licensed Marks and that Franchisee's right to use the Licensed Marks is derived solely from this Agreement and is limited to the conduct of business in compliance with this Agreement and all applicable specifications, standards and operating procedures that Franchisor requires during the term of the Franchise. Franchisee agrees that its use of the Licensed Marks and any goodwill established exclusively benefits Franchisor, and that Franchisee receives no interest in any goodwill related to Franchisee's use of the Licensed Marks or the System. Franchisee must not, at any time during the term of this Agreement or after its termination or expiration, contest or assist any other person in contesting the validity or ownership of any of the Licensed Marks.

B. Limitations On Franchisee's Use Of Licensed Marks. Franchisee agrees to use the Licensed Marks as the sole identification of the Store, but Franchisee must identify himself as the independent owner in the manner Franchisor directs. Franchisee must not use any Licensed Mark as part of any corporate or trade name or in any modified form, nor may Franchisee use any Licensed Mark in selling any unauthorized product or service or in any other manner not expressly authorized in writing by Franchisor. Franchisee agrees to display the Licensed Marks prominently and in the manner Franchisor directs on all signs and forms. Subject to Franchisor's rights described in this Agreement, Franchisee agrees to obtain fictitious or assumed name registrations as may be required under applicable law.

C. Restrictions On Internet And Website Use. Franchisor retains the sole right to advertise the System on the Internet and to create, operate, maintain and modify, or discontinue the use of, a

website using the Licensed Marks. Franchisee has the right to access Franchisor's website. Except as Franchisor may authorize in writing, however, Franchisee will not: (1) link or frame Franchisor's website; (2) conduct any business or offer to sell or advertise any products or services on the Internet (or any other existing or future form of electronic communication); (3) create or register any Internet domain name in any connection with Franchisee's franchise; and (4) use any e-mail address which Franchisor has not authorized for use in operating the Store. Franchisee will not register, as Internet domain names, any of the Licensed Marks now or hereafter owned by Franchisor or any abbreviation, acronym or variation of the Licensed Marks, or any other name that could be deemed confusingly similar.

D. Notification Of Infringements And Claims. Franchisee must notify Franchisor immediately in writing of any apparent infringement of or challenge to Franchisee's use of any Licensed Mark, or any claim by any person of any rights in any Licensed Mark or any similar trade name, trademark or service mark of which Franchisee becomes aware. Franchisee must not communicate with any person other than Franchisor and its counsel regarding any infringement, challenge or claim. Franchisor may take any action it deems appropriate and has the right to exclusively control any litigation or other proceeding arising out of any infringement, challenge or claim relating to any Licensed Mark. Franchisee will sign all documents, provide assistance and take all action as Franchisor may reasonably request to protect and maintain Franchisor's interests in any litigation or other proceeding or to otherwise protect and maintain Franchisor's interests in the Licensed Marks.

E. Litigation. Franchisee will have no obligation to and will not, without Franchisor's prior written consent, defend or enforce any of the Licensed Marks in any court or other proceedings for or against imitation, infringement, any claim of prior use, or for any other allegation. Franchisee will, however, immediately notify Franchisor of any claims or complaints made against Franchisee respecting the Licensed Marks and will, at its expense, cooperate in all respects with Franchisor in any court or other proceedings involving the Licensed Marks. Franchisor will pay the cost and expense of all litigation Franchisor incurs, including attorneys' fees, specifically relating to the Licensed Marks. Franchisor and its legal counsel will have the right to control and conduct any litigation relating to the Licensed Marks.

F. Changes. Franchisee cannot make any changes or substitutions to the Licensed Marks unless Franchisor so directs in writing. Franchisor reserves the right, in its discretion, to modify or discontinue use of any Licensed Mark, or to use one or more additional or substitute trademarks or service marks. In such event, Franchisee will, at its expense, comply with such modification or substitution within a reasonable time after notice by Franchisor.

7. CONFIDENTIAL INFORMATION/IMPROVEMENTS

A. Confidential Information. Franchisee acknowledges and agrees that it does not acquire any interest in the Confidential Information, other than the right to use it in developing and operating the Store pursuant to this Agreement, and that the use or duplication of the Confidential Information in any other business constitutes an unfair method of competition. Franchisee acknowledges and agrees that the Confidential Information is proprietary and is a trade secret of Franchisor and is disclosed to Franchisee solely on the condition that Franchisee agrees that it: (1) will not use the Confidential Information in any other business or capacity; (2) will maintain the absolute confidentiality of the Confidential Information during and after the term of this Agreement; (3) will not make unauthorized copies of any Confidential Information disclosed in written form; (4) will adopt and implement all reasonable procedures Franchisor directs to prevent unauthorized use or disclosure of the Confidential Information, including restrictions on disclosure to Store employees; and (5) will sign a Confidentiality Agreement and will require all Store managers and other employees and agents with access to Confidential Information to sign such an

agreement in a form Franchisor directs or approves. Notwithstanding the foregoing, Franchisor and Franchisee each own the Customer Data as further described in Section 4(D) above.

The restrictions on Franchisee's disclosure and use of the Confidential Information will not apply to disclosure of Confidential Information in judicial or administrative proceedings to the extent Franchisee is legally compelled to disclose this information, if Franchisee uses its best efforts to maintain the confidential treatment of the Confidential Information, and provides 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.

B. Improvements. Franchisee must fully and promptly disclose to Franchisor, all ideas, concepts, methods, techniques, improvements, additions and Customer Data relating to the development and/or operation of a Batteries Plus Bulbs® store or the System, or any new trade names, service marks or other commercial symbols, or associated logos relating to the operation of the Store, or any advertising or promotion ideas related to the Store (collectively the "Improvements") conceived or developed by Franchisee and/or its employees during the term of this Agreement. Franchisee agrees that Franchisor has the perpetual right to use and authorize others to use the Improvements without any obligation to Franchisee for royalties or other fees.

8. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION

A. Relationship Of The Parties. Franchisor and Franchisee are independent contractors. Neither party is the agent, legal representative, partner, subsidiary, joint venture or employee of the other. Neither party will independently obligate the other to any third parties or represent any right to do so. This Agreement does not reflect or create a fiduciary relationship or a relationship of special trust or confidence. Franchisee must conspicuously identify itself at the premises of the Store and in all dealings with customers, lessors, contractors, suppliers, public officials and others as the owner of the Store under a franchise agreement from Franchisor, and must place other notices of independent ownership on signs, forms, stationery, advertising and other materials as Franchisor requires.

B. Franchisee Indemnification Obligations. Franchisee agrees to indemnify and hold Franchisor and its subsidiaries, affiliates, stockholders, members, directors, officers, employees and agents harmless against, and to reimburse them for, any loss, liability or damages arising out of or relating to Franchisee's ownership or operation of the Store, and all reasonable costs of defending any claim brought against any of them or any action in which any of them is named as a party (including reasonable attorneys' fees) unless the loss, liability, damage or cost is solely due to the Franchisor's breach of this Agreement, gross negligence or willful misconduct.

C. Franchisor Indemnification Obligations. Franchisor agrees to indemnify and hold Franchisee and its officers, directors and agents harmless against, and to reimburse them for, any loss, liability or damage solely arising from or relating to Franchisor's breach of this Agreement, gross negligence or willful misconduct, and all reasonable costs of defending any claim brought against it or any action in which it is named as a party (including reasonable attorneys' fees).

D. Limited Liability. Franchisee acknowledges and agrees that no past, present or future director, officer, employee, incorporator, member, partner, stockholder, subsidiary, affiliate, controlling party, entity under common control, ownership or management, vendor, service provider, agent, attorney or representative of Franchisor will have any liability for (i) any of Franchisor's obligations or liabilities relating to or arising from this Agreement, (ii) any claim against Franchisor based on, in respect of, or by reason of, the relationship between Franchisee and Franchisor, or (iii) any claim against Franchisor based on any alleged unlawful act or omission of Franchisor.

E. Survival. The indemnities and assumptions of liabilities and obligations continue in full force and effect after the expiration or termination of this Agreement.

9. FRANCHISE FEES

A. Initial Franchise Fee. Franchisee will pay Franchisor an initial franchise fee of _____ Dollars (\$_____). The initial franchise fee is payable when Franchisee signs this Agreement. The initial franchise fee is fully earned by Franchisor when Franchisor signs this Agreement and is nonrefundable.

B. Royalty And Service Fee. Franchisee will pay Franchisor a non-refundable royalty and service fee in an amount equal to five percent (5%) of Franchisee's Net Revenues. The royalty and service fee is due and payable on or before the tenth (10th) day of each month based on the Net Revenues for the previous month.

C. Electronic Transfer of Funds. Franchisee must sign electronic transfer of funds authorizations and other documents as Franchisor periodically designates to authorize Franchisee's bank to transfer, either electronically or through some other method of payment designated by Franchisor, directly to Franchisor's account and to charge Franchisee's account for all amounts due to Franchisor from Franchisee. Franchisee's authorization will permit Franchisor to designate the amount to be transferred from Franchisee's account. Franchisee will maintain a balance in its accounts sufficient to allow Franchisor to collect the amounts owed to it when due. Franchisee will be responsible for any penalties, fines or similar expenses associated with the transfer of funds described herein.

D. Interest On Late Payments. All royalty and service fees, national marketing fees (NMF Fees), and other amounts which Franchisee owes to Franchisor or its affiliates will bear interest after the due date at the lesser of: (1) one-and-one-half percent (1½%) per month; or (2) the maximum contract rate of interest permitted by law in the state in which the Store is located.

E. Application Of Payments. Franchisor has discretion to apply against amounts due to Franchisor or any of its affiliates any payments received from Franchisee or any indebtedness of Franchisor to Franchisee.

F. Withholding Payments Unlawful. Franchisee agrees that it will not withhold payment of any royalty and service fees, NMF Fees or any other amount due Franchisor, and that the alleged non-performance or breach of any of Franchisor's obligations under the Franchise Agreement or any related agreement does not establish a right at law or in equity to withhold payments due Franchisor for royalty and service fees, NMF Fees or any other amounts due.

G. Tax Indemnification. Franchisee will indemnify Franchisor and reimburse Franchisor for all income, capital, gross receipts, sales, and other taxes that the state in which the Store is located imposes as a result of Franchisee's operation of the Store or the license of any of Franchisor's intangible property in the jurisdiction in which the Store is located. If more than one Batteries Plus Bulbs® franchisee is located in such jurisdiction, they will share the liability in proportion to their Net Revenues from the franchised business, except in the case of sales taxes and gross receipts taxes, which will be divided in proportion to taxable sales to the franchisees. If applicable, this payment is in addition to the royalty and service fee payments described above.

10. STORE IMAGE AND OPERATING STANDARDS

A. Condition And Appearance Of Store/Rebuilding Of Store. Franchisee agrees to maintain the condition and appearance of the Store, and refurbish and modify its layout, decor and general theme, as Franchisor may require to maintain the condition, appearance, efficient operation, ambience and overall image of Batteries Plus Bulbs® stores (as Franchisor may modify). Franchisee will replace worn out or obsolete fixtures, equipment, furniture, or signs, repair the interior and exterior of the Store and adjacent parking areas, and periodic clean and redecorate the Store. If at any time in Franchisor's reasonable judgment, the general state of repair, appearance or cleanliness of the Store premises (including parking areas) or its fixtures, equipment, furniture or signs does not meet Franchisor's then-current standards, Franchisor will so notify Franchisee, specifying the action to be taken by Franchisee to correct the deficiency. If Franchisee fails, within ten (10) days after receipt of notice, to commence action and continue in good faith and with due diligence, to undertake and complete any required maintenance or refurbishing, Franchisor may (in addition to its rights under Section 16 below) enter the Store premises and correct the deficiencies on Franchisee's behalf, and at Franchisee's expense.

Franchisee will, at its expense, make such reasonable capital expenditures necessary to remodel, modernize and redecorate the Store premises and to replace and modernize the supplies, fixtures, signs, and equipment used in its business so that Franchisee's business reflects the then-current physical appearance of new Batteries Plus Bulbs® stores. Franchisor may require Franchisee to take such action: (i) as a condition to the transfer of any interest as further described in Section 15(C); (ii) as a condition of renewal; and (iii) otherwise during the term of the Agreement as further described in the Operations Manual. Franchisee acknowledges and agrees that the requirements of this Section 10(A) are both reasonable and necessary to insure continued public acceptance and patronage of Batteries Plus Bulbs® stores and to avoid deterioration or obsolescence in connection with the operation of the Store.

If the Store is damaged or destroyed by fire or any other casualty, Franchisee will, within thirty (30) days, initiate repairs or reconstruction, and thereafter in good faith and with due diligence continue (until completion) repairs or reconstruction, to restore the Store premises to its original condition before the casualty. If, in Franchisor's reasonable judgment, the damage or destruction is of a nature or to an extent that Franchisee can repair or reconstruct the premises of the Store consistent with the then-current decor and specifications of a new Batteries Plus Bulbs® store without incurring substantial additional costs, Franchisor may require Franchisee, by giving written notice, that Franchisee repair or reconstruct the Store premises in compliance with the then-current decor and specifications.

B. Store Alterations. Franchisee cannot alter the premises or appearance of the Store, or make any unapproved replacements of or alterations to the fixtures, equipment, furniture or signs of the Store without Franchisor's prior written approval. Franchisor may, in its discretion and at Franchisee's sole expense, correct any alterations to the Store not previously approved by Franchisor.

C. Restriction On Use Of Premises. Franchisee agrees that it will not, without Franchisor's prior written approval, offer at the Store any products or services not then authorized by Franchisor for Batteries Plus Bulbs® stores, nor will the Store or the premises which it occupies be used for any purpose other than the operation of a Batteries Plus Bulbs® store in compliance with this Agreement.

D. Franchisee's Hiring And Training Of Employees. Franchisee will hire all employees of the Store, be exclusively responsible for the terms of their employment and compensation, and implement a training program for Store employees in compliance with Franchisor's requirements. Franchisee will maintain at all times a staff of trained employees sufficient to operate the Store in compliance with Franchisor's standards.

E. Batteries, Light Bulbs and Related Products, Supplies And Materials. Franchisee agrees that the Store will only offer for sale batteries, light bulbs and related products (or categories of products) and services which Franchisor has approved as being suitable for sale and meeting the standards of quality and uniformity for the System and are purchased from suppliers approved by Franchisor (which may include Franchisor and/or its affiliates). Franchisor periodically may modify the lists of approved products (or brands or categories of products) and suppliers, and Franchisee will comply with such modified lists of approved products and suppliers. If Franchisee proposes to offer for sale any batteries, light bulbs or related products or other services which Franchisor has not approved, Franchisee must first notify Franchisor in writing and provide sufficient information, specifications and samples concerning the product (or brand of product) and/or supplier to permit Franchisor to determine whether the product (or brand of product) complies with Franchisor's specifications and standards and/or the supplier meets Franchisor's approved supplier criteria. Franchisor will notify Franchisee within a reasonable time whether or not the proposed product (or brand of product) and/or supplier is approved. Franchisor may develop procedures for the submission of requests for approved products (or brands of products) or suppliers and obligations that approved suppliers must assume (which may be incorporated in a written agreement to be signed by approved suppliers). Franchisor will have the right to charge each proposed supplier a reasonable fee in reviewing a proposed product (or brand of product) or supplier. Franchisor may impose limits on the number of suppliers and/or brands for any batteries, light bulbs or related products as well as services to be used in the Store. Franchisee agrees that certain products, materials, and other items and supplies may only be available from one source, and Franchisor or its affiliates may be that source. Franchisee must at all times maintain an inventory of batteries, light bulbs and related products sufficient in quantity and variety to realize the full potential of the Store. FRANCHISOR AND ITS AFFILIATES MAKE NO WARRANTY AND EXPRESSLY DISCLAIM ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE, RESPECTING PRODUCTS, EQUIPMENT (INCLUDING ANY REQUIRED COMPUTER SYSTEMS), SUPPLIES, FIXTURES, FURNISHINGS OR OTHER ITEMS THAT ARE MANUFACTURED OR DISTRIBUTED BY THIRD PARTIES AND THAT FRANCHISOR APPROVES FOR USE IN THE SYSTEM.

Franchisor may conduct market research and testing to determine consumer trends and the market for new batteries, light bulbs and related products and services as well as other services and products. Franchisee agrees to participate in Franchisor's market research programs, test market new products and services in the Store and provide Franchisor with timely reports and other relevant information regarding market research. In connection with any test marketing, Franchisee must purchase a reasonable quantity of the tested products and effectively promote and make a reasonable effort to sell those products and/or services.

F. Standards Of Service. Franchisee must at all times give prompt, courteous and efficient service to its customers. Franchisee must, in all dealings with its customers and suppliers and the public, adhere to the highest standards of honesty, integrity and fair dealing.

G. Specifications, Standards And Procedures. Franchisee acknowledges and agrees that each and every detail of the appearance and operation of the Store is important to Franchisor and other Batteries Plus Bulbs® stores. Franchisee agrees to maintain the highest standards of quality and service in the Store and agrees to comply with all mandatory specifications, standards and operating procedures (whether contained in the Operations Manual or any other written or oral communication to Franchisee) relating to the appearance or operation of a Batteries Plus Bulbs® store, including:

1. type and quality of batteries, light bulbs and related products as well as services offered at the Store;

2. quality and uniformity of service and sales of all batteries, light bulbs and related products as well as services at the Store;
3. methods and procedures relating to marketing, customer service and order processing;
4. the hours and days during which the Store is open for business;
5. the safety, maintenance, cleanliness, function and appearance of the Store premises and its fixtures, equipment, furniture, decor, signs and the commercial delivery vehicle;
6. qualifications, dress, general appearance and demeanor of Store employees;
7. the style, make and/or type of equipment (including computer equipment) used in operating the Store;
8. use and illumination of exterior and interior signs, posters, displays, standard formats and similar items; and
9. Store advertising and promotion.

H. Compliance With Laws And Good Business Practices. Franchisee must secure and maintain in force all required licenses, permits and certificates relating to the operation of the Store and must operate the Store in full compliance with all applicable laws, ordinances and regulations. Franchisee must comply with all laws and regulations relating to privacy and any privacy 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 Store. Franchisee will not conduct any business or advertising practice which injures Franchisor's business, the System or the goodwill associated with the Licensed Marks and other Batteries Plus Bulbs® stores.

I. Management Of The Store/Conflicting Interests. The Store must at all times be under Franchisee's direct supervision or, if Franchisee is a partnership, corporation or limited liability company, a Principal Owner or an operating manager who Franchisor has approved and who has satisfactorily completed the training program designated by Franchisor. If an operating manager supervises the Store, Franchisee must successfully complete the investor training program and have at least two (2) approved Store managers on-staff at all times who have successfully completed all of Franchisor's training requirements.

Franchisee must at all times faithfully, honestly and diligently perform its obligations and continuously use its best efforts to promote and enhance the business of the Store. The person who is responsible for the day-to-day supervision of the Store (i.e., the Principal Owner or the approved manager) must assume responsibilities on a full-time basis and must not engage in any other business or other activity, directly or indirectly, that requires any significant management responsibility, time commitments, or otherwise may conflict with Franchisee's obligations.

If at any time Franchisee (or, if Franchisee is a partnership, corporation or limited liability company, the Principal Owner) or an approved manager who has satisfactorily completed Franchisor's designated training program is not managing the Store, Franchisor immediately may appoint a manager to maintain Store operations on Franchisee's behalf. Franchisor's appointment of a manager of the Store

does not relieve Franchisee of its obligations or constitute a waiver of Franchisor's right to terminate the Franchise under Section 16 below. Franchisor is not liable for any debts, losses, costs or expenses incurred in the operation of the Store or to any creditor of Franchisee for any products, materials, supplies or services purchased by the Store while it is managed by Franchisor's appointed manager. Franchisor may charge a reasonable fee for management services and cease to provide management services at any time.

J. Insurance. Franchisee agrees to purchase and maintain in force, at its expense, the following insurance:

1. Comprehensive general liability insurance, including products liability, property damage, and personal injury coverage with a combined single limit of at least Two Million Dollars (\$2,000,000) per occurrence and Three Million Dollars (\$3,000,000) annual aggregate.
2. Worker's compensation, employer's liability and other insurance to meet the greater of all applicable statutory requirements or the then-current minimum levels of coverage as Franchisor periodically requires;
3. Commercial property insurance policy, including, at a minimum, fire, vandalism, theft, burglary and extended coverage insurance with primary and excess limits of not less than one hundred percent (100%) replacement value of the franchised facility and fixtures, equipment and inventory;
4. Business interruption/time element coverage in such amounts as Franchisor periodically may require either as a component of or an endorsement to a commercial property insurance policy; and
5. Automobile liability insurance for owned and non-owned business vehicles including personal injury, wrongful death and property damage with coverage of at least One Million Dollars (\$1,000,000) per occurrence.

All insurance policies will: (1) be issued only by an insurance carrier(s) and through an agent meeting Franchisor's then-current minimum standards; (2) will name Franchisor and its affiliates as an additional insured following such format and using such endorsements as Franchisor periodically may direct; (3) contain a waiver of the insurance company's right of subrogation against Franchisor; (4) provide that Franchisor will receive thirty (30) days' prior written notice of a material change in or termination, expiration or cancellation of any policy (or such shorter period as required by the insurance carrier and approved by Franchisor); and (5) as applicable, include primary and non-contributory endorsement or language in form and content as Franchisor periodically requires. To the extent Franchisee obtains a single policy for two (2) or more Batteries Plus Bulbs® Stores, Franchisor periodically will determine the levels of insurance coverage that Franchisee must obtain and other requirements that Franchisee must satisfy for each Store covered by such policy. Franchisor periodically may, with prior written notice to Franchisee, increase the minimum liability protection requirements, modify policy, endorsement or other requirements, and require different or additional kinds of insurance to reflect inflation or changes in standards of liability. If Franchisee at any time fails to maintain in effect any insurance coverage required by Franchisor, or to furnish satisfactory evidence thereof, Franchisor, at its option, may obtain insurance coverage for Franchisee. Franchisee agrees to promptly sign any applications or other forms or instruments required to obtain any insurance and pay to Franchisor, on demand, any costs and premiums incurred by Franchisor. Franchisee will provide Franchisor with copies of the certificate of insurance, insurance policy endorsements and other evidence of compliance with these requirements as Franchisor periodically requires within two (2) weeks before Franchisee takes

possession and commences development of the Store premises and at such other times as Franchisor may require. In addition, Franchisee will provide to Franchisor with a copy of the certificate of or other evidence of the renewal or extension of each insurance policy.

K. National Accounts Programs. Franchisor has established a “National Accounts Program” designed to address the needs of customers desiring central billing accounts, multiple shipping destinations and similar requests that are typical of large volume customers or customers that conduct operations at more than one facility. Franchisee must participate in the National Accounts Program if Franchisee satisfies Franchisor’s then-current qualifications and will sign Franchisor’s standard form National Accounts Success Agreement in the form attached as Exhibit E (the “National Accounts Agreement”). Franchisee understands that Franchisor will establish the rules under which Franchisee will participate, and be compensated for participation, in the National Accounts Program and that Franchisor may terminate or modify the National Accounts Program consistent with the terms of the National Accounts Agreement.

L. Participation in Internet Website. Franchisee will participate in a Batteries Plus Bulbs® website listed on the Internet or other online communications and participate in any Franchisor-controlled intranet system. Franchisor will, at its discretion, determine the content and use of a Batteries Plus Bulbs® website and intranet system and will establish rules under which franchisees may or will participate. Franchisor will retain all rights relating to the Batteries Plus Bulbs® website and intranet system and may alter or terminate the website or intranet system upon thirty (30) days’ notice to Franchisee. Franchisee’s general conduct on the Internet and the Batteries Plus Bulbs® intranet system, and specifically its use of the Licensed Marks or any advertising on the Internet (including the domain name and any other Licensed Marks Franchisor may develop as a result of participation in the Internet), will be subject to the provisions of this Agreement. Franchisee acknowledges that certain information obtained through its online participation in the website or intranet system is considered Confidential Information (as defined in Section 7 above), including access codes and identification codes. Franchisee’s right to participate in the Batteries Plus Bulbs® website or intranet system or otherwise use the Licensed Marks or the System on the Internet will terminate when this Agreement expires or terminates.

M. Minimum Revenue Requirement. Franchisee agrees to use its best efforts to promote the Store. After the first twelve (12) months of operation, Franchisee must generate, in each “Anniversary Year” (as defined below) during the term of this Agreement, total Net Revenues of at least seventy-five percent (75%) of the average historical median Net Revenues of all Batteries Plus Bulbs® and Batteries Plus® stores in operation for at least twelve (12) months based on each Store’s historical Net Revenues for the same Anniversary Year (the “Minimum Revenue Requirement”). The term “Anniversary Year” means the twelve (12) month period beginning on the first day of the month following the Effective Date and ending on the first anniversary thereof and between each succeeding anniversary. For example, if a Franchisee opened his/her Store in February 2011, Franchisee’s Anniversary Year begins on March 1 and Store Net Revenues for the second Anniversary Year (March 1, 2012 to February 28, 2013) must be at least seventy-five percent (75%) of the average Net Revenues of all Batteries Plus Bulbs® and Batteries Plus® stores (based on the historical Net Revenues of each Store during its second Anniversary Year.)

In addition, after the first twelve (12) months of operation, Franchisee must generate, in each Anniversary Year during the term of this Agreement, “Commercial Sales” Net Revenues of at least seventy-five percent (75%) of the average historical median Commercial Sales Net Revenues of all Batteries Plus Bulbs® and Batteries Plus® stores in operation for at least twelve (12) months based on each Store’s historical Commercial Sales Net Revenues for the same Anniversary Year (the “Commercial Sales Revenue Requirement”). The term “Commercial Sales” means the sale of batteries, light bulbs or

related products to an entity for resale or for use in commercial or industrial settings. The term “Commercial Sales” does not include sales made through the National Accounts Program.

If Franchisee owns and operates more than one (1) Store, Franchisee will be in compliance with each of these provisions if the combined Net Revenues (or Commercial Sales Net Revenues) of Franchisee’s Stores (using each Store’s applicable Net Revenues from the most recently completed Anniversary Year) are at least seventy-five percent (75%) of the combined average historical Median Net Revenues of each relevant class of Batteries Plus Bulbs® and Batteries Plus® stores for the same Anniversary Year.

N. E-Commerce Program. Franchisor has established an “E-Commerce Program” designed to expand the market for Batteries Plus Bulbs® products and services through sales of product on a centralized Internet website. Franchisee agrees to participate in such program, provided Franchisee satisfies Franchisor’s then-current qualifications, and will sign Franchisor’s standard form E-Commerce Agreement in the form attached as Exhibit F (the “E-Commerce Agreement”). Franchisee understands that Franchisor will establish the rules under which Franchisee will participate in the E-Commerce Program and that Franchisor may terminate or modify the E-Commerce Program consistent with the terms of the E-Commerce Agreement.

11. ADVERTISING

A. National Marketing Fund. During the term of this Agreement, Franchisee will pay to Franchisor for deposit in a national marketing fund (the “NMF Fund”) a national marketing fee (the “NMF Fee”) of up to one percent (1%) of Franchisee’s Net Revenues. Franchisor will place all NMF Fees it receives in the NMF Fund and will manage such Fund. Franchisor also will contribute to the NMF Fund for each Batteries Plus Bulbs® or Batteries Plus® store that it operates in the United States at the same percentage rate as a majority of Batteries Plus Bulbs® or Batteries Plus® franchisees must pay to the NMF Fund. Reasonable disbursements from the NMF Fund will be made solely for the payment of expenses Franchisor incurs in connection with the general promotion of the Licensed Marks and the System, including the cost of formulating, developing and implementing advertising, marketing, promotional and public relations campaigns; network marketing; development and operation of the System e-commerce platform; marketing research and analytics; and the reasonable costs of administering the NMF Fund, including the cost of employing advertising, public relations and other third party agencies to assist Franchisor and providing promotional brochures and advertising materials to stores and to regional and local advertising cooperatives, as well as accounting expenses and the actual costs of salaries and fringe benefits paid to Franchisor’s employees engaged in administration of the NMF Fund. The NMF Fund is not a trust or escrow account, and Franchisor has no fiduciary obligations regarding the NMF Fund. Franchisor cannot insure that any individual franchisee will benefit directly or on a pro rata basis from the future placement of any such advertising in its local market. Franchisor may spend in any fiscal year an amount greater or less than the aggregate contributions of Batteries Plus Bulbs® and Batteries Plus® stores to the NMF Fund in that year. Franchisor may, through the NMF Fund, furnish Franchisee with approved local marketing plans and materials on the same terms and conditions as plans and materials it furnishes to other franchisees. Franchisor will determine the methods of advertising, media employed and scope, contents, terms and conditions of advertising, marketing, promotional and public relations campaigns and programs. Upon written request, Franchisor will provide Franchisee an annual unaudited statement of the receipts and disbursements of the NMF Fund for the most recent calendar year.

B. Local Advertising and Store Promotion. In addition to the NMF Fee due under Section 11(A) above, Franchisee will spend at least the following amounts during each calendar year on “approved” Store advertising and promotional activities in Franchisee’s local geographic area: (i) a minimum of four

percent (4%) of the Net Revenues during the first calendar year (in addition to amounts spent on a store opening campaign as further described in Section 4(G) above); and (ii) the greater of four percent (4%) of Net Revenues or Fifteen Thousand Dollars (\$15,000) during the first full and each subsequent calendar year. On or before February 15 of each year, Franchisee will provide Franchisor with an accounting of the funds that it has spent for local advertising for the preceding calendar year. If Franchisee fails to spend the minimum amount required under this Section for the calendar year for approved regional cooperative advertising or local advertising, Franchisee will deposit with Franchisor the difference between what it should have spent for approved advertising during the calendar year and what it actually spent for approved advertising during the calendar year. Franchisor will deposit that amount in the NMF Fund. For purposes of this Section, Store advertising and promotional activities are “approved” if they are included in Franchisor’s recommended media plan for the Store and otherwise comply with Section 11(E) below.

C. Cooperative Advertising. Franchisee will participate in, support and contribute a proportionate share, but no more than an amount equal to four percent (4%) of the Net Revenues for the Store, of the cost of regional or local cooperative advertising programs designated by Franchisor. Franchisor reserves the right to designate regional and local advertising markets, to establish regional advertising councils and to establish the bylaws and other rules under which such councils will operate. Franchisee contributions to regional and local advertising cooperatives will be credited toward Franchisee’s local advertising obligations described in Section 11(B) above.

D. Telephone Directory Advertising. Franchisee will, at its expense, list and advertise the Store in the principal regular (white pages) and classified (yellow pages) telephone directories distributed within Franchisee’s primary trading area, in directory categories Franchisor specifies, using Franchisor’s standard forms of listing and classified directory advertisements. Classified directory advertisements will list other Batteries Plus Bulbs® and Batteries Plus® stores operating within the distribution area of classified directories and the cost of advertisements will be reasonably apportioned among all Batteries Plus Bulbs® stores listed. Franchisee will not publish or use any toll-free number in operating the Store, other than 1-800-MR START or other toll free telephone numbers designated by Franchisor. The cost of advertising will be credited towards Franchisee’s local advertising obligations described in Section 11(B) above.

E. Approved Advertising, Media Plans and Store Promotion Materials. Franchisor may develop, and make available to Franchisee, local store media planning assistance. If Franchisor does so, Franchisee must use Franchisor’s recommended media plan in promoting the Store or otherwise develop, and obtain Franchisor’s advance written approval to, an alternative media/promotion plan. In addition, Franchisee will use only Franchisor-approved advertising and promotional materials in promoting the Store. If Franchisee uses any advertising or promotional materials without Franchisor’s prior written approval, in addition to any separate remedies Franchisor may have, any amounts spent on those materials will not be credited toward Franchisee’s local advertising obligations described in Section 11(B) above.

F. Participation in Certain Programs and Promotions. Franchisee will use its best efforts to promote and advertise the Store and will participate in all advertising and promotional programs Franchisor establishes in the manner Franchisor directs. Franchisee will have the right to advertise and sell its products at whatever prices Franchisee determines.

12. RECORDS AND REPORTS

A. Accounting And Records. During the term of this Agreement, Franchisee will, at its expense, maintain at the Store premises and retain for a minimum of three (3) years from the date of their preparation, complete and accurate books, records and accounts (using such methods and systems of bookkeeping and accounting as Franchisor may require) relating to the Store (the “Records”), in the form

and manner Franchisor directs in the Operations Manual or otherwise in writing. The Records will include the following: (i) daily cash reports; (ii) cash receipts journal and general ledger; (iii) cash disbursements journal and weekly payroll register; (iv) monthly bank statements and daily deposit slips and canceled checks; (v) all tax returns relating to the Store and of each of the Principal Owners; (vi) suppliers' invoices (paid and unpaid); (vii) dated cash registered tapes (detailed and summary); (viii) semi-annual balance sheets and monthly profit and loss statements; (ix) weekly inventories; (x) records of promotion and coupon redemption; and (xi) such other records and information as Franchisor periodically may request. Franchisee shall be permitted to preserve the Records and submit reports electronically, consistent with Franchisor's requirements.

B. Reports And Tax Returns. Franchisee will deliver or provide access to Franchisor the following: (1) daily statements relating to Net Revenues accompanying Franchisee's payment of monthly royalty and service fees; (2) within forty-five (45) days after the end of each calendar quarter, a quarterly profit and loss statement for the Store for the immediately preceding calendar quarter and a year-to-date profit and loss statement; (3) within ninety (90) days after the end of each fiscal year, an annual profit and loss statement and source and use of funds statement for the Store for the year and a balance sheet for the Store as of the end of the year, reviewed by an independent certified public accountant; and (4) at Franchisor's request, all tax returns relating to the Store and of each of the Principal Owners. Franchisee also will provide to Franchisor copies of all Records and other information and supporting documents as Franchisor designates. All financial statements, reports and information must be on forms approved by Franchisor and signed and verified by Franchisee.

13. INSPECTION AND AUDITS

A. Franchisor's Right To Inspect The Store. To determine whether Franchisee is complying with this Agreement, Franchisor may, at any time during business hours and without prior notice to Franchisee, inspect the Store. Franchisee will fully cooperate with Franchisor's representatives making any inspection and will permit Franchisor's representatives to take photographs or videotapes of the Store and to interview employees and customers of the Store.

B. Franchisor's Right To Examine Books And Records. Franchisor may, at all reasonable times and without prior notice to Franchisee, examine, audit, or request copies of the Records, including the books, records and state and/or federal income tax records and returns of any Principal Owner. Franchisee must maintain all Records and supporting documents at all times at the Store premises. Franchisee will make financial and other information available at a location Franchisor reasonably request, and will allow Franchisor (and its agents) full and free access to any such information at the Store. Franchisee otherwise will fully cooperate with Franchisor's representative and independent accountants hired to conduct any examination or audit.

C. Result of Audit; Unreported Net Revenues. If any examination or audit discloses an understatement of Net Revenues, Franchisee will pay to Franchisor, within fifteen (15) days after receipt of the examination or audit report, the royalty and services fees and any NMF Fees due on the amount of the understatement, plus interest (at the rate provided in Section 9(D) above) from the date originally due until the date of payment. Franchisee must reimburse Franchisor for the cost of the audit or examination, including the charges of any independent accountants and the travel expenses, room and board and compensation of employees of Franchisor, if: (1) an examination or audit is necessary because Franchisee failed to timely provide required information; (2) any examination or audit results in a determination that Net Revenues for any month are understated by greater than two percent (2%); or (3) Franchisee fails to spend the minimum amount required for local store promotion under Section 11(B) above. The foregoing remedies are in addition to all other remedies and rights of Franchisor under applicable law.

14. COVENANTS

A. Non-Solicitation Of Customers/Employees. Franchisee covenants that, during the term of this Agreement, and for a period of two (2) years thereafter, Franchisee will not, directly or indirectly: (1) divert or attempt to divert any business, account or customer of the Store or any other Batteries Plus Bulbs® or Batteries Plus® stores or the System to any competing business; and (2) employ or seek to employ any person employed by Franchisor, or any other person who is at that time operating or employed by or at any other Batteries Plus Bulbs® or Batteries Plus® store, or otherwise directly or indirectly induce such persons to leave their employment.

B. Covenant Not To Compete During Term. Franchisee (and each Principal Owner) will not, during the term of this Agreement, directly or as an employee, agent, consultant, partner, officer, director or shareholder of any other person, firm, entity, partnership or corporation, own, operate, lease, franchise, conduct, engage in, be connected with, having any interest in, or assist any person or entity engaged in any business (including any e-commerce or internet-based business) that distributes, sells or otherwise deals in, at wholesale or retail, any battery, light bulb or related products, any device repair or other services offered at a Batteries Plus Bulbs® store, or any other related business that is competitive with or similar to a Batteries Plus Bulbs® store, except: (i) with Franchisor's prior written consent; or (ii) the ownership of securities listed on a stock exchange or traded on the over-the-counter market that represent one percent (1%) or less of that class of securities.

C. Post-Term Covenant Not To Compete. Franchisee (and each Principal Owner) will not, for a period of two (2) years after this Agreement expires or is terminated or the date on which Franchisee ceases to conduct the business franchised under this Agreement, whichever is later, directly or as an employee, agent, consultant, partner, officer, director or shareholder of any other person, firm, entity, partnership or corporation, own, operate, lease, franchise, conduct, engage in, be connected with, having any interest in, or assist any person or entity engaged in any business that distributes, sells or otherwise deals in, at wholesale or retail, any battery, light bulb or related products, any device repair or other services offered at a Batteries Plus Bulbs® store, or any other related business that is competitive with or similar to a Batteries Plus Bulbs® store that is located at the Store or within a fifteen (15) mile radius of the former site of the Store or any other then existing Batteries Plus Bulbs® or Batteries Plus® store; provided, however, that this Section 14(C) will not apply to: (i) other stores that Franchisee operates under a franchise agreement with us; or (ii) the ownership of securities listed on a stock exchange or traded on the over-the-counter market that represent one percent (1%) or less of that class of securities. For purposes of this Section, any form of e-commerce business or website that distributes, sells or otherwise deals in, at wholesale or retail, any battery, light bulb or related products or any device repair or other services offered at a Batteries Plus Bulbs® store, or any other related business that is competitive with or similar to a Batteries Plus Bulbs® store will be in violation of this provision if such e-commerce business or website offers, sells or otherwise makes its products or services available to individuals residing within or businesses located within fifteen (15) mile radius of the former site of the Store or any other then-existing Batteries Plus Bulbs® or Batteries Plus® store.

D. Store Manager Covenant Not To Compete. If a Store manager or operating manager is not a Principal Owner and is not required to sign a Guaranty Agreement (as described in Section 15(G) below), Franchisee will require the Store manager or operating manager to sign a non-competition agreement in a form Franchisor directs or approves.

E. Injunctive Relief. Franchisee agrees that damages alone cannot adequately compensate Franchisor if there is a violation of any covenant in this Section in that injunctive relief is essential for the protection of Franchisor. Franchisee therefore agrees that Franchisor may seek injunctive relief without

posting any bond or security, in addition the remedies that may be available to Franchisor at equity or law, if Franchisee or anyone acting on Franchisee's behalf violates any covenant in this Section. The covenants stated in this Section will survive the termination or expiration of this Agreement.

15. ASSIGNMENT

A. By The Franchisor. This Agreement is fully assignable by Franchisor and benefits Franchisor's successors and assigns. Any such assignment will require the assignee to fulfill Franchisor's obligations under this Agreement.

B. Franchisee Assignment To Corporation Or Limited Liability Company. Franchisee (as an individual) may assign this Agreement to a corporation or a limited liability company that conducts no business other than the Store (or other Batteries Plus Bulbs® stores under franchise agreements with Franchisor), provided: (1) the Store is actively managed by Franchisee or an operating manager approved by Franchisor; (2) Franchisee owns at least seventy percent (70%) of the ownership interest in the corporation or limited liability company; (3) Franchisee and all Principal Owners of the assignee entity sign the Guaranty Agreement attached hereto as Exhibit G; (4) Franchisee provides Franchisor fifteen (15) days' written notice before the proposed date of assignment of this Agreement to the corporation or limited liability company; (5) Franchisee provides to Franchisor a certified copy of the articles of incorporation, operation agreement, organizational documents, a list of all shareholders or members having beneficial ownership, reflecting their respective interest in the assignee entity; and (6) the organizational documents and all issued and outstanding stock or membership certificates will bear a legend, in form acceptable to Franchisor, reflecting or referring to the assignment restrictions stated in Section 15(C) below. Franchisee will not pay a transfer fee for an assignment under Section 15(B).

C. Franchisee Assignment Or Sale of Substantially All Of Its Assets. Franchisee understands that Franchisor has granted the Franchise under this Agreement in reliance upon Franchisee's individual or collective character, aptitude, attitude, business ability and financial capacity. Franchisee (and its Principal Owners) will not transfer (whether voluntary or involuntary), assign or otherwise dispose of, in one or more transactions, Franchisee's business, the Store, substantially all or all of the assets of Franchisee's business, this Agreement or any controlling interest in Franchisee ("controlling interest" to include a proposed transfer of fifty percent (50%) or more of the common (voting) stock of a corporate Franchisee or of the ownership interest in a limited liability company or partnership) unless Franchisee obtains Franchisor's prior written consent (except as provided in Section 15(B) above). Franchisor will not unreasonably withhold its consent to an assignment, provided Franchisee complies with any or all of the following conditions which Franchisor may, in its discretion, deem necessary:

1. All of Franchisee's accrued monetary obligations to Franchisor and its affiliates have been satisfied, and Franchisee otherwise is in good standing under this Agreement;

2. The transferee-franchisee (or the managing Principal Owners, if applicable) is approved by Franchisor and demonstrates to Franchisor's satisfaction that he/she meets Franchisor's managerial, financial and business standards for new franchisees, possesses a good business reputation and credit rating, and has the aptitude and ability to conduct the franchised business. Franchisee understands that Franchisor may communicate directly with the transferee-franchisee during the transfer process to respond to inquiries, as well as to insure that the transferee-franchisee meets Franchisor's qualifications;

3. The transferee-franchisee enters into a written agreement, in form satisfactory to Franchisor, assuming and agreeing to discharge all of Franchisee's obligations and covenants under this Agreement for the remainder of its term or, at Franchisor's option, signs Franchisor's

then-current standard form of franchise agreement (which may contain materially different terms and conditions than this Agreement);

4. The transferee-franchisee successfully completes the initial training program required of new franchisees;

5. If required, the lessor of the Store premises consents to Franchisee's assignment or sublease of the premises to the transferee-franchisee;

6. Franchisee pays Franchisor an assignment fee equal to twenty percent (20%) of Franchisor's then-current standard initial franchise fee applicable to new Batteries Plus Bulbs® franchisees;

7. Franchisee (and each Principal Owner, if applicable) signs a general release, in form and substance satisfactory to Franchisor, of any and all claims against Franchisor and its affiliates, officers, directors, employees and agents, except to the extent limited or prohibited by applicable law;

8. Franchisor approves the material provisions of the assignment or sale of assets which assignment or sale cannot permit Franchisee to retain a security interest in this Agreement or any other intangible asset; and

9. Franchisee (and each Principal Owners, if applicable) signs an agreement, in form satisfactory to Franchisor, in which Franchisee and each Principal Owner covenants to observe the post-termination covenant not to compete and all other applicable post-termination obligations.

D. Death Or Disability Of Franchisee. If Franchisee (or the managing Principal Owner) dies or is permanently disabled, Franchisee's executor, administrator or other personal representative, or the remaining Principal Owners, must appoint a competent manager acceptable to Franchisor within a reasonable time, not to exceed thirty (30) days, from the date of death or permanent disability. The appointed manager must satisfactorily complete Franchisor's designated training program. If a Franchisor-approved manager is not appointed within thirty (30) days after Franchisee's death or permanent disability, Franchisor may, but is not required to, immediately appoint a manager to maintain Store operations on Franchisee's behalf until an approved assignee can assume the management and operation of the Store. Franchisor's appointment of a Store manager does not relieve Franchisee of its obligations, and Franchisor will not be liable for any debts, losses, costs or expenses incurred in operating the Store or to any creditor of Franchisee for any products, materials, supplies or services purchased by the Store while it is managed by Franchisor's appointed manager. Franchisor may charge a reasonable fee for management services and may cease to provide management services at any time.

If Franchisee (or the managing Principal Owner) dies or is permanently disabled, Franchisee's executor, administrator, or other personal representative must transfer his interest within a reasonable time, not to exceed twelve (12) months from the date of death or permanent disability, to a person approved by Franchisor. Such transfers, including transfers by devise or inheritance will be subject to conditions contained in Section 15(C) above.

E. Public Or Private Offerings. Subject to Section 15(C) above, if Franchisee (or any of its Principal Owners) desires to raise or secure funds by the sale of securities (including common or preferred stock, bonds, debentures or general or limited partnership interests) in Franchisee or any affiliate of Franchisee, Franchisee agrees to submit any written information to Franchisor before its

inclusion in any registration statement, prospectus or similar offering circular or memorandum and must obtain the written consent of Franchisor to the method of financing before any offering or sale of securities. The written consent of Franchisor will not imply or represent Franchisor's approval respecting the method of financing, the offering literature submitted to Franchisor or any other aspect of the offering. No information respecting Franchisor or any of its affiliates will be included in any securities disclosure document, unless Franchisor furnishes the information in writing in response to Franchisee's written request, which request will state the specific purpose for which the information is to be used. Should Franchisor, in its discretion, object to any reference to Franchisor or any of its affiliates in the offering literature or prospectus, the literature or prospectus will not be used unless and until the objections of Franchisor are withdrawn. Franchisor assumes no responsibility for the offering.

The prospectus or other literature utilized in any offering must contain the following language in boldface type on the first textual page:

“NEITHER BATTERIES PLUS, L.L.C. NOR ANY OF ITS AFFILIATES IS DIRECTLY OR INDIRECTLY THE ISSUER OF THE SECURITIES OFFERED. NEITHER BATTERIES PLUS, L.L.C. NOR ANY OF ITS AFFILIATES ASSUMES ANY RESPONSIBILITY RESPECTING THIS OFFERING AND/OR THE ADEQUACY OR ACCURACY OF THE INFORMATION CONTAINED HEREIN. NEITHER BATTERIES PLUS, L.L.C. NOR ANY OF ITS AFFILIATES ENDORSES OR MAKES ANY RECOMMENDATION RESPECTING THE INVESTMENT CONTEMPLATED BY THIS OFFERING.”

F. Franchisor's Right Of First Refusal. If Franchisee or its Principal Owners at any time desire to sell or assign for consideration the Franchise, the Store, an ownership interest representing (in the aggregate) fifty percent (50%) or more of the ownership in Franchisee or all or substantially all of Franchisee's assets, Franchisee or its Principal Owners must obtain a bona fide, executed written offer from a responsible and fully disclosed purchaser and must deliver a copy of the offer to Franchisor. Franchisor has the right, exercisable by written notice delivered to Franchisee or its Principal Owners within thirty (30) days following receipt of the proposed offer, to purchase the interest in the Store or ownership interest in Franchisee for the price and on terms contained in the offer. Franchisor may substitute cash for any non-cash form of payment proposed in the offer and will have a minimum of sixty (60) days to prepare for closing. If Franchisor does not exercise its right of first refusal, Franchisee or its Principal Owners may complete the sale to the proposed purchaser under the terms of the offer, provided Franchisee and the Principal Owners otherwise comply with this Section 15. If the sale to the proposed purchaser is not completed within one hundred twenty (120) days after delivery of the offer to Franchisor, or if there is a material change in the terms of the sale, Franchisor again has the right of first refusal.

G. Guaranty. All Principal Owners of a Franchisee which is a corporation, partnership or other entity, will sign the Guaranty and Assumption Agreement in the form attached to this Agreement as Exhibit G (the "Guaranty Agreement"). Any person or entity that at any time after the date of this Agreement becomes a Principal Owner of Franchisee under the provisions of this Section 15 or otherwise will, as a condition of becoming a Principal Owner, sign the Guaranty Agreement. Franchisee will furnish to Franchisor at any time upon reasonable request a certified copy of the Articles of Incorporation or Articles of Organization and a list, in a form Franchisor reasonably requires, of all shareholders or members of record and all persons having a beneficial interest in any corporation or other entity that is or becomes a Franchisee.

16. FRANCHISOR'S TERMINATION RIGHTS

A. Termination of Protected Area. Franchisor may terminate Franchisee's Protected Area rights described in Section 2(B) above without terminating this Agreement, effective thirty (30) days following delivery of notice of termination to Franchisee, if Franchisee fails to meet either the Minimum Revenue Requirement or the Commercial Sales Revenue Requirement stated in Section 10(M) above for two (2) consecutive years during the term of this Agreement. If Franchisor terminates Franchisee's Protected Area rights, Franchisee's rights to continue operating the Store under this Agreement will continue. Franchisor will have the right, however, to establish, operate and franchise others to operate Batteries Plus Bulbs® stores in Franchisee's Protected Area without restriction.

B. Termination of Franchise Agreement - Grounds. Franchisee will be in default, and Franchisor may, at its option, terminate this Agreement, as provided herein, if: (1) Franchisee (or the managing Principal Owner) fails to satisfactorily complete the initial training program or fails to open and commence operations of the Store at such time as provided in this Agreement; (2) Franchisee violates any material provision or obligation of this Agreement; (3) Franchisee or any of its managers, directors, officers or any Principal Owner makes a material misrepresentation or omission in the application for the Franchise; (4) Franchisee or any of its managers, directors, officers or any Principal Owner is convicted of, or pleads guilty to or no contest to a felony, a crime involving moral turpitude, or any other crime or offense that Franchisor believes will injure the System, the Licensed Marks or the goodwill associated therewith, or if Franchisor has proof that Franchisee has committed such a felony, crime or offense; (5) Franchisee fails to conform to the material requirements of the System or the material standards of uniformity and quality for the products and services as described in the Operations Manual or as Franchisor has established in connection with the System; (6) Franchisee fails to timely pay royalty and service fees or NMF Fees or any other obligations or liabilities due and owing to Franchisor or its affiliates, other Batteries Plus Bulbs® franchisees or suppliers approved by Franchisor as a source for required items, or fails to timely pay any advertising cooperative obligations; (7) Franchisee is insolvent within the meaning of any applicable state or federal law; (8) Franchisee makes an assignment for the benefit of creditors or enters into any similar arrangement for the disposition of its assets for the benefit of creditors; (9) Franchisee voluntarily or otherwise "abandons" (as defined below) the Store; (10) Franchisee is involved in any act or conduct which materially impairs or otherwise is prejudicial to the goodwill associated with the name "Batteries Plus Bulbs" or any of the Licensed Marks or the System; (11) Franchisee or a Principal Owner makes an unauthorized assignment or transfer of this Agreement, the Store or an ownership interest in Franchisee; (12) Franchisee develops or uses an unapproved website in connection with the Store or otherwise conducts any unauthorized activity on the Internet in violation of Section 6(C) above; or (13) Franchisee's lease for the Store premises expires or is terminated for any reason (unless, through no fault of Franchisee, the lessor of the premises in which the Store is located refuses to renew Franchisee's lease and Franchisee relocates within the Protected Area to a site approved by Franchisor within sixty (60) days thereafter). The term "abandon" means Franchisee's failure to operate the Store during regular business hours for a period of five (5) consecutive days without Franchisor's prior written consent unless such failure is due to an event of "*force majeure*" as further described in Section 20(J) below.

C. Procedure. Except as described below, Franchisee will have thirty (30) days, or such longer period as applicable law may require, after its receipt from Franchisor of a written Notice of Termination within which to remedy any default hereunder, and to provide evidence thereof to Franchisor. If Franchisee fails to correct the alleged default within that time, this Agreement will terminate without further notice to Franchisee effective immediately when the thirty (30) day period, or such longer period as applicable law may require, expires. Franchisee will have ten (10) days after its receipt from Franchisor of a written Notice of Termination, or such longer period as applicable law may require, to remedy any default under item (6) in Section 16(B) above and to provide evidence thereof to Franchisor. If Franchisee fails to

correct the alleged default within that time, this Agreement will terminate without further notice to Franchisee, effective immediately when the ten (10) day period expires, or such longer period as applicable law may require. Franchisor may terminate this Agreement immediately upon delivery of written notice to Franchisee, with no opportunity to cure, if the termination results from any of the following: (1) Franchisee fails to comply with one or more material requirements of this Agreement on three (3) separate occasions within any twelve (12) month period; (2) the nature of Franchisee's breach makes it not curable; (3) Franchisee willfully and repeatedly deceives customers relative to the source, nature or quality of goods sold; (4) any default under items (3), (4), (7), (8), (9), (10), (11) or (12) in Section 16(B) above; or (5) Franchisee willfully and materially falsifies any report, statement, or other written data furnished to Franchisor either during the franchise application process or after Franchisee is awarded a franchise. Any report submitted under Section 12(B) will be conclusively deemed to be materially false if it understates Net Revenues by more than four percent (4%).

D. Applicable Law. If the provisions of this Section 16 are inconsistent with applicable law, the applicable law will apply.

17. FRANCHISEE'S TERMINATION RIGHTS

Franchisee may terminate this Agreement if Franchisor violates any material obligation of Franchisor to Franchisee and fails to cure such violation within sixty (60) days after Franchisor's receipt of written notice from Franchisee; provided, however, that Franchisee is in substantial compliance with the Agreement at the time of giving such notice of termination. Franchisee's written notice will identify the violation and demand that it be cured.

18. FRANCHISEE OBLIGATIONS UPON TERMINATION

A. Post-Term Duties. If this Agreement expires or is terminated for any reason other than a termination as a result of a breach by Franchisor, Franchisee will:

1. within ten (10) days after termination, pay all amounts due and owing to Franchisor or its affiliates, including all royalty and service fees, NMF fees and accrued interest due under this Agreement;
2. discontinue using, and return to Franchisor by first class prepaid United States mail any hard copies of, the Operations Manuals and any other manuals, advertising materials, and all other printed materials relating to the operation of the Franchise;
3. assign to Franchisor or, at Franchisor's discretion, disconnect the telephone number for the Store. Franchisee acknowledges that Franchisor has the sole right to and interest in all telephone numbers and directory listings associated with the Licensed Marks, and Franchisee authorizes Franchisor, and appoints Franchisor as its attorney-in-fact, to direct the telephone company and all listing agencies to transfer such numbers and listings to Franchisor;
4. remove from the Store premises all signs, posters, fixtures, decals, wall coverings and other materials that are distinctive of a Store or bear the name "Batteries Plus Bulbs" or other Licensed Marks;
5. comply with all post-termination obligations under the Software Access Agreement and the ProSource Software Agreement, including the return of all materials relating to the Proprietary Software;

6. comply with all post-termination obligations under the National Accounts Agreement and E-Commerce Agreement;

7. take all necessary action to cancel all fictitious or assumed name or equivalent registrations relating to Franchisee's use of any of the Licensed Marks;

8. immediately cease using Confidential Information and return to Franchisor all documents in Franchisee's possession that contain Confidential Information; and

9. comply with all other applicable provisions of this Agreement, including the non-compete provisions.

Upon termination of this Franchise Agreement for any reason, Franchisee's right to use the name "Batteries Plus Bulbs" and the other Licensed Marks and the System will immediately terminate and Franchisee (and the Principal Owners) will not in any way associate itself/themselves as being associated with Franchisor. If Franchisee fails to remove all signs and other materials bearing the Licensed Marks, Franchisor may do so at Franchisee's expense.

B. Redecoration. If this Agreement is terminated for any reason, and Franchisee either remains in possession of the premises of the former Store to operate a separate business not in violation of Section 14 above or enters into an agreement with a third party to allow such third party to directly operate a business at the premises of the former Store, Franchisee will, at its expense, modify both the exterior and interior appearance of the business premises so that they will be easily distinguished from the standard appearance of Batteries Plus Bulbs® stores. At a minimum, such changes and modifications to the premises will include: (1) repainting the premises with totally different colors; (2) removing all signs and other materials bearing the name "Batteries Plus Bulbs" and other Licensed Marks; (3) removing from the premises all fixtures which are indicative of Batteries Plus Bulbs® stores; (4) discontinuing use of the approved employee uniforms and refraining from using any uniforms which are confusingly similar; (5) discontinuing use of all packaging and Confidential Information regarding the operation of the Store; and (6) taking such other action, at Franchisee's expense, as Franchisor may reasonably require. If Franchisee fails to immediately initiate modifications to the premises of the former Store or completes such modifications with any period of time Franchisor deems appropriate, Franchisee agrees that Franchisor or its designated agents may enter the premises of the former Store to make such modifications, at Franchisee's risk and expense, without responsibility for any actual or consequential damages to Franchisee's property or others, and without liability for trespass or other tort or criminal act.

C. Franchisor Option To Purchase Store. If this Agreement expires or is terminated for any reason (other than the fault of Franchisor), Franchisor has the option, upon thirty (30) days written notice from the date of expiration or termination, to purchase from Franchisee all the tangible and intangible assets relating to the Store (excluding any unsalable inventory, cash, short-term investments and accounts receivable) (collectively, the "Purchased Assets") and to an assignment of Franchisee's lease for (1) the Store premises (or, if an assignment is prohibited, a sublease for the full remaining term under the same provisions as Franchisee's lease) and (2) any other tangible leased assets used in operating the Store. Franchisor may assign this option to purchase and assignment of leases separate and apart from the remainder of this Agreement. Batteries are deemed salable only for starting, lighting and ignition batteries and sealed lead acid batteries in salable condition with a manufacturers code not exceeding nine (9) months from date of manufacturer's shipment. For purposes of this Section, Franchisor periodically will establish, and provide to Franchisee in the Operations Manual or otherwise in writing, standards as to other products which are deemed "unsalable inventory."

The purchase price for the Store will be the “Book Value” (as defined below) of the Purchased Assets. “Book Value” means the net book value of the Purchased Assets, as disclosed in the last quarterly statement of the Store provided to Franchisor under Section 12(B) before termination or expiration, provided, however, that: (1) each depreciable asset will be valued on a “straight-line” basis without provision for salvage value; (2) Franchisor may exclude from the Purchased Assets any products or other items that were not acquired in compliance with this Agreement; and (3) Franchisor may exclude from Book Value any provision for goodwill or similar value attributable to intangible property. If Franchisor is not satisfied with the accuracy or fairness of any financial statements, or none has been submitted, Franchisor’s regularly employed firm of certified public accountants will determine (by audit) the Book Value. Franchisor and Franchisee will equally bear the cost of the audit. The results of the audit will be final and binding on both parties.

The purchase price, as determined above, will be paid in cash at the closing of the purchase, which will occur no later than sixty (60) days after Franchisor delivers notice of its election to purchase the Store, unless Book Value is determined by audit, in which case the closing will occur within a reasonable time, not to exceed sixty (60) days, after the results of the audit are made available. At the closing, Franchisee will deliver documents transferring good and merchantable title to the assets purchased, free and clear of all liens, encumbrances and liabilities to Franchisor or its designee and such other documents Franchisor may reasonably request to permit it to operate the Store without interruption. Franchisor may set off against and reduce the purchase price by all amounts Franchisee owes to Franchisor or any of its affiliates. If Franchisor exercises its option to purchase the Store, Franchisor may, pending the closing, appoint a manager to maintain Store operations.

D. Continuing Obligations. All obligations of Franchisor and Franchisee which expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect following its expiration or termination and until they are satisfied or expire.

19. DISPUTE RESOLUTION

A. Mediation. Except as otherwise stated in this Section 19(A), the parties agree to submit any claim, controversy or dispute arising out of or relating to this Agreement (and attachments) or the relationship created by this Agreement to non-binding mediation before bringing such claim, controversy or dispute to arbitration or to a court. The mediation will be conducted either through an individual mediator or a mediator appointed by a mediation services organization, experienced in the mediation of disputes between franchisors and franchisees, agreed upon by the parties. If the parties do not agree upon a mediator or mediation services organization within fifteen (15) days after either party has notified the other of its desire to seek mediation, the dispute will be mediated by the American Arbitration Association pursuant to its rules governing mediation, at Franchisor’s corporate headquarters in Hartland, Wisconsin. The costs and expenses of mediation, including compensation of the mediator, will be borne equally by the parties. If the parties cannot resolve the claim, controversy or dispute within ninety (90) days after conferring with the mediator, either party may submit such claim, controversy or dispute to arbitration under Section 19(B) below. Either party may bring an action under the applicable provisions of this Section 19 without first submitting the action to mediation under this Section 19(A): (i) for monies owed, (ii) for injunctive relief, or (iii) involving the possession or disposition of, or other relief relating to, real property.

B. Arbitration. Except to the extent Franchisor elects to enforce the provisions of this Agreement by injunction as provided in Section 19(C) below, all disputes, claims and controversies between the parties arising under or in connection with this Agreement or the making, performance or interpretation thereof (including claims of fraud in the inducement and other claims of fraud in the

arbitrability of any matter) that have not been settled by or are not otherwise subject to mediation as described in Section 19(A) above will be resolved by arbitration on an individual basis under the authority of the Federal Arbitration Act in Milwaukee, Wisconsin. The arbitrator(s) shall have no authority to select a different hearing locale for the arbitration. The arbitrator(s) will have a minimum of five (5) years' experience in franchising or distribution law and will have the right to award specific performance of this Agreement. The proceedings will be conducted under the Commercial Arbitration Rules of the American Arbitration Association, or the rules of such other arbitration services organization as the parties otherwise may agree upon in writing, to the extent such rules are not inconsistent with the provisions of this arbitration provision or the Federal Arbitration Act. The decision of the arbitrator(s) will be final and binding on all parties; provided, however, the arbitrator(s) may not under any circumstances: (i) stay the effectiveness of any pending termination of this Agreement; (ii) assess punitive or exemplary damages; or (iii) make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business performance set by Franchisor. This Section 19 will survive termination or nonrenewal of this Agreement under any circumstances. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction thereof. During any arbitration proceeding, Franchisor and Franchisee will fully perform their respective obligations under this Agreement.

C. Injunctive Relief. Notwithstanding Sections 19(A) and (B) above, Franchisee recognizes that a single franchisee's failure to comply with the terms of its agreement could cause irreparable damage to Franchisor and/or to some or all other Batteries Plus Bulbs® franchisees. Therefore, if Franchisee breaches or threatens to breach any of the terms of this Agreement, Franchisor will be entitled to an injunction restraining such breach and/or a decree of specific performance, without showing or proving any actual damage, together with recovery of reasonable attorneys' fees and other costs incurred in obtaining such equitable relief, until such time as a final and binding determination is made by the arbitrators.

D. Attorneys' Fees. The nonprevailing party will pay all costs and expenses, including reasonable attorneys' fees, the prevailing party incurs in any action brought to enforce any provision of this Agreement or to enjoin any violation of this Agreement.

20. ENFORCEMENT

A. Severability. All provisions of this Agreement are severable and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein and partially valid and enforceable provisions will be enforced to the extent valid and enforceable. If any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of or non-renewal of this Agreement than is required, or the taking of some other action not required, or if under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any specification, standard or operating procedure prescribed by Franchisor is invalid or unenforceable, the prior notice and/or other action required by law or rule will be substituted for the comparable provisions.

B. Waiver of Obligations. Franchisor's waiver of any breach by Franchisee, or Franchisor's delay or failure to enforce any provision of this Agreement, will not be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce Franchisor's rights respecting that or any other breach.

C. Rights of Parties are Cumulative. The rights of Franchisor and Franchisee are cumulative and no exercise or enforcement by either party of any right or remedy precludes the exercise or

enforcement by such party of any other right or remedy to which such party is entitled by law or equity to enforce.

D. Venue. Any claims, controversies or disputes arising out of or related to this Agreement that are not subject to arbitration as provided above, will be brought in the Federal District Court for the Eastern District of Wisconsin or in Waukesha County District Court in Waukesha, Wisconsin. Each of Franchisor and Franchisee irrevocably consents to the jurisdiction of such courts. The provisions of this Section 20(D) will survive the termination of this Agreement.

E. Governing Law. Subject to Franchisor's rights under federal trademark laws and the parties' rights under the Federal Arbitration Act respecting Section 19 above, this Agreement will be governed by and construed under the laws of the state in which the Store is located, without regard to any conflict of laws principles of such state. Franchisee waives, to the fullest extent permitted by law, the rights and protections that might be provided through any state franchise or business opportunity laws, other than those of the state in which the Store is located.

F. Binding Effect. This Agreement is binding upon the parties and their respective executors, administrators, heirs, assigns, and successors in interest, and will not be modified except by written agreement signed by both Franchisee and Franchisor. Except as provided above, this Agreement is not intended, and will not be deemed, to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

G. References. If Franchisee consists of two or more individuals, such individuals will be jointly and severally liable, and references to Franchisee in this Agreement will include all such individuals. Reference to Franchisee as neuter or a male will also include a neuter, male or female Franchisee as relevant in the context.

H. Interpretation of Rights and Obligations. The following provisions will apply to and govern the interpretation of this Agreement, the parties' rights under this Agreement and the relationship between the parties:

1. Franchisor's Rights. Whenever this Agreement provides that Franchisor has a certain right, that right is absolute and the parties intend that Franchisor's exercise of that right will not be subject to any limitation or review. Franchisor has the right to operate, administrate, develop and change the System in any manner that is not specifically precluded by the provisions of this Agreement.

2. Franchisor's Reasonable Business Judgment. Whenever Franchisor reserves discretion in a particular area or where Franchisor agrees or is required to exercise its rights reasonably or in good faith, Franchisor will satisfy its obligations whenever it exercises "reasonable business judgment" in making its decision or exercising its rights. A decision or action by Franchisor will be deemed to be the result of "reasonable business judgment," even if other reasonable or even arguably preferable alternatives are available, if Franchisor's decision or action is intended to promote or benefit the System generally even if the decision or action also promotes a financial or other individual interest of Franchisor. Examples of items that will promote or benefit the System include enhancing the value of the Licensed Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the System. Neither Franchisee nor any third party (including a trier of fact), will substitute its judgment for Franchisor's reasonable business judgment.

I. Waiver of Punitive Damages. Franchisee and Franchisor and their affiliates agree to waive, to the fullest extent permitted by law, the right to or a claim for any punitive or exemplary

damages against the other and agree that in the event of any dispute between them, each will be limited to the recovery of actual damages sustained by it.

J. Force Majeure. If any party fails to perform any obligation under this Agreement due to a cause beyond the control of and without the negligence of such party, such failure will not be deemed a breach of this Agreement, provided such party uses reasonable best efforts to perform such obligations as soon as possible under the circumstances. Such causes include strikes, wars, riots, civil commotion, and acts of government, except as may be specifically provided for elsewhere in this Agreement.

K. Notice of Potential Franchisor Profit. Franchisor advises Franchisee that Franchisor and/or Franchisor's affiliates periodically may make available to Franchisee goods, products and/or services used or sold in the Store through a supply chain program and that Franchisor and/or its affiliates may profit from this supply chain program. Franchisor further advises Franchisee that Franchisor and its affiliates periodically may receive consideration from suppliers and manufacturers respecting sales of goods, products or services to Franchisee or in consideration for services provided or rights licensed to such suppliers and manufacturers. Franchisee agrees that Franchisor and its affiliates will be entitled to such profits and consideration.

L. Entire Agreement. The "Introduction" section, the exhibit(s) to this Agreement, and that certain Disclosure Acknowledgment Agreement signed contemporaneously by Franchisee are a part of this Agreement, which represents the entire agreement of the parties, and there are no other oral or written understandings or agreements between Franchisor and Franchisee relating to the subject matter of this Agreement. Nothing in the Agreement is intended to disclaim the representations Franchisor made in the franchise disclosure document that Franchisor furnished to Franchisee.

21. NOTICES

All written notices and reports permitted or required to be delivered by the provisions of this Agreement are deemed so delivered at the time delivered by hand, one (1) business day after sent by a recognized overnight delivery service which requires a written receipt, or three (3) business days after placed in the U.S. Mail by registered or certified mail, return receipt requested, postage prepaid and addressed to the party to be notified at the address stated herein or at such other address as may have been designated in writing to the other party.

22. ACKNOWLEDGEMENTS

A. Success of Franchised Business. The success of the business venture Franchisee intends to undertake under this Agreement is speculative and depends, to a large extent, upon Franchisee's (or the Principal Owner's) ability as an independent businessman, and Franchisee's active participation in the daily affairs of the Store as well as other factors. Franchisor does not make any representation or warranty, express or implied, as to the potential success of the business venture.

B. Independent Investigation. Franchisee acknowledges that he has entered into this Agreement after making an independent investigation of Franchisor's operations and not upon any representation as to gross revenues, volume, potential earnings or profits which Franchisee might be expected to realize, nor has anyone made any other representation, which is not expressly stated herein, to induce Franchisee to accept this Franchise and sign this Agreement.

C. Receipt of Documents. Except for fill in the blank provisions and changes made as a result of negotiations that Franchisee initiated, Franchisee acknowledges that it received a copy of the complete Franchise Agreement, and exhibits attached hereto, at least seven (7) calendar days prior to the

date on which this Agreement was executed. Franchisee further acknowledges that it received the disclosure document required by the trade regulation rule of the Federal Trade Commission entitled "Franchise Disclosure Document" at least fourteen (14) calendar days prior to the date on which this Agreement was executed. Franchisee represents that he/she has read this Agreement in its entirety and that he/she has been given the opportunity to clarify any provisions that Franchisee did not understand and to consult with any attorney or other professional advisor. Franchisee further represents that he/she understands the provisions of this Agreement and agrees to be bound.

D. Other Franchises. Franchisee acknowledges that other franchisees of Franchisor have or will be granted franchises at different times and in different situations, and further acknowledges that the provisions of such franchises may vary substantially from those contained in this Agreement.

The parties have signed this Agreement on the date stated in the first paragraph.

FRANCHISOR:

BATTERIES PLUS, L.L.C.,

a Wisconsin limited liability company

FRANCHISEE:

(If Franchisee is a corporation or limited liability company)

Name of corporation or limited liability company

By: _____
Title: _____

By: _____
Title: _____

(If Franchisee is an individual owner, Franchisee must sign below; if a partnership, all partners must sign below)

Franchisee

Franchisee

Franchisee

Franchisee

**EXHIBIT A
TO FRANCHISE AGREEMENT**

STORE LOCATION AND PROTECTED AREA

This Exhibit is attached to and is an integral part of the Batteries Plus Bulbs® Franchise Agreement dated _____, 20__ (the "Franchise Agreement"), between Franchisor and Franchisee.

1. Store Location. Franchisor and Franchisee agree that the Store will be located at the following premises: _____ Franchisee acknowledges that Franchisor's acceptance of a proposed location does not represent a warranty or representation of any kind as to the suitability of the proposed location for a Batteries Plus Bulbs® store.

2. Protected Area. The Protected Area will be (check one):

A. ___ A radius of three (3) miles from the location of the Store; or

B. ___ The geographic area surrounding the Store within which there exists a residential population of 200,000 people. The description of the geographic area is attached hereto.

3. Market Area. The Market Area for the Store will be a radius of twenty (20) miles from the location of the Store, as described in Section 1 above.

4. Store Opening. Franchisee agrees to complete the development and open the Store for business within _____ months after the date first stated above.

5. Defined Terms. All capitalized terms contained in this Exhibit and not defined in this Exhibit will have the same meaning as provided in the Franchise Agreement.

FRANCHISOR:

BATTERIES PLUS, L.L.C.,
a Wisconsin limited liability company

By: _____
Title: _____

FRANCHISEE:

(If Franchisee is a corporation or limited liability company)

Name of corporation or limited liability company

By: _____
Title: _____

(If Franchisee is an individual owner, Franchisee must sign below; if a partnership, all partners must sign below)

Franchisee

Franchisee

Franchisee

Franchisee

**ALTERNATIVE EXHIBIT A TO FRANCHISE AGREEMENT
STORE LOCATION (ALTERNATIVE)**

This Exhibit is attached to and is an integral part of the Batteries Plus Bulbs® Franchise Agreement dated _____, 20__ (the “Franchise Agreement”), between Franchisor and Franchisee.

1. Area For Store Location. At least one hundred and fifty days (150) days before the date the Store is scheduled to open, as stated in Section 2 of this Alternative Exhibit A, Franchisee will select and obtain Franchisor’s acceptance of a location with the provisions of this Exhibit within the following described geographical area (the “Area”):

2. Acceptance of Location and Store Opening. To obtain Franchisor’s acceptance of the proposed Store premises, Franchisee must deliver to Franchisor a complete site report (containing information Franchisor requires) for the location at which Franchisee proposes to establish and operate the Store and which Franchisee reasonably believes will satisfy the standardized site selection criteria established by Franchisor. The proposed location is subject to Franchisor’s prior written acceptance, which will not be unreasonably withheld. In evaluating the proposed location, Franchisor will consider matters it deems material, including demographic characteristics of the proposed location, traffic patterns, parking, the predominant character of the neighborhood, the proximity to other businesses, including other Batteries Plus Bulbs® stores, and other commercial characteristics, the purchase price or rental obligations and other lease terms for the proposed location, and the size of premises, appearance and other physical characteristics. Within thirty (30) days following Franchisor’s receipt of the complete site report and other materials Franchisor requests, Franchisor will accept or reject (in writing) the location proposed by Franchisee for the Store. **FRANCHISEE ACKNOWLEDGES AND AGREES THAT FRANCHISOR’S ACCEPTANCE OF A PROPOSED LOCATION DOES NOT REPRESENT A WARRANTY OR REPRESENTATION OF ANY KIND, EXPRESSED OR IMPLIED, AS TO THE SUITABILITY OF THE PROPOSED LOCATION FOR A BATTERIES PLUS STORE.** Franchisee agrees to complete the development and open the Store for business by _____.

3. Termination of Franchise Agreement. Franchisor has the right to terminate the Franchise Agreement, effective upon delivery of notice of termination to Franchisee, if Franchisee fails to obtain approval of a location for the Store at least one hundred and fifty days (150) days before the date the Store is scheduled to open as stated in Section 2 of this Alternative Exhibit A.

4. Defined Terms. All capitalized terms contained in this Exhibit and not defined in this Exhibit will have the same meaning as provided in the Franchise Agreement.

FRANCHISOR:
BATTERIES PLUS, L.L.C.,
a Wisconsin limited liability company

FRANCHISEE:
(If Franchisee is a corporation or limited liability company)

Name of corporation or limited liability company

By: _____
Title: _____

By: _____
Title: _____

(If Franchisee is an individual owner, Franchisee must sign below; if a partnership, all partners must sign below)

Franchisee

Franchisee

Franchisee

EXHIBIT B
TO FRANCHISE AGREEMENT
STORE LEASE ADDENDUM

LEASE ADDENDUM

This Lease Addendum is entered into as of the date of the Lease Agreement by and between _____, Landlord and _____, Tenant.

Landlord and Tenant are parties to that certain Lease of even date (the Lease) covering the premises located at _____, which Tenant will use to operate a Batteries Plus Bulbs® store under a Franchise Agreement between Tenant and Batteries Plus, LLC (Franchisor). Landlord and Tenant desire to amend the Lease to protect the various interests of Franchisor.

In consideration of the foregoing and the promises contained in the Lease, the parties agree as follows:

1. Permitted Use. Landlord and Tenant agree that so long as the Franchise Agreement remains in effect, Tenant may use the Lease premises only for a Batteries Plus Bulbs® store and Tenant may offer for sale and sell at the premises only those batteries, light bulbs and related products, together with those services, which Franchisor approves.

2. Notice of Default. Landlord will provide Franchisor, by certified US mail or a recognized overnight delivery service at the address provided in Section 8 below, a minimum 30 day notice of any default under the Lease before Landlord initiates any action to terminate the Lease or exercise any remedy for such default.

3. Cure. Either Tenant or Franchisor may cure defaults under the Lease and Landlord will accept performance of obligations due under the Lease, as specified in the Lease, by either Franchisor or Tenant. Franchisor will not, however, be under any obligation to cure any default and nothing herein will require Franchisor at any time to comply with or take any action under the provisions of the Lease.

4. Rights of Franchisor After Cure. If Franchisor commences cure of any default under the Lease within the 30 day notice period described in Section 2 above, and if Franchisor thereafter diligently completes cure, Franchisor may, but will not be obligated to, give notice to Landlord and become Tenant under the Lease, in which event Landlord will not be entitled to terminate the Lease.

5. Assignment and Renewal. Landlord consents to an assignment or transfer of Tenant's rights under the Lease to Franchisor at any time during the term of the Lease. Landlord will give Franchisor notice of expiration of the term of the Lease at least three months in advance thereof and grant Franchisor the right, but not the obligation, to exercise any then-existing renewal rights under the Lease.

6. Right of Entry and Subordination. Landlord will give Franchisor access to the Store at reasonable times on not less than 24 hours' notice (or such shorter notice as may be reasonable when circumstances dictate) either to inspect the Store for compliance with Franchisor's requirements, to remove from the Store any items bearing Franchisor's marks or logos or to take other action permissible under the Agreements between Tenant and Franchisor. Landlord specifically subordinates any lien it may have in such items to Franchisor's rights as licensor of the marks or logos displayed on items.

7. Vacating Premises. Upon vacating the Lease premises, or termination of the Franchise Agreement or Lease (whichever occurs first), Tenant must remove all signs and materials bearing any of the marks or logos.

8. Notices. Any notices to Franchisor hereunder will be sent to:

Batteries Plus, LLC
Corporate Offices
1325 Walnut Ridge Drive
Hartland, WI 53029

9. Benefit. Landlord and Tenant acknowledge that they enter into this Agreement for the express benefit of Franchisor and that Franchisor is an intended beneficiary hereof.

10. Supremacy. This Addendum shall control and supersede any inconsistent provision of the Lease.

The parties have signed this Agreement the day and year first above written.

LANDLORD:

TENANT:

By: _____

By: _____

Title: _____

Title: _____

EXHIBIT C
TO FRANCHISE AGREEMENT
COUNTERPOINT® SOFTWARE ACCESS AGREEMENT

**BATTERIES PLUS
COUNTERPOINT SOFTWARE ACCESS AGREEMENT**

(For New Franchised Businesses)

THIS SOFTWARE ACCESS AGREEMENT (this “Agreement”), between Batteries Plus LLC (the “Company”), and the Batteries Plus Bulbs® Licensee listed at the end of this Agreement (“Licensee”), is effective as of _____, 20__ (the “Effective Date”).

BACKGROUND

A. The Company and Licensee have entered into a Franchise Agreement (the “Franchise Agreement”) under which Licensee will operate a Batteries Plus Bulbs® franchised business at a designated site (the “Franchised Business”). Under the Franchise Agreement, Licensee must use the software designated by the Company in operating the Franchised Business.

B. The Company has licensed from NCR Corporation, formerly Radiant Systems, Inc., (the “Software Licensor”) proprietary third-party software for use in point-of-sale cash registers and back-office computers for tracking, analyzing and reporting sales, inventory and other operational information, customized for use in the Franchised Business (the “Counterpoint Software”). The Company also has developed proprietary software for Batteries Plus Bulbs® franchisees using the Software to allow their commercial customers to place and manage orders for products via a secure website (the “B2B Software”). The Counterpoint Software and B2B Software are collectively referred to as the “Software.”

C. The Company has contracted with a third-party hosting service to host the Software on a wide-area network in a data center environment that offers security, high-availability and back-up services (the “Hosting Service”). Licensee desires to access the Software through the Hosting Service for Licensee’s Franchised Business.

AGREEMENT

In consideration of the foregoing and the agreements stated below, the parties agree as follows:

1. ACCESS TO SOFTWARE

The Company grants to Licensee a non-transferable and non-exclusive right to access the Software through the Hosting Service for use solely in connection with the operation and management of the Franchised Business.

2. RESTRICTIONS ON USE

A. General. Licensee may use the Software only as permitted under the terms of this Agreement. Licensee cannot use the Software for any other use, including copying or reproduction; processing of data arising other than from the internal operations of the Franchised Business; disassembling, reverse engineering, or accessing the source code of the Software; publication or disclosure; license, sublicense or re-license; alteration; or unauthorized assignment or transfer. Licensee will use its best efforts to protect the Software at all times from any unauthorized use.

B. Additional Restrictions. The Software Licensor has entered into an agreement with the Company to use and sublicense the use of the Software (the “NCR Agreement”) only on the condition that the Company and its permitted assigns, including Licensee, agree to comply with each of the

provisions described in Exhibit C-1 attached hereto (the “Licensee’s Additional Obligations”). Licensee agrees to fully comply with each of the provisions of this Agreement, including Licensee’s Additional Obligations, and understands that Licensee’s violation of any of such provisions may jeopardize the Company’s and other licensees’ use of the Software, in addition to the possible termination of Licensee’s rights under this Agreement.

C. Multiple Locations. This Agreement applies only to one Franchised Business location. If Licensee operates more than one Franchised Business, Licensee and the Company must enter into a separate Agreement for each Franchised Business location.

3. HOSTING SERVICE

A. Connectivity. Licensee must provide Wide Area Network (WAN) connectivity, either Internet-based or private connection, from Licensee’s site with sufficient bandwidth to meet Licensee’s use demands. Licensee must use the current version of Microsoft Internet Explorer or other compatible browser configuration specified by the Company. Licensee will comply with the Company’s minimum hardware and software requirements, as disclosed and periodically updated in the Company’s confidential franchise operations manuals (the “Operations Manual”).

B. Uptime. The Hosting Service will provide Licensee access over the Internet or by frame connection to the Software. The Company’s agreement with the Hosting Service provides for availability of the Hosting Service’s network and servers 100% of each calendar month, excluding periods of scheduled maintenance, emergency maintenance, scheduled Software updates, and unavailability due to the Company or Licensee hardware, software or connectivity problems. Neither the Hosting Service, the Company, nor the Software Licensor is responsible for loss of access to the Software for reasons that are beyond their reasonable control. It is necessary that maintenance of the system be undertaken and upgrades made to the Software from time to time. Reasonable commercial efforts will be used to conduct maintenance and upgrades on a scheduled basis.

C. Security. Licensee will administer the distribution and assignment of logon identities and passwords for each user in Licensee’s organization. Licensee is responsible for keeping and maintaining the security of the passwords. The Company will not be responsible for unauthorized access to Licensee’s data that results from Licensee’s failure to keep secure the assigned passwords.

D. Backup. All Licensee data will be backed up on a daily basis. The Hosting Service will maintain a copy of data for a reasonable period of time, not to exceed one (1) month. Neither the Company nor the Hosting Service will be liable for lost data, materials or information.

4. PAYMENT

A. Initial Development Fee. As further described in the Franchise Agreement, Licensee will pay to the Company a computer access and POS System development fee on or before the date Licensee commences operation of the Franchised Business. These fees includes a One Thousand Five Hundred Dollars (\$1,500) fee for the initial development fee for the B2B Software.

B. Monthly Support Fee. Licensee will pay the Company a monthly software support fee (the “Support Fee”) for the support and maintenance services described herein and for accessing the software. The current monthly support fee is Two Hundred Sixty-Five Dollars (\$265). The Support Fee is calculated on a monthly basis and will be invoiced to Licensee monthly in advance. Payment is due within thirty (30) days of the invoice date. Upon execution of this Agreement, the Company will invoice Licensee for the monthly Support Fee due for the initial period beginning upon the Effective Date.

Licensee is responsible for any sales, excise, use or value-added taxes applicable to the Software or this Agreement. The Company reserves the right to periodically increase the Support Fee by a reasonable amount to reflect the Company's increased costs of providing services (including those provided by third parties) and Software access under this Agreement.

5. SUPPORT AND MAINTENANCE

A. Company Support Services. The Company will provide the following maintenance services (directly or through the Software Licensor and/or hosting company) to Licensee during the term of this Agreement: at a minimum, help desk support from 7 a.m. to 7 p.m. central standard time, Monday-Friday, excluding holidays, to answer questions related to functionality of the Software; correcting identifiable and reproducible program errors in the Software; and providing major upgrades of the Software that are made generally available by the Software Licensor. The Company may (and currently does) provide support for additional hours and on weekend days. Help desk services are not a substitute for training or consulting services. Training documentation is provided for Licensee to train its own employees. Training classes will also be offered for additional fees.

B. Counterpoint Subscription Service. In partial consideration of the Support Fee, Licensee will be provided the benefits of the Software Licensor's "Counterpoint Subscription Service" ("CSS"), the terms of which Software Licensor periodically may modify. Through CSS, Licensee will receive feature enhancements and updates to the Counterpoint Software as they become available. If the Software Licensor discontinues offering CSS, the Company will, at its option, provide Licensee with a comparable service, reduce the Support Fee to reflect the termination of CSS or terminate this Agreement consistent with Section 11 below.

C. B2B Software Updates. The Company may, in its sole discretion, periodically release updates, modifications and enhancements respecting the B2B Software. Licensee will install any fixes, updates, modifications or enhancements which the Company designates as mandatory. The Company may charge a reasonable fee for its services, including any services or expenses relating to updates, modifications, and enhancements to the B2B Software which it elects to release.

6. CONFIDENTIALITY

A. Confidential Information. The Company and Licensee agree that all provisions in the Franchise Agreement respecting "Confidential Information" (as defined in the Franchise Agreement) will apply to this Agreement.

B. Customer Data. The Company and Licensee agree that all provisions in the Franchise Agreement respecting "Customer Data" (as defined in the Franchise Agreement) will apply to this Agreement. The Company periodically will establish policies (the "Policies") respecting the use of and restrictions on the use of Customer Data. Each of the Company and Licensee acknowledge that some or all of the Customer Data may be confidential in nature and that some Customer Data may represent Confidential Information. The parties agree to maintain the confidentiality of such Customer Data; provided, however, that each party may use the Customer Data for purposes permitted in the Franchise Agreement and the Policies. Further, the Company will use reasonable efforts to obtain the agreement of the Hosting Service and the Software Licensor to maintain the confidentiality of the Customer Data.

7. INDEMNIFICATION FOR THIRD PARTY INFRINGEMENT CLAIMS

A. Indemnification of Licensee for Counterpoint Software. The Company agrees to extend to Licensee any assignable indemnification rights that the Software Licensor grants to the Company respecting the Counterpoint Software.

B. Indemnification of Licensee for B2B Software. The Company does not have actual knowledge of any claim that the B2B Software infringes upon a third party's patent, copyright or other proprietary right. If a third party asserts such an infringement claim against Licensee, Licensee will immediately notify the Company in writing. The Company will have the right (but not the obligation) to defend any such claim, at the Company's expense, and Licensee will cooperate with the Company with respect to such defense. In the event of any such claim, Licensee will, at the Company's direction, immediately discontinue using the B2B Software. The Company will either modify the B2B Software so as to make it non-infringing, replace the B2B Software with such other non-infringing software as the Company may furnish to Licensee or discontinue using the B2B Software without compensation to Licensee. The Company will not be liable to Licensee if an infringement claim is based on Licensee's unauthorized use or modification of the B2B Software. In addition to Licensee's indemnification obligations under the Franchise Agreement, Licensee will hold harmless, indemnify and defend the Company against all claims and will pay all costs, damages and reasonable attorneys' fees, arising out of or resulting from Licensee's failure to comply with all applicable terms of this Agreement.

C. Licensee Indemnification of Company and Software Licensor. In addition to Licensee's indemnification obligations under the Franchise Agreement, Licensee will hold harmless, indemnify and defend the Company and Software Licensor against all claims and will pay all costs, damages and reasonable attorneys' fees, arising out of or resulting from Licensee's failure to comply with all applicable terms of this Agreement.

8. WARRANTY DISCLAIMER

THE COMPANY DISCLAIMS ALL WARRANTIES, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING NON-INFRINGEMENT (EXCEPT AS PROVIDED IN SECTION 7(A) or 7(B) ABOVE), MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE COMPANY DOES NOT WARRANT THAT THE B2B SOFTWARE IS ERROR-FREE OR THAT USE OF THE B2B SOFTWARE WILL BE FREE FROM MINOR INTERRUPTIONS.

9. LIMITATION ON DAMAGES

THE LIABILITY OF THE COMPANY TO LICENSEE WILL NOT EXCEED THE AMOUNTS LICENSEE PAYS TO THE COMPANY UNDER THIS AGREEMENT. NEITHER THE COMPANY NOR ANY OF ITS OFFICERS, DIRECTORS, AGENTS, AFFILIATES OR REPRESENTATIVES WILL BE LIABLE TO LICENSEE FOR INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS) RELATED TO THIS AGREEMENT OR RESULTING FROM LICENSEE'S USE OR INABILITY TO USE THE SOFTWARE, THAT ARISE FROM ANY CAUSE OF ACTION, INCLUDING CONTRACT, WARRANTY, STRICT LIABILITY, OR NEGLIGENCE, EVEN IF THE COMPANY HAS BEEN NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

10. PROPRIETARY RIGHTS

Other than the access granted under this Agreement, no right, title or interest in all or any portion of the Software is conveyed or assigned to Licensee, either expressly or by implication, under this

Agreement, including any patents, copyrights, trade secrets, trademarks, trade names, or other intellectual property associated with the Software.

11. TERM AND TERMINATION

This Agreement commences on the Effective Date and continues until the current term of the Franchise Agreement terminates or expires, unless this Agreement is earlier terminated under this Section. The Company may terminate this Agreement: (1) immediately upon written notice to Licensee if Licensee violates Sections 1(B) or 6 above or if Licensee makes an assignment for the benefit of creditors, or commences or has commenced against it any proceeding in bankruptcy, insolvency, or reorganization pursuant to bankruptcy laws or laws of debtor's moratorium; (2) if Licensee violates any provision of this Agreement and fails to cure such violation within thirty (30) days or such shorter time as the Company deems reasonably necessary to avoid termination of the NCR Agreement; (3) Licensee ceases to have the right to operate the Franchised Business; or (4) otherwise upon termination of the NCR Agreement, provided the Company offers to Licensee substitute software and services with capabilities reasonably necessary to operate the Franchised Business and Licensee agrees to sign a new license or access agreement in the form the Company reasonably directs. In addition, the Company has the right to terminate this Agreement as it applies to the B2B Software upon sixty (60) days' written notice to Licensee if the Company intends to discontinue or replace the B2B Software. Upon termination of this Agreement: (1) the Company agrees to provide Licensee with access to the Customer Data; provided, Licensee agrees not to use any Customer Data for any activity that would violate Licensee's covenants or post-termination obligations stated in the Franchise Agreement; and (2) Licensee will immediately pay the Company all amounts due respecting the Software and Hosting Service and immediately return to the Company all property relating to the Software and related Software documentation.

12. MISCELLANEOUS

This Agreement will be governed by the laws of the State of Wisconsin.

A. This Agreement represents the entire agreement between the parties respecting this subject matter and supersedes all prior agreements, representations, negotiations and understandings between the parties. The applicable terms of the Franchise Agreement will also control this Agreement. Licensee expressly acknowledges that a violation or default of the Franchise Agreement will constitute a default of this Agreement and any default of this Agreement will constitute a default of the Franchise Agreement. If Licensee defaults under the Franchise Agreement, the Company may pursue all remedies available to it under this Agreement or the Franchise Agreement, including the right of termination.

B. All amendments to this Agreement must be in writing and signed by both parties.

C. If any provision of this Agreement is found by a Court of competent jurisdiction to be illegal or unenforceable, then the remaining provisions will remain in full force and effect.

D. The Company may assign this Agreement to any other person or entity. Licensee may assign this Agreement only to its successor in interest under the terms of the Franchise Agreement.

E. Notices will be given to the parties at the addresses listed in the Franchise Agreement and will be deemed given as described in the Franchise Agreement.

The parties have signed this Agreement as of the date first written above.

THE COMPANY:

BATTERIES PLUS, L.L.C.,
a Wisconsin limited liability company

By: _____
Title: _____

LICENSEE:

(If Franchisee is a corporation or limited liability company)

Name of corporation or limited liability company

By: _____
Title: _____

(If Franchisee is an individual owner, Franchisee must sign below; if a partnership, all partners must sign below)

Franchisee

Franchisee

Franchisee

Franchisee

EXHIBIT C-1

ADDITIONAL RESTRICTIONS ON USE OF SOFTWARE

With respect to third-party computer programs provided by the Software Licensor for use with the Software, Licensee acknowledges that its right to use any such third party software is specified on the license agreement provided by the appropriate licensor of such software.

Except as otherwise agreed to by the Software Licensor, no express or implied license or right of any kind is granted to Licensee regarding the Software including any right to know, use, produce, receive, reproduce, copy, market, sell, distribute, transfer, translate, modify, or adapt the Software or related Software documentation (the "Documentation") or create derivative works based on the Software or Documentation or any portions thereof, or obtain possession of any source code or other technical material relating to the Software. The Software may not be used for commercial timesharing, service, business or other rental or sharing arrangements although it may be used by Licensee as described in the attached Agreement. Licensee will not decompile, reverse assemble, or otherwise reverse engineer the Software. Further, Licensee will comply with all applicable laws in connection with the use of the Software.

Licensee acknowledges and agrees that, except for Licensee's license expressly described in this Agreement, Licensee has no right, title and interest in the Software, in any form, or in any copies thereof, including all worldwide copyrights, trade secrets, patent rights and any other proprietary information and confidential information rights therein. In connection therewith, Licensee agrees at all times to keep the Software free of all security interests, liens, encumbrances (other than licenses permitted hereunder), mortgages and claims, and Licensee agrees that neither it nor anyone at its direction will file a financing statement, mortgage, notice of lien, deed of trust, security agreement or any other agreement or instrument creating or giving notice of an encumbrance or charge against the Software.

Neither Software Licensor nor the Company will be liable for any default or delay in the performance of its obligations hereunder: (i) if and to the extent that such default or delay arises out of causes beyond its reasonable control, including acts of God, acts of war, acts of governmental authority, acts of public energy, insurrection, earthquakes, fires, cable cuts, floods, terrorism, and riots (each, a "Force Majeure Event") and (ii) provided such default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternative sources, work-around plans or other means. Upon the occurrence of a Force Majeure Event, Software Licensor or the Company, as the case may be, will be excused from further performance or observance of the obligation(s) affected so long as such circumstances caused by the Force Majeure Event prevail and the parties use their reasonable efforts to promptly recommence performance or observance of such obligation(s).

EXHIBIT D
TO FRANCHISE AGREEMENT
PROSOURCE SOFTWARE AGREEMENT

**BATTERIES PLUS
PROSOURCE SOFTWARE LICENSE AGREEMENT**

THIS PROSOURCE AGREEMENT (this “Agreement”), between Batteries Plus LLC (“the Company”), and the Batteries Plus Bulbs Licensee listed at the end of this Agreement (“Licensee”), is effective as of _____, 20__ (the “Effective Date”).

BACKGROUND

A. The Company and Licensee are parties to a Franchise Agreement, as amended if applicable (the “Franchise Agreement”) under which Licensee operates a Batteries Plus Bulbs® franchised business at a designated site (the “Franchised Business”). The Company owns a proprietary software program (“ProSource”) that assists franchisees in battery and light bulb cross-referencing. Licensee desires to use ProSource in operating the Franchised Business.

B. The Company has contracted with a third-party hosting service to host ProSource on a wide-area network in a data center environment that offers security, and high-availability. Licensee desires to access ProSource through the Hosting Service for Licensee’s Franchised Business.

AGREEMENT

In consideration of the foregoing and the agreements stated below, the parties agree as follows:

1. ACCESS TO PROSOURCE

A. Grant of Access. The Company grants to Licensee a non-transferable and non-exclusive right to access ProSource web-site for use solely in connection with the operation and management of the Franchised Business.

B. Restrictions on Use. Licensee may use ProSource only as permitted under the terms of this Agreement. Licensee cannot use ProSource for any other use, including copying, reproduction, or processing of data arising other than from the internal operations of the Franchised Business. Licensee will use its best efforts to protect ProSource at all times from any unauthorized use.

C. Multiple Locations. This Agreement applies only to one Franchised Business location. If Licensee operates more than one Franchised Business, Licensee and the Company must enter into a separate ProSource access agreement for each Franchised Business location.

D. Point-of-Sale. Licensee must be using the Counterpoint® Point-of-Sale (POS) System to be granted a license to use ProSource.

2. HOSTING SERVICE

A. Connectivity. Licensee must provide Internet-based wide-area network (WAN) connectivity from Licensee’s site with sufficient bandwidth to meet Licensee’s use demands. ProSource was designed to operate on business-class DSL bandwidth or greater; Batteries Plus Bulbs is not responsible for functionality with lesser bandwidth. Licensee must use the current version of Microsoft Internet Explorer or other compatible browser configuration specified by the Company. Licensee will comply with the Company’s minimum hardware requirements for the use of ProSource, as disclosed and periodically updated in the Company’s confidential franchise operations manuals (the “Operations Manual”).

B. Security. Licensee will administer the distribution and assignment of logon identities and passwords for each user in Licensee's organization. Licensee is responsible for keeping and maintaining the security of its passwords. Licensee will change store password upon the departure of any employee who had been given a password. The Company will not be responsible for unauthorized access to Licensee's data that results from Licensee's failure to keep secure its assigned passwords. The Company will use its best efforts to obtain the agreement of the Hosting Service to establish security protocols that prevent one licensee from accessing the data of any other licensee. In addition, the Company will administer the distribution and assignment of logon identities and passwords for each user within the Company. The Company is responsible for keeping and maintaining the security of the passwords the Company issues to its employees and agents. The Company will not be responsible for unauthorized access to Licensee's data that results from the Company's failure, due to gross negligence or willful misconduct, to keep secure its assigned passwords.

3. PAYMENT

As further described in the Franchise Agreement, Licensee will pay to the Company a computer access fee on or before the date Licensee commences operation at the Franchised Business.

4. MAINTENANCE SERVICES; UPDATES

A. The Company will provide the following maintenance services (directly or through the Hosting Service) to Licensee during the term of this Agreement: Help desk support from 7:00 AM to 7:00 PM Central Standard Time, Monday-Friday, excluding holidays, to answer questions related to functionality of ProSource; and correcting identifiable and reproducible program errors in ProSource. The Company has established and will maintain an email account for communications purposes.

B. The Company may, in its sole discretion, periodically release updates, modifications and enhancements respecting ProSource. Licensee will install any fixes, updates, modifications or enhancements which the Company designates as mandatory. The Company may charge a reasonable fee for its services, including any services or expenses relating to updates, modifications, and enhancements to ProSource which it elects to release.

5. CONFIDENTIAL INFORMATION

The Company and Licensee agree that all provisions in the Franchise Agreement respecting "Confidential Information" (as defined in the Franchise Agreement) will apply to ProSource, Licensee's use of ProSource and data stored on or collected from ProSource. The Company will use reasonable efforts to obtain the agreement of the Hosting Service to maintain the confidentiality of all Confidential Information in its possession.

6. INDEMNIFICATION FOR THIRD PARTY INFRINGEMENT CLAIMS

A. The Company agrees to extend to Licensee any assignable indemnification and warranty rights that the Hosting Service grants to the Company.

B. The Company does not have actual knowledge of any claim that ProSource infringes upon a third party's patent, copyright or other proprietary right. If a third party asserts such an infringement claim against Licensee, Licensee will immediately notify the Company in writing. The Company will have the right (but not the obligation) to defend any such claim, at the Company's expense, and Licensee will cooperate with the Company with respect to such defense. In the event of any such claim, Licensee will, at the Company's direction, immediately discontinue using ProSource. The

Company will either modify ProSource so as to make it non-infringing or replace ProSource with such other non-infringing software as the Company may furnish to Licensee. In either case, the Company will do so only if the modified or replacement software performs substantially the same functions as the infringing software. So long as Licensee complies with the terms hereof, the Company will indemnify Licensee for any loss, damage, cost or expense related to such claim.

C. The Company will not be liable to Licensee if an infringement claim is based on use of ProSource in combination with any product, software or system not delivered by the Company, or Licensee's unauthorized use or modification of ProSource.

7. WARRANTY DISCLAIMER

THE COMPANY DISCLAIMS ALL WARRANTIES, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING NON-INFRINGEMENT (EXCEPT AS PROVIDED IN SECTION 6 ABOVE), MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

8. LIMITATION ON DAMAGES

THE LIABILITY OF THE COMPANY TO LICENSEE WILL NOT EXCEED THE AMOUNTS LICENSEE PAYS TO THE COMPANY UNDER THIS AGREEMENT. THE COMPANY WILL NOT BE LIABLE TO LICENSEE FOR INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS) RELATED TO THIS AGREEMENT OR RESULTING FROM LICENSEE'S USE OR INABILITY TO USE THE SOFTWARE, THAT ARISE FROM ANY CAUSE OF ACTION, INCLUDING CONTRACT, WARRANTY, STRICT LIABILITY, OR NEGLIGENCE, EVEN IF THE COMPANY HAS BEEN NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

9. PROPRIETARY RIGHTS

Other than the access granted under this Agreement, no right, title or interest in all or any portion of ProSource is conveyed or assigned to Licensee, either expressly or by implication, under this Agreement, including any patents, copyrights, trade secrets, trademarks, trade names, or other intellectual property associated with ProSource.

10. TERM AND TERMINATION

A. Term and Termination. This Agreement commences on the Effective Date and continues until the current term of the Franchise Agreement terminates or expires, unless this Agreement is earlier terminated under this Section. The Company may terminate this Agreement: (1) immediately upon written notice to Licensee if Licensee violates Sections 1(B) or 5 above; (2) if Licensee violates any provision of this Agreement (other than Section 1(B) or 5 above) and fails to cure such violation within the period of time permitted for violation of a material provision of the Franchise Agreement; (3) if Licensee ceases to have the right to operate the Franchised Business or a violation of the Franchise Agreement; or (4) upon ninety (90) days' written notice from the Company that it intends to discontinue use of or replace ProSource.

11. MISCELLANEOUS

A. This Agreement will be governed by the laws of the State of Wisconsin.

B. This Agreement represents the entire agreement between the parties respecting this subject matter and supersedes all prior agreements, representations, negotiations and understandings between the parties. The applicable terms of the Franchise Agreement will also control this Agreement. Licensee expressly acknowledges that a violation or default of the Franchise Agreement will constitute a default of this Agreement and any default of this Agreement will constitute a default of the Franchise Agreement. If Licensee defaults under the Franchise Agreement, the Company may pursue all remedies available to it under this Agreement or the Franchise Agreement, including the right of termination.

C. All amendments to this Agreement must be in writing and signed by both parties.

D. If any provision of this Agreement is found by a court of competent jurisdiction to be illegal or unenforceable, then the remaining provisions will remain in full force and effect.

E. The Company may assign this Agreement to any other person or entity. Licensee may assign this Agreement only to its successor in interest under the terms of the Franchise Agreement.

F. Notices will be given to the parties at the addresses listed in the Franchise Agreement and will be deemed given as described in the Franchise Agreement.

The parties have signed this Agreement as of the date first written above.

THE COMPANY:

BATTERIES PLUS, L.L.C.,
a Wisconsin limited liability company

By: _____
Title: _____

LICENSEE:

(If Franchisee is a corporation or limited liability company)

Name of corporation or limited liability company

By: _____
Title: _____

(If Franchisee is an individual owner, Franchisee must sign below; if a partnership, all partners must sign below)

Franchisee

Franchisee

Franchisee

Franchisee

EXHIBIT E
TO FRANCHISE AGREEMENT
NATIONAL ACCOUNTS SUCCESS AGREEMENT

**BATTERIES PLUS®
NATIONAL ACCOUNTS SUCCESS AGREEMENT**

THIS AGREEMENT (this “Agreement”), between Batteries Plus, L.L.C. (the “Company”), and the Batteries Plus Bulbs® Franchisee listed at the end of this Agreement (“Franchisee”), is effective as of _____, 20____ (the “Effective Date”).

INTRODUCTION

The Company and Franchisee are entering into a Batteries Plus Bulbs® Franchise Agreement (the “Franchise Agreement”), under which Franchisee will operate a Batteries Plus Bulbs® store at the location identified on the signature page of this Agreement (the “Store”). The Company has established a national accounts program (the “Program”), through which the Company, the Company’s affiliates and Batteries Plus Bulbs® franchisees will serve a defined segment of multi-unit or multi-state commercial battery or light bulb customers with a system flexible enough to align with each customer’s specific needs. Franchisee meets the Company’s qualifications for and, as required under the Franchise Agreement, will participate in the Program under the provisions described below.

AGREEMENT

The Company and Franchisee agree as follows:

1. DEFINITIONS

All capitalized terms not defined herein will have the meaning described in the Franchise Agreement. The following terms will have the meanings described below:

A. “Administrative Fees” means the fee charged by the Company on Net Revenues received from the sale of Product to Customers in any Participant’s Service and Revenue Area. The Company periodically will determine and describe in the National Account Program Manual the amount of the Administrative Fee.

B. “Customer” means a national account customer that qualifies under the provisions of this Agreement to participate in the Program and has signed a National Account Purchase Agreement.

C. “National Account Purchase Agreement” means an agreement between the Company and a Customer that defines the terms and conditions under which a Customer agrees to purchase “Products” (as defined below) under the Program.

D. “National Account Program Manual” means the manual that the Company has prepared and made available to Participants, and will periodically update, to describe various standards, programs and rules for the Program.

E. “Non-Participant Service Area” means that geographic area within the United States which is not within the Service and Revenue Area of any Participant.

F. “Participant” means a franchisee who meets the qualifications for participation in the Program and who signs a National Accounts Success Agreement.

G. “Products” means those batteries, light bulbs and related products, services and accessories, together with device repair and other services, which the Company periodically approves for sale through the System.

H. “Service and Revenue Area” for Franchisee means the area surrounding the Store within which Franchisee will service, and recognize revenue from all sales of Product to, Customers (as further described in Section 3 below). The Company will determine, and describe in the National Account Program Manual, the standard Service and Revenue Area for single-store and multiple store markets. The Company will determine the area by using zip codes (nine digit) roughly equal to the mileage radius described in the National Account Program Manual. In markets where the radius of one Store overlaps with the radius of one or more other Stores, each Franchisee’s Service and Revenue Area in the overlapping area will include only that portion which is closer to that Franchisee’s Store than any other Store.

2. PARTICIPANT QUALIFICATIONS

Franchisee will be a “Participant” in the Program if Franchisee satisfies the “Participant” qualifications stated in, and at all times complies with, the National Account Program Manual. As a Participant, Franchisee will comply with, and is authorized to service Customers in the Program under, the provisions of this Agreement.

3. SERVICE AND REVENUE AREA

A. Subject to Sections 3(F) and 10 below, Franchisee will service, and recognize the revenue from all sales of Product to, each Customer under the Program to the extent the Customer site where the Customer accepts delivery of the Product is located in Franchisee’s Service and Revenue Area. Sales recognized under this provision will represent “Net Revenues” under the Franchise Agreement for purposes of the royalty and service fee and the NMF Fee, but will not represent Net Revenues for purposes of Franchisee’s local marketing expense obligations under the Franchise Agreement. The royalty and service fee rate applicable to a Customer sale will be the royalty and service rate under the then-current form franchise agreement for Batteries Plus Bulbs® stores.

B. To the extent a Customer located in a Non-Participant Service Area purchases Product under the Program for delivery in a Non-Participant Service Area, the Company will receive the revenue from the sale of Product.

C. Franchisee will not directly or indirectly solicit business from any Customer located outside Franchisee’s Service and Revenue Area unless Franchisee obtains the Company’s prior written consent.

D. The Company periodically will review Franchisee’s Service and Revenue Area designation and will revise it (if necessary): (1) upon a Store opening or closing; or (2) annually if a single Store market is redesignated as a multiple Store market or if a multiple Store market is redesignated as a single Store market due to population changes. If these revisions affect Franchisee’s Service and Revenue Area, the Company will replace Franchisee’s old Service and Revenue Area with the updated Service and Revenue Area that the Company designates.

E. The Company will impose an Administrative Fee on sales of Product to Customers in Franchisee’s Service and Revenue Area. Franchisee will be required to pay the Administrative Fee to the Company. The Company will deposit such fees in the National Account Pool during such times as further described in the National Account Program Manual.

F. If Franchisee refuses to service a Customer in Franchisee's Service and Revenue Area: (1) the Company may, in addition to other remedies available, service the Customer directly or seek temporary assistance from another Participant to service the Customer; and (2) Franchisee will not receive any revenue from Product sales to such Customer.

4. NATIONAL ACCOUNT POOL

A. The Company will establish a "National Account Pool" which will be used as a funding mechanism for the Program and for various other purposes as described in this Agreement and in the National Account Program Manual. The Company will manage the National Account Pool and will provide to the FAC an annual unaudited statement of the receipts and disbursements of the National Account Pool.

B. The Company periodically will fund the National Account Pool from one or more revenue sources, including Net Revenues, less the cost of goods sold, the Company receives from the sale of Products to Customers in the Non-Participant Service Area, Administrative Fees, certain vendor placement fees collected from Product suppliers to support the Program, and "One-Time Participation Fees" which the Company may in the future charge. "One-Time Participation Fees" means those fees assessed to each Participant at the end of each calendar year, if necessary, to help ensure that anticipated National Account Pool revenues during the calendar year equal expenses for that period. The collective One-Time Participation Fees will not exceed \$50,000, collectively, for all Participants and will be apportioned to each participant, pro rata, based on Program revenue attributable to each Participant divided by the total Program revenue.

C. The Company will charge, and withdraw from, the National Account Pool amounts necessary to reimburse the Company for all fees (including interest charged on loans) and expenses related to the administration of the Program as further described in the National Account Program Manual, including both capital and non-capital expenditures relating to the development, implementation, operation or ongoing administration of the Program and handling fees to drop ship Products directly to Customers located in the Non-Participant Service Area. To the extent the Company allocates certain common support team personnel or assets to the administration or operation of the Program, the Company will have the right to obtain reimbursement for an equal portion of the expenses related to the National Account Pool.

D. If the annual gross expenses of the National Account Pool exceed the annual gross revenues of the National Account Pool during any calendar year, such shortfall will be funded from NMF Contributions.

E. Subject to Section 12(C) below, the Company may provide to the National Account Pool, through one or more inter-company recoverable interest-bearing loans, the necessary capital to fund the net difference of assets less accounts payable and accruals of the National Account Pool. Interest will accrue on all outstanding Company loan amounts described above at a rate equal to two percentage points above the prime lending rate of the bank identified by the Company.

F. The Company will determine after the end of each calendar year whether the gross revenues of the National Account Pool exceeded the expenses of the National Account Pool for that calendar year. If the Company determines that gross revenues for the National Account Pool exceeded the expenses for such calendar year, the Company may use such surplus to, among other items, repay any outstanding National Account Pool subsidies, and invest in a centralized bad debt reserve or "Bad Debt Pool" to fund bad debt claims made by Participants.

5. CUSTOMER SERVICE OPTIONS

Under the Program and as more fully described in the National Account Program Manual, the Company will offer to Customers a centralized and decentralized method of fulfillment and delivery of Products purchased through the Program. This information will be included in the “Customer Program Profile” which the Company will develop for each Customer and make available to Participants through the Company’s intranet web page.

6. SERVICING REQUIREMENTS

A. The Company and each Customer will identify specific Customer requirements and specifications as to Product, billing, service and other matters when the parties sign a National Account Purchase Agreement. The Company will prepare a detailed “Customer Program Profile” for each Customer and will make these Profiles available on the Company’s intranet web page for access by Participants after the National Account Purchase Agreement is signed. Franchisee will be responsible for accessing, reviewing and using the Customer Program Profiles.

B. Franchisee will provide Product to and service each Customer consistent with the Customer Program Profile for that Customer and with the National Account Program Manual. Franchisee cannot substitute any Product or otherwise deviate from any Customer Program Profile without the Customer’s prior written consent. The Company has the sole right to designate the supplier for each Product, subject to specific Customer requirements regarding Products. The Company, on behalf of Ascent, reserves the right to charge Franchisee a handling fee to drop-ship Products directly to Customers.

C. The Company will negotiate the National Account Purchase Agreement with the Customer and will manage the relationship with the Customer at its central headquarters. The Company may require Participants to conduct service calls at local Customer facilities and take such other reasonable action as the Company directs to facilitate growth of the relationship.

D. Franchisee will make all necessary adjustments to inventory stocking levels to meet the specific requirements of Customers that Franchisee will service. In addition, Franchisee will deliver Products to Customers pursuant to Customer requirements specified in Customer’s National Account Purchase Agreement and Customer Program Profile. The Company may specify other stocking level and delivery requirements and standards in the National Account Program Manual.

E. The Company will negotiate and include in the National Account Purchase Agreement Product pricing and pricing terms for Products sold to Customers. The Company will define the parameters for Product pricing and pricing terms in the National Account Program Manual, taking into account the weighted average “Net Profit Margin” for all Products sold to each customer over the course of a calendar year. “Net Profit Margin” means Product revenue minus the sum of Product cost and the NMF fee.

F. Franchisee will recycle batteries and, if applicable, light bulbs obtained from Customers in Franchisee’s Service and Revenue Area in the manner identified in the Customer Program Profile and otherwise consistent with specifications in the National Account Program Manual.

G. The Company will provide certain details regarding order units of measure, order procedures, ordering or shipping errors and related matters in the National Account Program Manual.

H. The Company generally will make available to Customers, and Franchisee agrees to comply with, the standard limited Product warranty program then offered in the System. The Company may negotiate a reduction in such warranty for certain Customers in exchange for pricing concessions, provided such concessions are consistent with the Company's obligations under Section 6(G) above.

I. Franchisee will comply with other Customer service requirements respecting Customers in Franchisee's Service and Revenue Area, including testing and reconditioning services, handling of damaged Product in transit, and Product returns and backorders, that the Company requests and as further described in the National Account Program Manual.

J. The Company will issue all necessary reports respecting Customer service within timeframes stated in Customer's National Account Purchase Agreement. Franchisee is not authorized to create such reports for separate delivery to any Customers without the Company's prior written consent.

K. The Company periodically may receive opportunities to supply Product under the Program under terms that are outside the standard parameters described herein. The Company may pursue such opportunities and make such opportunities available to Participants. Franchisee will have the option, but not the requirement, to participate in such opportunities.

L. Franchisee agrees that, during the term of the Franchise Agreement, it will not directly or indirectly solicit or attempt to solicit any Customer to conduct any business with Franchisee or any third party in any manner that is inconsistent with the terms of the Program.

7. CREDIT MANAGEMENT AND UNDERWRITING

A. The party (the Company through a corporate store, the Company on behalf of the National Account Pool or Franchisee as a Participant) who records the revenue attributable to sales of Products to a Customer will assume all risks of underwriting that Customer's transactions. The Company will provide Franchisee, through Customer Program Profiles available on the Company's intranet web page, with certain available Customer specific credit information.

B. Although the Company will collect certain credit information respecting each Customer, the Company does not guarantee the accuracy of any information forwarded to Franchisee and is not liable for any amounts Franchisee deems uncollectible. If Franchisee obtains information that questions a Customer's credit-worthiness, Franchisee must immediately report such information to the Company through the Company's intranet web page. Based on such information, the Company will make any reasonably appropriate revisions to the Customer Program Profile for that Customer.

C. Franchisee recognizes the importance of providing minimum default credit limits and agrees that it will provide such minimum credit limits consistent with this Agreement and the National Account Program Manual.

8. COMMISSIONS

The Company will establish one or more compensation programs, as more fully described in the National Account Program Manual, to encourage Franchisee and Participants to assist the Company in attracting potential Customers and fulfilling Customer liaison services.

9. CONFIDENTIALITY

Except as otherwise described below, all provisions in the Franchise Agreement respecting “Confidential Information” (as defined in the Franchise Agreement) will apply to this Agreement. Franchisee acknowledges that, in the process of participating in the Program, Franchisee will obtain access to financial and other confidential customer information relating to Customers in the Program. Neither the Franchisee nor the Company will share ownership of such Customer information with any former Batteries Plus Bulbs® franchisee or any franchisee who is not a Participant. Franchisee further agrees that such confidential Customer information will be considered “Customer Data” as defined in the Franchise Agreement only during the period in which Franchisee is a Participant in the Program. The Company periodically will establish policies (the “Policies”) respecting the use of and restrictions on the use of confidential Customer information shared with Participants, including obligations to maintain the confidentiality of such Customer information and return all such Customer information to the Company upon termination of this Agreement.

10. TERMINATION

A. Franchisee will be in default under, and the Company may terminate, this Agreement and Franchisee’s right to participate in the Program: (1) immediately if Franchisee violates Sections 3(C), 6(B), 6(J) or 9 of this Agreement; (2) if Franchisee violates any other provision of this Agreement and does not correct such violation within 30 days following Franchisee’s receipt of notice from the Company or such shorter time as the Company may determine, (3) immediately if Franchisee is in default under the Franchise Agreement, or (4) immediately if Franchisee injures or conducts activity that is prejudicial to the goodwill associated with the Program or refuses to service a Customer as required under Section 3(F) above or otherwise acts in such a manner that a Customer leaves the Program or threatens to do so. If Franchisee violates subsection 10(A)(2) above, the Company will forward to Franchisee a “Corrective Action Notice.” Franchisee must complete, sign and return to the Company a “Corrective Action Plan” within 5 business days following receipt of the Corrective Action Request, and must satisfy all objectives of the Corrective Action Plan within the cure period provided.

B. If this Agreement terminates pursuant to Section 10(A) above, Franchisee will deliver to the Company and thereafter cease using all confidential Customer information in Franchisee’s possession and comply with all applicable post-termination obligations stated herein or in the Franchise Agreement. This provision will survive the termination of this Agreement.

11. TERM

The initial term of this Agreement will run from the Effective Date through December 31, _____. This Agreement may be renewed for additional one year terms if, at least 15 days prior to expiration of the existing or any renewal term, Franchisee and the Company sign the then-current form of the National Accounts Success Agreement, including any changes the Company may have incorporated into such form.

12. MISCELLANEOUS

A. The parties acknowledge that product and service revenue recorded through the Program is considered franchisee system sales for purposes of calculating Ascent’s product revenue payment.

B. The Franchise Agreement will control respecting disputes between the parties under this Agreement, including the forum for dispute resolution and governing law.

C. This Agreement represents the entire agreement between the parties respecting this subject matter and supersedes all prior agreements, representations and understandings between the parties. Except as otherwise provided in this Agreement, the applicable terms of the Franchise Agreement will apply to and control this Agreement and in the event of a direct inconsistency between this Agreement and the Franchise Agreement, the Franchise Agreement will govern. Franchisee expressly acknowledges that a violation or default of the Franchise Agreement will represent a default of this Agreement. If Franchisee defaults under the Franchise Agreement, the Company may pursue all remedies available to it under this Agreement or the Franchise Agreement, including the right of termination.

D. Except as provided below, all amendments to this Agreement must be in writing and signed by both parties. Franchisee agrees that the Company reserves the right, in its sole discretion, to immediately modify any and all terms of the Agreement if the number of Franchise Owners who are Participants in the Program falls below seventy percent (70%) of all Franchise Owners who meet the qualifications as a "Participant."

E. If any provision of this Agreement is found by a Court of competent jurisdiction to be illegal or unenforceable, then the remaining provisions will remain in full force and effect.

F. The Company may assign this Agreement to any other person or entity that also acquires the Company's interest in substantially all of the assets of the Batteries Plus Bulbs® franchise system. Franchisee may assign this Agreement only to its successor in interest under the terms of the Franchise Agreement.

G. Notices will be given to the parties at the addresses listed in the Franchise Agreement and will be deemed given as described in the Franchise Agreement.

H. This Agreement may be executed in more than one counterpart, each of which will constitute an original copy.

The parties have signed this Agreement as of the date first written above.

THE COMPANY:

BATTERIES PLUS, L.L.C.

By: _____
Its: _____

FRANCHISEE:

(If Franchisee is a corporation or limited liability company)

(Insert Name of Entity)

By: _____
Its: _____

(If Franchisee is an individual owner(s) or a partnership,
each individual or partner must sign below)

Franchisee

Franchisee

Franchisee

Franchisee

Store Location:

EXHIBIT F
TO FRANCHISE AGREEMENT
E-COMMERCE AGREEMENT

**BATTERIES PLUS®
SYSTEM E-COMMERCE AGREEMENT
(New Franchisee Stores)**

THIS AGREEMENT (this “Agreement”), between Batteries Plus, L.L.C. (the “Company”), and the Batteries Plus Bulbs® Franchisee listed at the end of this Agreement (“Franchisee”), is effective as of _____, 20____ (the “Effective Date”).

INTRODUCTION

The Company and Franchisee are entering into a Batteries Plus Bulbs® Franchise Agreement (the “Franchise Agreement”), under which Franchisee will operate a Batteries Plus Bulbs® store at the location identified in the Franchise Agreement (the “Store”). The Company has established a system e-commerce website, www.batteriesplus.com (the “E-Commerce Website”) and program (the “Program”), through which various batteries, light bulbs and related products and accessories, as well as services, will be offered, on behalf of Batteries Plus Bulbs® franchisees, to retail customers only. Franchisee meets the Company’s qualifications for and will participate in the Program under the provisions described below.

AGREEMENT

The Company and Franchisee agree as follows:

1. DEFINITIONS

All capitalized terms not defined herein will have the meaning described in the Franchise Agreement. The following terms will have the meanings described below:

A. “Deductions” means those costs and fees charged by or reimbursed to the Company and subtracted from Net Revenues in determining amounts payable to Participants as Net Proceeds under the Program. Deductions will include the Company’s cost of Product sold, credit card fees, affiliate and merchant fees, warranty expense, a Royalty and Service Fee at the then-current rate charged to new Batteries Plus Bulbs® franchisees, a National Marketing and Promotional Fee at the then-current rate charged to new Batteries Plus Bulbs® franchisees, and an allowance of 4 percent which the Company will retain and use for e-commerce related promotional activity and advertising as the Company directs (in lieu of the Participant’s 4 percent local advertising obligation). Freight and handling expenses charged to the Customer will not be included in the calculation of Net Revenues. To the extent the Company receives from Customers amounts charged for freight and handling, such amounts received will be offset against the incremental pack and ship costs the Company incurs.

B. “Customer” means any individual or person that purchases Products through the E-Commerce Site.

C. “E-Commerce Program Manual” means the manual that the Company has prepared and made available to Participants, and will periodically update, to describe various standards, programs and rules for the Program.

D. “Net Proceeds” means, for each Product sold to a Customer, the Net Revenues less the Deductions.

E. “Non-Participant Area” means that geographic area within the United States which is not within the E-Commerce Area of any Participant.

F. “Products” means those batteries, light bulbs and related products, and accessories, together with the device repair and other services, which the Company periodically approves for sale through the E-Commerce Website.

G. “E-Commerce Area” for Franchisee means the area surrounding the Store within which Franchisee will service, and recognize revenue from all sales of Product to, Customers (as further described in Section 3 below). The E-Commerce Area as of the Effective Date will be as follows: (i) for Stores in single-store markets, the Area will be a radius surrounding the location of the Store and containing either a commercially reasonable estimate of a current population of 250,000 or 30 miles from the location of the Store, whichever benchmark is reached first; and (ii) for Stores in multiple store markets, and subject to the following, the Area will be a radius surrounding the location of the Store containing either a commercially reasonable estimate of a current population of 250,000 or 20 miles from the Store location, whichever benchmark is reached first. The Company will review Franchisee’s E-Commerce Area and Store Net Revenues annually. If Franchisee remains in good standing under this Agreement and the Franchise Agreement, the Company will amend the E-Commerce Area, effective on June 1 of the then-current year, based on the following: (i) the minimum population referenced above in determining the E-Commerce Area will be increased to 500,000 if Store Net Revenues for the previous calendar year are greater than or equal to \$500,000 but less than \$750,000; and (ii) the minimum population referenced above in determining the E-Commerce Area will be increased to 750,000 if Store Net Revenues for the previous calendar year equal or exceed \$750,000. In multiple store markets where the radius of one Store overlaps with the radius of one or more other Stores, each Franchisee’s E-Commerce Area in the overlapping area will include only that portion which is closer to that Franchisee’s Store than any other Store; provided that each such Franchisee’s E-Commerce Area will be no less than 3 miles surrounding that Franchisee’s Store. For Stores in multiple store markets, the Company reserves the right to determine the E-Commerce Area for specific Stores on a case by case basis, taking into account logical geographic or market boundaries. The Company will provide Franchisee with a description of Franchisee’s E-Commerce Area based on U.S. Postal zip codes or other factors upon request.

2. PARTICIPANT QUALIFICATIONS

Franchisee will be a “Participant” in the Program if Franchisee signs this Agreement and satisfies the “Participant” qualifications stated in, and at all times complies with, the E-Commerce Program Manual. Qualifications will include, among other factors, minimum Store hours and Store inventory levels and assortment.

3. E-COMMERCE AREA

A. Subject to Section 8 below, Franchisee will recognize the Net Revenues (less Deductions) from all sales of Product to, and service of (if requested), each Customer under the Program to the extent the Customer is located in Franchisee’s E-Commerce Area (each an “Area Customer”). A Customer is “located” in Franchisee’s E-Commerce Area if the zip code Customer provides when it purchases Product under the Program is within Franchisee’s E-Commerce Area. If the zip code provided by a Customer spans both Franchisee’s E-Commerce Area and a Non-Participant Area or spans more than one franchisee E-Commerce Area, the Franchisee whose store is closest to the Customer will recognize the sale of Product to that Customer.

B. If a Customer located in a Non-Participant Service Area purchases Product under the Program for delivery in a Non-Participant Service Area, the Company will recognize the Net Revenues from the sale of Product.

C. The Company periodically will review Franchisee's E-Commerce Area designation and will revise it (if necessary): (i) to account for changes in population in the E-Commerce Area; or (ii) upon a Store opening or closing; provided such revision is consistent with the area parameters described in Section 1(G) above. If these revisions affect Franchisee's E-Commerce Area, the Company will replace Franchisee's old E-Commerce Area with the updated E-Commerce Area that the Company designates.

4. CUSTOMER SERVICE OPTIONS AND CRITERIA

Under the Program and as more fully described in the E-Commerce Program Manual, the Company will deliver to Customers Products purchased through the Program. Store standards, Customer service and other operational criteria to support the Program will be further described in the E-Commerce Program Manual.

5. PROCESSING OF PRODUCT SALES

A. Except as stated below, the Company will perform processing and delivery services on behalf of Franchisee for Products that an Area Customer purchases through the E-Commerce Website. Franchisee agrees to deliver purchased Product to the extent the Customer requests pick-up at Franchisee's Store. Franchisee cannot substitute any Product without the Customer's prior written consent. The Company has the sole right to designate the supplier for each Product, subject to specific Customer requirements regarding Products.

B. The Company will pay the Net Proceeds from all sales of Product to Area Customers to Franchisee by electronic transfer of funds by the 25th of each month for the Net Proceeds accrued in the previous month. At the same time, the Company will provide Franchisee a monthly summary of Product sales and Deductions relating to Area Customers. The Company also will provide Franchisee with such information as is reasonably necessary for Franchisee to comply with all federal, state and local tax laws respecting Franchisee's recognition of Product sales to Area Customers. The Company will, to the extent permitted by federal, state and/or local privacy laws, provide Franchisee with all Area Customer information the Company receives in performing its duties hereunder. Franchisee may use such Area Customer information only consistent with Company's guidelines as further described in the E-Commerce Program Manual, which will not be inconsistent with the Franchise Agreement.

C. The Company generally will make available to Customers, and Franchisee agrees to comply with, the standard limited Product warranty program then offered in the Batteries Plus Bulbs® system. Franchisee will facilitate Customer processing of Product warranty claims and returns as further described in the E-Commerce Program Manual.

D. Except as the Company may authorize in writing, Franchisee will not, during the term of the Franchise Agreement, directly or indirectly solicit or sell Products through any e-commerce program or Internet website or in any manner that is inconsistent with the terms of the Program.

6. PRODUCT PRICING

The Company will establish and maintain in its Counterpoint computer system (or any successor computer system) "100 level retail pricing" for Products offered through the Program. This pricing program will be based on its review of competitor behavior and pricing. Although the Company will solicit feedback on its "100 level retail pricing" from the franchisees' National Marketing Fund Committee, the Company will retain the right to independently establish "100 level retail pricing." The Company will sell Product in the Non-Participant Area at "100 level retail pricing." The Company will

use “100 level retail pricing” as the suggested price for Product sold through the Program to Area Customers, although Franchisee will independently determine the price for Products sold to Area Customers, whether that price is the suggested price or another price.

7. CONFIDENTIALITY

Except as otherwise described below, all provisions in the Franchise Agreement respecting "Customer Data" (as defined in the Franchise Agreement) will apply to this Agreement. The Company periodically will establish policies (the "Policies") respecting the use of and restrictions on the use of Customer Data. Each of the Company and Franchisee acknowledge the some or all of the Customer Data may be confidential in name and some Customer Data may represent “Confidential Information” (as defined in the Franchise Agreement). The parties agree to maintain the confidentiality of such Customer Data; provided, however, that each party may use the Customer Data for purposes permitted in the Franchise Agreement and the Policies. Upon termination of this Agreement, the Customer Data and Confidential Information will be returned to the Company as required under the Franchise Agreement.

8. TERMINATION

A. Franchisee will be in default under, and the Company may terminate, this Agreement and Franchisee’s right to participate in the Program: (1) if Franchisee violates Section 5(D) of this Agreement and does not correct such violation within 5 days following Franchisee’s receipt of notice from the Company; (2) if Franchisee violates any other provision of this Agreement and does not correct such violation within 30 days following Franchisee’s receipt of notice from the Company; (3) immediately if Franchisee is in default under the Franchise Agreement; or (4) immediately if Franchisee injures or conducts activity that is prejudicial to the goodwill associated with the Program. If Franchisee violates subsection 8(A)(2) above the Company will forward to Franchisee a “Corrective Action Notice.” Franchisee must complete, sign and return to the Company a “Corrective Action Plan” within 5 business days following receipt of the Corrective Action Request, and must satisfy all objectives of the Corrective Action Plan within the cure period provided. The Company will have the right to immediately terminate the Franchise Agreement if Franchisee violates Section 5(D) of this Agreement and fails to cure such violation within the 5 day cure period. Except with respect to Section 5(D), a default under or termination of this Agreement will not be a default under the Franchise Agreement.

B. If this Agreement terminates pursuant to Section 8(A) above, Franchisee will deliver to the Company and thereafter cease using all confidential Customer information in Franchisee’s possession and comply with all applicable post-termination obligations stated herein or in the Franchise Agreement as such conduct relates to the E-Commerce Program. This provision will survive the termination of this Agreement.

C. In addition to any other rights hereunder, the Company will have the right to terminate the Program and this Agreement if the Company determines, in its absolute discretion, that the Program is not financially viable. In such event, the Company may restart the Program (the “New Program”) only if it offers each Batteries Plus Bulbs® franchisee the opportunity to participate in the New Program in the form of an amendment to the Franchise Agreement and a majority of the Batteries Plus Bulbs® stores open and operating at such time (both franchised stores and stores owned directly or indirectly by the Company) agree to participate in the New Program. A franchisee will have agreed to participate in the New Program by signing such amendment to the Franchise Agreement.

9. TERM

The initial term of this Agreement will commence as of the Effective Date and will be effective for a period of time equal to the term of the Franchise Agreement. If Franchisee renews the Franchise Agreement, Franchisee will sign the Company's then-current form System E-Commerce Agreement, including any changes the Company may have incorporated into such form.

10. MISCELLANEOUS

A. Although this Agreement is intended for retail e-commerce customers and business-to-business (B2B) functionality has yet to be envisioned, Franchisee will independently determine the price for Products sold to Area Customers under any future B2B e-commerce program, whether that price is the suggested price or another price.

B. The parties acknowledge that product and service revenue recorded through the Program (excluding revenue recorded for Customers in the Non-Participant Area) is considered franchisee system sales for purposes of calculating Ascent's product revenue payment.

C. This Agreement represents the entire agreement between the parties respecting this subject matter and supersedes all prior agreements, representations and understandings between the parties. Except as otherwise provided in this Agreement, all applicable terms of the Franchise Agreement (including those governing application and withholding of payments, notices to the other party and disputes) will apply to and control this Agreement. If Franchisee defaults under the Franchise Agreement, the Company may pursue all remedies available to it under this Agreement or the Franchise Agreement, including the right of termination.

D. If any provision of this Agreement is found by a court of competent jurisdiction to be illegal or unenforceable, the remaining provisions will remain in full force and effect.

E. The Company may assign this Agreement to any other person or entity that also acquires the Company's interest in substantially all of the assets of the Batteries Plus Bulbs® franchise system. The Company cannot sell or transfer its interest in the E-Commerce Website apart from a sale or transfer of substantially all of its assets. Franchisee may assign this Agreement only to its successor in interest under the terms of the Franchise Agreement.

F. This Agreement may be executed in more than one counterpart, each of which will represent an original copy.

The parties have signed this Agreement as of the date first written above.

Batteries Plus, L.L.C.:

By: _____
Its: _____

Franchisee:
(If Franchisee is a corporation or limited liability entity)

(Insert Name of Entity)

By: _____
Its: _____

(If Franchisee is an individual owner(s) or a partnership, each individual/ partner must sign below)

Franchisee

Franchisee

Franchisee

Store Location:

EXHIBIT G
TO FRANCHISE AGREEMENT
GUARANTY AND ASSUMPTION OF OBLIGATIONS

EXHIBIT G

GUARANTY AND ASSUMPTION OF OBLIGATIONS

In consideration of Batteries Plus, L.L.C.'s (the "Franchisor") execution of that certain Franchise Agreement of even date (the "Agreement") with _____ (the "Franchisee"), each of the undersigned (a "Guarantor") jointly and severally agree as follows:

A. Guarantors personally and unconditionally guarantee to Franchisor and its successors and assigns that: (i) Franchisee will timely pay Franchisor and its affiliates all monies Franchisee owes to Franchisor and its affiliated and related entities, including all monies payable by Franchisee under the Agreement; (ii) Franchisee will timely perform all other undertakings, agreements and covenants stated in the Agreement; and (iii) agree to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement (collectively, "Franchise Agreement Obligations").

B. Each of the Guarantors waives: (1) acceptance and notice of acceptance by Franchisor of the foregoing undertaking; (2) notice of demand for payment of any indebtedness; (3) protest and notice of default to any party respecting the indebtedness; (4) any right he/she may have to require that an action be brought against Franchisee or any other person as a condition of liability.

C. Each Guarantor consents and agrees that:

(1) Guarantor's liability under this undertaking will be direct and independent of the liability of, and will be joint and several with, Franchisee and the other Guarantors of Franchisee;

(2) Guarantor will make any payment or perform any Franchise Agreement obligation upon demand if Franchisee fails to do so;

(3) Guarantor's liability hereunder will not be diminished or relieved by bankruptcy, insolvency or reorganization of Franchisee or any assignee or successor;

(4) Guarantor's liability will not be diminished, relieved or otherwise affected by any extension of time or credit which Franchisor may grant to Franchisee, including the acceptance of any partial payment or performance, or the compromise or release of any claims;

(5) Franchisor may proceed against Guarantor and Franchisee jointly and severally, or Franchisor may, at its option, proceed against Guarantor, without having commenced any action, or having obtained any judgment against Franchisee or any other Guarantor; and

(6) Guarantors will indemnify, defend and hold harmless Franchisor and its affiliates, and their respective shareholders, directors, employees, and agents, against and from all losses, damages, costs, and expenses, which Franchisor or its affiliates may sustain, incur, or become liable for as a result of:

a. Franchisee's or Guarantor's failure to pay or perform any of the Franchise Agreement Obligations; or

b. any action by Franchisor to obtain performance by Franchisee of any act, matter, or thing required by the Agreement.

(7) Guarantor will pay all reasonable attorneys' fees and all costs and other expenses Franchisor incurs in enforcing this Guaranty against Guarantor or any negotiations relative to the obligations hereby guaranteed.

This Guaranty will terminate upon the termination or expiration of the Agreement, except that all obligations and liabilities of the Guarantors which arose from events which occurred on or before the effective date of such termination will remain in full force and effect until satisfied or discharged by the Franchisee or the Guarantors, and all covenants which by their terms continue in force after the expiration or termination of the Agreement will remain in force according to their terms. Upon the death of an individual Guarantor, the estate of such Guarantor will be bound by this Guaranty, but only for defaults and obligations hereunder existing at the time of death; and the obligations of any other Guarantors will continue in full force and effect.

The provisions of Sections 19 and 20 of the Agreement will apply as to any interpretation or enforcement of this Guaranty, and the provisions of Section 21 of the Agreement will apply to any notice to either party, except that notice to Guarantors will be provided at the following alternative address (if applicable): _____ . If no address is provided, any notice to Guarantors will be sent to the address designated in Section 21 of the Agreement.

Each of the undersigned has signed this Guaranty as of the same day and year as the Agreement was executed.

GUARANTOR(S)

PERCENTAGE OWNERSHIP IN FRANCHISEE

EXHIBIT D

**LIST OF FRANCHISED STORES
AND FORMER FRANCHISEES**

BATTERIES PLUS FRANCHISE STORES
as of January 31, 2014

BATTERIES PLUS FRANCHISE STORES

Address 1	Address 2	City	State	Zip	Phone Nbr	Fax Nbr	Owners
910 W International	Airport Rd	Anchorage	AK	99518	(907) 770-6110	(907) 770-6335	Banning, Larry; Banning, Mary
3027 Airport Way		Fairbanks	AK	99709	(907) 328-4040	(907) 328-4045	Banning, Larry; Banning, Mary
609 S Knik-Goose Bay Rd	Suite E	Wasilla	AK	99654	(907) 376-1181	(907) 376-1192	Banning, Larry; Banning, Mary
1604 Beltline Road Southwest		Decatur	AL	35601	(256) 350-0000	(256) 350-0099	Lee, Alan; Lee, Sonia; Pensworth, Melissa; Pensworth, William Jr.
2605 Florence Blvd		Florence	AL	35630	(256) 246-0797	(256) 764-6724	Lee, Alan; Lee, Sonia; Pensworth, Melissa; Pensworth, William Jr.
224 Oxmoor Blvd		Homewood	AL	35209	(205) 945-5506	(205) 945-5606	Prewitt, Steve
3022 Memorial Parkway South	Suite 700	Huntsville	AL	35801	(256) 270-9700	(256) 270-9703	Lee, Alan; Lee, Sonia; Pensworth, Melissa; Pensworth, William Jr.
6290 University Drive	Suite G	Huntsville	AL	35806	(256) 837-7500	(256) 837-8804	Lee, Alan; Lee, Sonia; Pensworth, Melissa; Pensworth, William Jr.
3653 Airport Blvd.	Suite A	Mobile	AL	36608	(251) 517-4399	(251) 517-4393	Bristow, Tad; Folz, Peggy
2302 Pelham Parkway		Pelham	AL	35124	(205) 621-9888	(205) 621-7662	Prewitt, Steve
5951 Valley Rd		Trussville	AL	35173	(205) 655-0002	(205) 655-7349	Prewitt, Steve
505B 15th Street E		Tuscaloosa	AL	35401	(205) 343-1780	(205) 343-7487	Schild, Hank
801 South Bowman Road	Suite #2	Little Rock	AR	72211	(501) 224-2852	(501) 224-1707	Mitchell, Ted; Stephenson, Warren
4120 E. McCain Blvd	Suite 112	North Little Rock	AR	72117	(501) 945-0940	(501) 945-0946	Mitchell, Ted; Stephenson, Warren
4500 W. Walnut St		Rogers	AR	72756	(479) 631-7587	(479) 631-7589	Whalen, Billy; Whalen, Sally
1275 E. Florence Blvd	Suite 6	Casa Grande	AZ	85122	(520) 421-1111	(520) 421-0004	Stewart, Glenda
3014 N Dobson Rd		Chandler	AZ	85224	(480) 730-1103	(480) 730-1106	Ohland, Wayne
602 W. Route 66		Flagstaff	AZ	86001	(928) 774-6800	(928) 774-6811	Conley, Christine L; Conley, John T
29 N Val Vista Dr	Suite 105	Gilbert	AZ	85234	(480) 632-1909	(480) 632-2380	Ohland, Wayne
6680 W Bell Rd	Suite A	Glendale	AZ	85308	(623) 979-0532	(623) 979-0538	Ohland, Wayne
1145 S Power Rd	Suite 102	Mesa	AZ	85206	(480) 654-3870	(480) 654-5734	Ohland, Wayne
2404 E Bell Rd		Phoenix	AZ	85032	(602) 787-8808	(602) 787-8810	Ohland, Wayne
3415 W Glendale Ave	Suite 4	Phoenix	AZ	85051	(602) 841-3900	(602) 841-3908	Ohland, Wayne
3838 E Thomas Rd		Phoenix	AZ	85018	(602) 840-4034	(602) 840-4277	Ohland, Wayne
7129 E First St	Suite 103	Prescott Valley	AZ	86314	(928) 772-1152	(928) 772-3557	Sullivan, Barbara; Sullivan, John
14202 N Scottsdale Rd	Suite 147	Scottsdale	AZ	85254	(480) 998-5004	(480) 998-5009	Ohland, Wayne
2185 E. Fry Blvd		Sierra Vista	AZ	85635	(520) 459-1778	(520) 459-2151	Ruby, Janet M; Ruby, Jim
3404 S McClintock Dr		Tempe	AZ	85282	(480) 820-0703	(480) 820-1136	Ohland, Wayne
1031 N. Wilmot		Tucson	AZ	85711	(520) 747-8228	(520) 747-8368	Yang, Jerry; Yang, Maya
5925 W. Arizona Pavilions Dr	Suite 101	Tucson	AZ	85743	(520) 744-8788	(520) 744-8818	Yang, Jerry; Yang, Maya
4433 N. First Avenue		Tucson	AZ	85719	(520) 888-3388	(520) 888-1818	Yang, Jerry; Yang, Maya
407 W. Imperial Hwy	Suite B	Brea	CA	92821	(714) 529-1800	(714) 529-1807	Carsrud, Scott
163 B West Ventura Blvd		Camarillo	CA	93010	(805) 383-7100	(805) 484-0840	Johnson, Ray; Johnson, Steve
2500 Zanella Way	Suite D	Chico	CA	95928	(530) 891-5690	(530) 891-5918	Riley, Michael; Riley, Norma
8025 Greenback Lane	Suite A	Citrus Heights	CA	95610	(916) 722-3300	(916) 722-2489	Tollefson, Don; Tollefson, Ryan
5437 S. Sepulveda Blvd		Culver City	CA	90230	(310) 313-2550	(310) 313-2788	Danji, Shams; Hajidamji, Moosa
7429 Amador Valley Blvd		Dublin	CA	94568	(925) 829-7587	(925) 829-7580	Evans, Laurence & Elizabeth
8239 Laguna Boulevard	Suite 140	Elk Grove	CA	95758	(916) 691-3300	(916) 691-3304	Tollefson, Don; Tollefson, Ryan
945 W. Valley Pkwy		Escondido	CA	92025	(760) 839-0001	(760) 839-0055	Schaumann, Emily; Schaumann, Peter
3312 W Shaw Ave		Fresno	CA	93711	(559) 277-8288	(559) 277-8806	Wong, Jenny; Wong, Tang
23645 El Toro Rd	Suite C	Lake Forest	CA	92630	(949) 206-0152	(949) 206-0162	Schaumann, Emily; Schaumann, Peter
3000 McHenry Ave	Suite 1	Modesto	CA	95350	(209) 529-0600	(209) 529-0604	Rice, Juleana; Stokes, Jerry J Jr.; Stokes, Jerry L Sr.
1355 Churn Creek Rd	Suite C-8	Redding	CA	96003	(530) 221-5415	(530) 221-5413	Riley, Michael; Riley, Norma
910 Pleasant Grove Blvd	Suite 100	Roseville	CA	95678	(916) 786-2222	(916) 786-2220	Tollefson, Don; Tollefson, Ryan
1632 Howe Avenue		Sacramento	CA	95825	(916) 333-5080	(916) 333-5078	Tollefson, Don; Tollefson, Ryan
2419 El Cajon Blvd		San Diego	CA	92104	(619) 543-1101	(619) 543-1102	Peterson, Jake

Address 1	Address 2	City	State	Zip	Phone Nbr	Fax Nbr	Owners
1450 Bush St		San Francisco	CA	94109	(415) 885-5500	(415) 885-5510	Schultz, Sharon; Schultz, Tom
3410 Stevens Creek Blvd	Suite 100	San Jose	CA	95117	(408) 538-3333	(408) 244-3398	Dorward, Juliane; Dorward, Neill
481 Madonna Rd	Suite D	San Luis Obispo	CA	93405	(805) 541-9901	(805) 541-9903	Shaffer, Jeff
2064 4th St		San Rafael	CA	94901	(415) 455-9221	(415) 455-9619	Perin, Gwen; Perin, William
101 Mount Hermon Rd		Scotts Valley	CA	95066	(831) 439-6720	(831) 439-6723	Milligin, Norma
3330 East Hammer Lane	Suite E	Stockton	CA	95212	(209) 952-1438	(209) 952-1684	Bhinder, Singh S
1742 N Moorpark Rd		Thousand Oaks	CA	91360	(805) 494-8484	(805) 494-8486	Hirth, Debra; Hirth, Gary
1725 S Victoria Ave	Suite B	Ventura	CA	93003	(805) 658-6400	(805) 658-1058	Johnson, Ray; Johnson, Steve
2070 Hacienda Dr	Suite D	Vista	CA	92081	(760) 940-0940	(760) 631-7396	Schaumann, Emily; Schaumann, Peter
759 Ikea Court		West Sacramento	CA	95605	(916) 737-5959	(916) 737-5955	Tollefson, Don; Tollefson, Ryan
1199 Butte House Rd	Suite D	Yuba City	CA	95991	(530) 671-9905	(530) 671-9907	Riley, Michael; Riley, Norma
994 S. Ablene Street		Aurora	CO	80012	(303) 745-3333	(303) 745-3332	Wiles, Jerry; Wiles, Stephen
2700 28th Street		Boulder	CO	80301	(303) 444-0000	(303) 444-8844	Wiles, Jerry; Wiles, Stephen
4625 Trail Boss Dr		Castle Rock	CO	80104	(303) 663-3744	(303) 663-3724	Reese, Larry; Reese, Steve
8202 S. University Blvd		Centennial	CO	80122	(303) 771-7112	(303) 771-7221	Wiles, Jerry; Wiles, Stephen
2713 Janitell Rd	Suite #160	Colorado Springs	CO	80906	(719) 219-0323	(719) 219-0325	Varley, Carol; Varley, Dix
3320 Austin Bluffs Pkwy		Colorado Springs	CO	80918	(719) 599-9554	(719) 599-3921	Varley, Carol; Varley, Dix
5620 E. Woodmen Rd		Colorado Springs	CO	80920	(719) 572-7300	(719) 572-7299	Varley, Carol; Varley, Dix
2600 S. Colorado Blvd.		Denver	CO	80222	(303) 504-0101	(303) 504-0770	Wiles, Jerry; Wiles, Stephen
1107 W. Drake	Suite #400	Fort Collins	CO	80526	(970) 206-0206	(970) 206-0207	Ptacek, Jon; Ptacek, Lorraine; Ptacek, Warren
578 25 Road		Grand Junction	CO	81505	(970) 245-7000	(970) 245-7192	McCallum, Michael C; McCallum, Ryan
4330 Center Place Drive	Unit 618	Greeley	CO	80634	(970) 506-0551	(970) 339-8140	Wiles, Jerry; Wiles, Stephen
14680 W. Colfax Avenue	Suite 130	Lakewood	CO	80401	(303) 238-5264	(303) 279-7407	Wiles, Jerry; Wiles, Stephen
8601 W. Cross Drive	Suite #2A	Littleton	CO	80123	(303) 973-4000	(303) 973-8700	Wiles, Jerry; Wiles, Stephen
1020 Ken Pratt Blvd	Suite E	Longmont	CO	80501	(303) 485-8389	(303) 485-0107	Ptacek, Lorraine; Ptacek, Warren
1439 N Denver Ave		Loveland	CO	80538	(970) 776-1515	(970) 776-1513	Ptacek, Jon; Ptacek, Lorraine; Ptacek, Warren
11355 S. Parker Road	#101	Parker	CO	80134	(303) 805-5822	(303) 805-5828	Wiles, Jerry; Wiles, Stephen
1408 U.S. Hwy 50W		Pueblo	CO	81008	(719) 583-8766	(719) 583-8762	Varley, Carol; Varley, Dix
10339 N. Federal Blvd	Suite #400	Westminster	CO	80260	(303) 438-0009	(303) 438-0669	Wiles, Jerry; Wiles, Stephen
2460 Dixwell Avenue	Suite D	Hamden	CT	06518	(203) 823-9481	(203) 691-6294	Lacey, Kimberly; Murphy, John
179 Deming Street		Manchester	CT	06042	(860) 432-1401	(860) 432-1420	Devanna, Bob; Devanna, Janet
481 Boston Post Road		Orange	CT	06477	(203) 298-9865	(203) 298-9867	Cowern, Ed; Cowern, Joe
459 W. State Road 436		Altamonte Springs	FL	32714	(407) 788-7772	(407) 788-1769	Baumann, Craig; LeBoeuf, Patrick
24830 S Tamiami Trail	Suite 2000	Bonita Springs	FL	34134	(239) 405-8143	(239) 405-8317	Fry, Jason
6240 14th Street West		Bradenton	FL	34207	(941) 752-0812	(941) 739-6962	Cooper, Steve
1926 W. Brandon Blvd.		Brandon	FL	33511	(813) 689-3300	(813) 689-8300	Kasper, Joe; Snyder, Dan
900 SW Pine Island Road	Suite #118	Cape Coral	FL	33991	(239) 673-8545	(239) 673-8547	Fry, Jason
28560 US Hwy. 19 North		Clearwater	FL	33761	(727) 726-0228	(727) 724-6597	Cooper, Steve
1120 East Hwy 50	Suite 103	Clermont	FL	34711	(352) 432-1850	(352) 432-1860	Kasper, Joe; Snyder, Dan
4450 N State Rd 7	Suite 4-5	Coconut Creek	FL	33073	(954) 623-6066	(954) 623-6078	Brammeier, Dennis; Brammeier, Marc
2400 W International Speedway Blvd	Suite 710	Daytona Beach	FL	32114	(386) 255-2800	(386) 255-2828	Cohen, Dave; Cohen, Melissa
5947 Factory Shops Blvd		Ellenton	FL	34222	(941) 722-3160	(941) 723-9548	Cooper, Steve
601 Eglin Parkway		Fort Walton Beach	FL	32547	(850) 362-0214	(850) 362-1022	Fuqua, David
1551 E. Commercial Blvd		Ft Lauderdale	FL	33334	(954) 771-0838	(954) 771-1649	Carleton, Gary; Carleton, Vickie
1360 SE 17th Street		Ft Lauderdale	FL	33316	(954) 306-8563	(954) 835-5483	Reidy, David
11200 S. Cleveland Avenue		Ft Myers	FL	33907	(239) 278-3388	(239) 278-5475	Fry, Jason
3318 SW 35th Blvd		Gainesville	FL	32608	(352) 872-5920	(352) 872-5921	Kasper, Joe; Snyder, Dan
3747 Southside Blvd		Jacksonville	FL	32216	(904) 620-9992	(904) 620-9611	Garth, Griffin
10991-56 San Jose Blvd		Jacksonville	FL	32223	(904) 886-2800	(904) 886-2822	Garth, Griffin
790 Skymarks Drive	Suite 105	Jacksonville	FL	32218	(904) 503-9200	(904) 503-9181	Kasper, Joe; Snyder, Dan
6390 W. Indiantown Rd	Suite 36	Jupiter	FL	33458	(561) 743-7733	(561) 743-7731	Scialla, Rob; Taliercio, Dave
3308 Greenwald Way North		Kissimmee	FL	34741	(407) 910-4466	(407) 910-4467	Kasper, Joe; Snyder, Dan
1250 Northlake Blvd		Lake Park	FL	33403	(561) 881-8900	(561) 881-8020	Phipps, Brenda; Phipps, Rick
24174 Hwy 27	Suite 700	Lake Wales	FL	33859	(863) 679-3900	(863) 679-3901	Huston, Robert; Seltveit, Gregory

Address 1	Address 2	City	State	Zip	Phone Nbr	Fax Nbr	Owners
6250 Lantana Road	Suite 1	Lake Worth	FL	33463	(561) 304-0707	(561) 304-0808	Phipps, Brenda; Phipps, Rick
230 N. Florida Avenue		Lakeland	FL	33801	(863) 686-4888	(863) 686-4877	Kasper, Joe; Snyder, Dan
13002 Seminole Blvd, Suite 1		Largo	FL	33778	(727) 586-4357	(727) 586-4520	Cooper, Steve
5000 N. Wickham Road	Suite 101	Melbourne	FL	32940	(321) 752-4984	(321) 752-4997	Martinez, Jesse
925 N. Courtenay Pkwy	Suite 1	Merritt Island	FL	32953	(321) 459-1393	(321) 752-4997	Martinez, Jesse; Martinez, Salu
17501 S. Dixie Hwy.		Miami	FL	33157	(305) 278-8004	(305) 278-8005	Canda, Miguel
6400 S. Dixie Hwy.	Suite 3	Miami	FL	33143	(305) 661-4567	(305) 661-4597	Dorta, Butch; Quinones, Carlos
5640 NW 167th Street		Miami Lakes	FL	33014	(305) 626-8700	(305) 626-3922	Kesl, Charles
17195 US Hwy 441	Suite 101	Mount Dora	FL	32757	(352) 483-1122	(352) 483-0108	Baumann, Craig; LeBoeuf, Patrick
1811 Tamiami Trail N		Naples	FL	34102	(239) 261-9790	(239) 261-9418	Fry, Jason
5644 US Hwy 19		New Port Richey	FL	34652	(727) 849-6700	(727) 849-6770	Barron, Bob
1759 NE 163rd St		North Miami Beach	FL	33162	(305) 749-6302	(305) 749-6755	Arossa, Jose; Arossa, Tomas
3950 SW College Rd	Suite 101	Ocala	FL	34474	(352) 873-6800	(352) 873-6803	Kasper, Joe; Snyder, Dan
10809 W. Colonial Drive		Ocoee	FL	34761	(407) 877-7788	(407) 654-5805	Baumann, Craig; LeBoeuf, Patrick
36 A Blanding Blvd		Orange Park	FL	32073	(904) 375-0495	(904) 375-2370	Garth, Griffin
9251 S. Orange Blossom Trail		Orlando	FL	32837	(407) 816-7001	(407) 857-8446	Kozlowski, Dave; Middleton, Daniel
3813 E Colonial Dr		Orlando	FL	32803	(407) 228-9969	(407) 228-9967	Baumann, Craig; LeBoeuf, Patrick
4192 Conroy Rd.	Suite 111	Orlando	FL	32839	(407) 745-0606	(407) 901-4311	Kasper, Joe; Snyder, Dan
1100 N Alafaya Trail	Suite 150	Orlando	FL	32828	(407) 392-0899	(407) 392-0898	Kasper, Joe; Snyder, Dan
1150 Malabar Rd. SE	Suite 101	Palm Bay	FL	32909	(321) 282-3334	(321) 752-4997	Martinez, Jesse; Martinez, Salu
6895 N. 9th Avenue	Suite B	Pensacola	FL	32504	(850) 361-4621	(850) 361-4623	Anderson, Tim; Everett, Rich; Gann, Tony
6480 Park Blvd		Pinellas Park	FL	33781	(727) 545-9298	(727) 541-5287	Cooper, Steve
1690 Tamiami Trail		Port Charlotte	FL	33948	(941) 766-1400	(941) 624-4496	Brummett, Ingrid E; Helling, Gayle E; Helling, Tracy D
1812 Dunlawton Ave		Port Orange	FL	32127	(386) 788-8755	(386) 845-0238	Cohen, Dave; Cohen, Melissa
551 N. State Road 7	Suite 102	Royal Palm Beach	FL	33411	(561) 333-5332	(561) 333-5662	Phipps, Brenda; Phipps, Rick
1649 Rinehart Road		Sanford	FL	32771	(407) 936-1648	(407) 936-1693	Hawksworth, Simon; Kempton, Helen
4401 Bee Ridge Road		Sarasota	FL	34233	(941) 377-4441	(941) 342-0798	Cooper, Steve
1949 US Hwy 27 North		Sebring	FL	33870	(863) 382-2090	(863) 382-2126	Huston, Robert; Seltveit, Gregory
13176 Cortez Blvd	Unit 40	Spring Hill	FL	34613	(352) 556-5242	(352) 610-9908	Barron, Bob
2002 S. Federal Highway		Stuart	FL	34994	(772) 287-7131	(772) 287-7173	Scialla, Rob; Taliercio, Dave
6672 Thomasville Road	Unit 3	Tallahassee	FL	32312	(850) 629-4175	(850) 629-4185	Clarke, Jim
138 South Dale Mabry		Tampa	FL	33609	(813) 873-2600	(813) 873-1600	Kasper, Joe; Snyder, Dan
1703 W. Fletcher		Tampa	FL	33612	(813) 960-5667	(813) 960-9712	Cooper, Steve
5537 Sheldon Road	Unit Z	Tampa	FL	33615	(813) 885-6000	(813) 884-1790	Cooper, Steve
511 US Highway 41 Bypass N		Venice	FL	34285	(941) 488-2120	(941) 488-5160	Hocknell, Mary V; Uselis, Edward
1820 58th Avenue	Suite 102	Vero Beach	FL	32966	(772) 617-2403	(772) 257-6103	Casey, Brenda; Shupe, John; Shupe, Jordan
775 Cypress Gardens Blvd		Winter Haven	FL	33880	(863) 576-1230	(863) 576-1231	Kasper, Joe; Snyder, Dan
5304 Windward Pkwy	Suite #105	Alpharetta	GA	30004	(678) 893-9990	(678) 893-9992	Bogdanovich, Noelle; Bogdanovich, Ron
3149 Atlanta Hwy	Suite #101	Athens	GA	30606	(706) 354-8444	(706) 354-8020	Padilla, Jason
4418 Roswell Road, NE		Atlanta	GA	30342	(404) 256-0310	(404) 256-0285	Cyphers, John; Cyphers, Patricia; Rooker, Donald; Schmalz, Patrick
226 Robert C. Daniel Parkway	Augusta Exchange	Augusta	GA	30909	(706) 733-1113	(706) 733-3445	Voss, Lisa M; Voss, Rick
1133 East West Connector	Suite 380	Austell	GA	30106	(678) 556-0909	(678) 556-0908	Kollen, Lane; Kollen, Margaret N
1935 Buford Mill Dr	Suite I	Buford	GA	30519	(770) 614-7037	(770) 614-7039	Ingalls, Richard
4015 Veterans Court	Suite A	Columbus	GA	31909	(706) 320-2014	(706) 507-2007	Bailey, Mac
1895 Highway 20 South		Conyers	GA	30013	(770) 761-8124	(770) 761-6975	Bailey, Mac
906 Market Place Blvd	Suite 102	Cumming	GA	30041	(770) 781-6460	(770) 781-6458	Bogdanovich, Noelle; Bogdanovich, Ron
3932 North Druid Hills Rd	Suite A	Decatur	GA	30033	(770) 414-6979	(770) 414-6980	Riner, June; Watts, Jane; Watts, Jean
9641 Hwy 5	Suite C	Douglasville	GA	30135	(770) 489-6402	(770) 489-6404	Kollen, Lane; Kollen, Margaret N
2045 Pleasant Hill Rd.		Duluth	GA	30096	(770) 495-1644	(770) 495-1640	Bailey, Mac
4431 Washington Rd	Suite 2	Evans	GA	30809	(706) 364-3215	(706) 364-3265	Voss, Lisa M; Voss, Rick

Address 1	Address 2	City	State	Zip	Phone Nbr	Fax Nbr	Owners
975 Dawsonville Hwy		Gainesville	GA	30501	(770) 287-3731	(770) 287-3732	Bogdanovich, Noelle; Bogdanovich, Ron
5805 Statebridge Road	Suite W	Johns Creek	GA	30097	(770) 232-9292	(770) 232-9242	Bogdanovich, Noelle; Bogdanovich, Ron
2953 Cobb Parkway NW	Mack Dobbs Pt Shopping Ctr	Kennesaw	GA	30152	(678) 331-1416	(678) 331-1588	Kollen, Lane; Kollen, Margaret N
905 Parkside Walk Lane		Lawrenceville	GA	30043	(770) 338-1485	(770) 338-1487	Ingalls, Richard; Padilla, Jason
265 Tom Hill Sr. Blvd	Suite A	Macon	GA	31210	(478) 405-9192	(478) 405-9404	Bailey, Mac
51 Cobb Pkwy SE		Marietta	GA	30060	(770) 421-0220	(770) 421-0059	Cyphers, John; Cyphers, Patricia; Rooker, Donald; Schmalz, Patrick
4101 Roswell Road	Suite 305/306	Marietta	GA	30062	(678) 539-6761	(404) 506-9900	Cyphers, John; Cyphers, Patricia; Rooker, Donald; Schmalz, Patrick
170 Peachtree East Shopping Center		Peachtree City	GA	30269	(770) 692-4273	(678) 833-3729	Riner, June; Watts, Jane; Watts, Jean
503 Turner McCall Blvd		Rome	GA	30165	(706) 295-0005	(706) 295-0006	Morris, Andy; Walraven, Colby; Walraven, Resinald
755B Holcomb Bridge Rd.		Roswell	GA	30075	(770) 587-0990	(770) 587-0334	Bailey, Mac
7170 Hodgson Memorial Drive		Savannah	GA	31406	(912) 352-0650	(912) 352-9792	Johnson, Russ; Kennedy, Bates
2324 Ronald Reagan Pkwy		Snellville	GA	30078	(770) 972-4142	(770) 972-4885	Bailey, Mac
1540 Hudson Bridge Road	Suite A-12	Stockbridge	GA	30281	(770) 474-5999	(770) 692-1934	Riner, June; Watts, Jane; Watts, Jean
9820 Hwy 92		Woodstock	GA	30188	(770) 852-2282	(770) 852-2280	Bogdanovich, Noelle; Bogdanovich, Ron
909 SE Oralabor Road		Ankeny	IA	50021	(515) 289-0800	(515) 289-2397	Olsen, Amy; Olsen, Todd
266 Blairs Ferry Road, NE		Cedar Rapids	IA	52402	(319) 447-4640	(319) 447-4769	Dengler, Ron
2439 2nd Street	Suite 1	Coralville	IA	52241	(319) 351-5119	(319) 351-3595	Khaliq, Karen; Vucic, Adam
901 E Kimberly Rd	Old Town Mall	Davenport	IA	52807	(563) 388-0808	(563) 391-5848	Khaliq, Karen; Vucic, Adam
3421 Singing Hills Blvd		Sioux City	IA	51106	(712) 222-1020	(712) 222-1019	Lengkeek, Jerry; Lengkeek, Lynn; Moore, Joshua
3001 100th Street		Urbandale	IA	50322	(515) 253-9999	(515) 309-3059	Olsen, Amy; Olsen, Todd
2090 S. Cole Road	Suite #101	Boise	ID	83709	(208) 672-1274	(208) 672-1855	Sellin, Karen; Sellin, Thomas
217 W Canfield Ave		Coeur D Alene	ID	83815	(208) 772-8400	(208) 772-8411	Keegan, John; Lanyon, Doug
2182 Channing Way		Idaho Falls	ID	83404	(208) 552-0215	(208) 522-3851	Lewis, Laura S
16174 Midland Blvd.		Nampa	ID	83687	(208) 938-4550	(208) 939-9556	Sellin, Karen; Sellin, Thomas
4141 Poleline Rd	Suite A	Pocatello	ID	83202	(208) 232-2665	(208) 269-7254	Lewis, Laura S
2933 Kirk Road	Suite 103	Aurora	IL	60502	(630) 820-4880	(630) 820-5510	Wiermanski, Jerry; Wiermanski, Marie
2109 N. Veterans Pkwy	Suite #13	Bloomington	IL	61704	(309) 663-2200	(309) 661-2125	Khaliq, Karen; Vucic, Adam
1231 West Boughton Road		Bolingbrook	IL	60440	(630) 945-4925	(630) 596-0877	Carradus, Brian; Carradus, Dean; Carradus, Fran
2051 N. Clybourn Ave	Suite 9	Chicago	IL	60614	(773) 645-4420	(773) 645-4423	Bessey, Brian; Bessey, Paul
300 Avenue of the Cities		East Moline	IL	61244	(309) 764-9555	(309) 203-1441	Khaliq, Karen; Vucic, Adam
705 West Camp Street		East Peoria	IL	61611	(309) 694-0639	(309) 694-0916	Miller, Cheryl; Miller, Robert
352 S. Randall Rd		Elgin	IL	60123	(847) 289-8990	(847) 289-8922	Rechkemmer, Joleen; Rechkemmer, Mike
513 Lincoln Hwy		Fairview Heights	IL	62208	(618) 622-0035	(618) 622-0098	Donnell, Steve
1492 S. Randall Road	Unit C	Geneva	IL	60134	(630) 313-5700	(630) 313-5701	Ament, Brad; Stewart, Pete
481 Roosevelt Road		Glen Ellyn	IL	60137	(630) 790-8100	(630) 790-8101	Ament, Brad; Stewart, Pete
17958 S. Halsted St		Homewood	IL	60430	(708) 206-9999	(708) 206-9972	Jensen, Mark; Jensen, Marnie
409 Rand Rd		Lake Zurich	IL	60047	(847) 550-6545	(847) 550-6452	Bessey, Brian; Bessey, Paul
1512 E Riverside Blvd		Loves Park	IL	61111	(815) 636-2630	(815) 636-2629	Lunnon, Scott
1212 East Central Rd		Mount Prospect	IL	60056	(847) 818-0659	(847) 818-0710	Frederick, Leo G
115 E. Ogden Ave		Naperville	IL	60563	(630) 355-6822	(630) 355-6874	Bessey, Brian; Bessey, Paul
5708 W. Touhy Avenue		Niles	IL	60714	(847) 647-9100	(847) 647-9102	Cormany, David; Koerner, Robert; Larry, Steven; Sarner, Gary; Thoke, Steve
6227 W. 95th St		Oak Lawn	IL	60453	(708) 499-6977	(708) 499-9472	Bessey, Brian; Bessey, Paul
7111 W. North Avenue		Oak Park	IL	60302	(708) 948-7885	(708) 948-7657	Cormany, David; Koerner, Robert; Larry, Steven; Sarner, Gary; Thoke, Steve
8001 N University	Suite 1-D	Peoria	IL	61615	(309) 693-0567	(309) 693-0678	Miller, Cheryl; Miller, Robert
1825 South Perryville Rd	Suite A	Rockford	IL	61112	(815) 226-4505	(815) 226-4704	Lunnon, Scott
100A E. Golf Road		Schaumburg	IL	60173	(630) 380-5000	(630) 380-5001	Ament, Brad; Stewart, Pete
2400 West Wabash Ave		Springfield	IL	62704	(217) 679-2345	(217) 679-3795	Donnell, Brent; Donnell, Steve
1565 Dekalb Ave	Suite B	Sycamore	IL	60178	(815) 991-9041	(815) 991-9042	Lunnon, Scott
16205-A S Harlem Ave		Tinley Park	IL	60477	(708) 614-5055	(708) 614-5057	Jensen, Mark; Jensen, Marnie

Address 1	Address 2	City	State	Zip	Phone Nbr	Fax Nbr	Owners
240 E. Roosevelt Rd	Unit B	Villa Park	IL	60181	(630) 279-3478	(630) 279-3589	Bessey, Brian; Bessey, Paul
4644 S Scatterfield Rd		Anderson	IN	46013	(765) 644-2700	(765) 644-2703	Delaney, Bill
9655 E. U.S. Highway 36	Suite D	Avon	IN	46123	(317) 273-0687	(317) 273-0698	Eberly, Matt; Manwaring, Dan; Manwaring, Susan
1701 E 116th St		Carmel	IN	46032	(317) 575-8300	(317) 575-8309	Eberly, Matt; Manwaring, Dan; Manwaring, Susan
1305 Veterans Pkwy		Clarksville	IN	47129	(812) 913-0081	(812) 913-0083	Manwaring, Dan and Cooper, Rod
300 N Burkhardt Rd		Evansville	IN	47715	(812) 475-0972	(812) 475-0976	Erwin, Bill
105 W Washington Ctr Rd		Ft Wayne	IN	46825	(260) 471-2761	(260) 471-2860	Eberly, Matt; Manwaring, Dan; Manwaring, Susan
2300 E County Line Rd		Indianapolis	IN	46227	(317) 865-7710	(317) 865-7712	Eberly, Matt; Manwaring, Dan; Manwaring, Susan
4435 LaFayette Rd		Indianapolis	IN	46254	(317) 293-3555	(317) 293-3550	Eberly, Matt; Manwaring, Dan; Manwaring, Susan
7325 Pendleton Pike Rd		Indianapolis	IN	46226	(317) 543-9302	(317) 543-9303	Eberly, Matt; Manwaring, Dan; Manwaring, Susan
3633 State Road 38 East		Lafayette	IN	47905	(765) 449-8210	(765) 449-8216	Eberly, Matt; Manwaring, Dan; Manwaring, Susan
4343 S Franklin St		Michigan City	IN	46360	(219) 879-7394	(219) 879-7398	Wheatbrook, Dan
525 W Douglas Rd		Mishawaka	IN	46545	(574) 271-2931	(574) 271-2932	Eberly, Matt; Manwaring, Dan; Manwaring, Susan
2640 E. Conner Street		Noblesville	IN	46060	(317) 219-0007	(317) 219-0009	Eberly, Matt; Manwaring, Dan; Manwaring, Susan
3741 National Rd. E		Richmond	IN	47374	(765) 935-2288	(765) 935-5505	Alvarez, Alisa; Alvarez, John; Grota, Linda
2233 South 3rd St		Terre Haute	IN	47802	(812) 234-3804	(812) 234-0635	Erwin, Bill
2307 LaPorte Ave	Suite #3	Valparaiso	IN	46383	(219) 531-0300	(219) 464-0969	Wienhoft, Brett M; Wienhoft, Dale A; Wienhoft, Victoria E
4651 W. 6th Street	Suite 104	Lawrence	KS	66049	(785) 312-9300	(785) 331-2051	Patel, Ed
15135 W 119th St		Olathe	KS	66062	(913) 390-6601	(913) 390-6603	Suckow, Mark
13408 Metcalf Ave		Overland Park	KS	66213	(913) 897-4200	(913) 897-4212	Kopp, Dan
15323 W 67th Street		Shawnee	KS	66217	(913) 268-4646	(913) 268-4676	Suckow, Mark
6021 SW 29th St	Suite D	Topeka	KS	66614	(785) 228-9377	(785) 228-9378	Berry, Pat; Potts, Chris
7447 W. 21st St	Suite 133	Wichita	KS	67205	(316) 613-3872	(316) 613-3873	Berry, Pat; Potts, Chris
1150 US 31W		Bowling Green	KY	42101	(270) 393-8880	(270) 393-8882	Paschall, David; Paschall, Dorothy
948 N. Mulberry Street		Elizabethtown	KY	42701	(270) 982-5591	(270) 982-5593	Paschall, David; Paschall, Dorothy
7657 Mall Rd.		Florence	KY	41042	(859) 371-2288	(859) 371-0621	Duty, Chuck; Duty, Sharon
3094 Richmond Rd	Suite C	Lexington	KY	40509	(859) 266-0815	(859) 266-3288	Ritterling, Curtis
4523A Outer Loop		Louisville	KY	40219	(502) 969-1555	(502) 969-1532	Manwaring, Dan; Copper, Rod
12899 Shelbyville Rd		Louisville	KY	40243	(502) 253-0300	(502) 253-0887	Manwaring, Dan; Copper, Rod
4600 Shelbyville Road	Suite 404	Louisville	KY	40207	(502) 749-4111	(502) 749-4187	Manwaring, Dan; Copper, Rod
6504 Bardstown Road		Louisville	KY	40291	(502) 239-7323	(502) 239-7324	Manwaring, Dan; Copper, Rod
3525 Frederica St	Suite #3	Owensboro	KY	42301	(270) 684-3115	(270) 684-2166	Ritterling, Curtis
4392 S. Highway 27		Somerset	KY	42501	(606) 802-2689	(606) 802-2691	Paschall, David; Paschall, Dorothy
6555 Siegen Lane	Suite 4	Baton Rouge	LA	70809	(225) 615-8324	(225) 615-8387	LeBlanc, Kathi L; LeBlanc, Tim
2809 Louisville Avenue	Suite 1	Monroe	LA	71201	(318) 855-8260	(318) 855-8264	Bradley, Hicks Jr.; McAllister, Vance
7230 Youree Dr	Suite 108	Shreveport	LA	71105	(318) 797-0161	(318) 797-0162	Credeur, Toby
85-87 Andover Street	Suite 3	Danvers	MA	01923	(978) 774-4448	(978) 717-5828	Daher, Christopher; Daher, Sabah Hashem-
1340 Washington Street		Hanover	MA	02339	(781) 829-2287	(781) 829-2291	Vaughn, Michael
197 N Boston Post Rd W		Marlborough	MA	01752	(508) 485-9200	(508) 485-9240	Healy, Stanton
947 Worcester St.		Natick	MA	01760	(508) 655-7587	(508) 655-7589	Reny, Greg; Reny, Steve
405B Broadway		Saugus	MA	01906	(781) 233-7587	(781) 233-7588	Arneri, John A
999 Fall River Avenue		Seekonk	MA	02771	(508) 557-1481	(508) 557-1458	Tripp, Carl; Tripp, Lisa
173A Cambridge Rd		Woburn	MA	01801	(781) 933-9093	(781) 933-9793	Shea, Chris
6695-D Dobbin Rd		Columbia	MD	21045	(410) 309-9040	(410) 309-9042	McDougal, Brian; McDougal, Mark; Myers, Mike
11813 1/2 Reisterstown Rd.		Reisterstown	MD	21136	(410) 928-4800	(410) 346-5255	Myers, Dustin
1045 Rockville Pike		Rockville	MD	20852	(301) 738-0606	(301) 738-3795	McDougal, Brian; McDougal, Mark; Myers, Mike

Address 1	Address 2	City	State	Zip	Phone Nbr	Fax Nbr	Owners
29 E. Padonia Road		Timonium	MD	21093	(410) 628-7999	(410) 648-4028	Myers, Dustin; Myers, Lauren
42 Watkins Park Dr	Suite 11	Upper Marlboro	MD	20774	(301) 218-1630	(301) 218-1632	Evans, Marcus; Evans, Vil
11 Bangor Mall Blvd	Suite C	Bangor	ME	04401	(207) 947-8882	(207) 947-8884	Reilly, John M; Reilly, Lois H
3120 Packard Rd		Ann Arbor	MI	48108	(734) 975-2441	(734) 975-2469	Mallya, Krishna
3987 Baldwin Road		Auburn Hills	MI	48326	(248) 253-1080	(248) 253-1096	Kent, John Jr.
15611 S Helmer Rd		Battle Creek	MI	49015	(269) 965-6733	(269) 965-6734	Austin, Jim; Austin, Tom
4041 N Euclid Ave	Suite C	Bay City	MI	48706	(989) 667-8722	(989) 667-8723	Brothers, Tom; Lombard, Brian
2061 Hwy M 139		Benton Harbor	MI	49022	(269) 925-7374	(269) 925-7380	Proos, Robert; Riebel, David; Riebel, Sharon K; VanLuyn, Richard; Wright, Tim
34164 Woodward Ave		Birmingham	MI	48009	(248) 644-0666	(248) 644-0544	McGuirk, Michael; Murphy, Barry
2450 S Center Rd	Suite A	Burton	MI	48519	(810) 744-4140	(810) 744-4142	Butts, John; Butts, Sharon; Dombrowski, John
30760 Orchard Lake Rd		Farmington Hills	MI	48334	(248) 737-9140	(248) 737-9142	Kaplan, Bob
3082 44th Street SW		Grandville	MI	49418	(616) 301-0300	(616) 301-1900	Proos, Robert; Riebel, David; Riebel, Sharon K; VanLuyn, Richard; Wright, Tim
386 Bay Park Dr		Holland	MI	49424	(616) 396-9914	(616) 396-9915	Riebel, David
1401 N. West Avenue		Jackson	MI	49202	(517) 513-6070	(517) 789-9374	DenBoer, Doug; Herr, Steven; Leach, Steve; Schippers, Richard
3031 28th Street SE		Kentwood	MI	49512	(616) 575-0500	(616) 575-0700	Proos, Robert; Riebel, David; Schmuldt, Richard; VanLuyn, Richard; Wright, Tim
3415 E Saginaw St	Suite I	Lansing	MI	48912	(517) 203-0100	(517) 203-4146	DenBoer, Doug; Herr, Steven; Leach, Steve; Schippers, Richard
18443 Hall Road		Macomb	MI	48044	(586) 698-7354	(586) 741-5127	Henry, Jesse; Leach, Steve
31005 John R Road		Madison Heights	MI	48071	(248) 565-8483	(248) 565-8578	Hanna, Naseer
706 N Mission St		Mount Pleasant	MI	48858	(989) 779-0800	(989) 773-9329	DenBoer, Doug; Herr, Steven; Leach, Steve; Schippers, Richard
5839 Harvey St		Norton Shores	MI	49444	(231) 747-9168	(231) 747-9171	Proos, Robert; Riebel, David; Schmuldt, Richard; VanLuyn, Richard; Wright, Tim
41600 Ann Arbor Rd		Plymouth	MI	48170	(734) 254-9815	(734) 254-9817	Kaplan, Bob
5228 S Westnedge Ave		Portage	MI	49002	(269) 553-2355	(269) 553-2357	Riebel, David
31044 Gratiot Avenue		Roseville	MI	48066	(586) 200-2169	(586) 200-2197	Beltowski, Greg
2930 McCarty Rd	P.O. Box 5323	Saginaw	MI	48603	(989) 497-8288	(989) 497-8289	Brothers, Tom; Lombard, Brian
3371 South Airport Road West		Traverse City	MI	49684	(231) 421-9104	(231) 421-9103	Drainville, Tom
3575 Alpine Ave NW		Walker	MI	49544	(616) 647-0100	(616) 647-8590	DenBoer, Doug; Herr, Steven; Leach, Steve; Schippers, Richard
9064 Highland Road		White Lake	MI	48386	(248) 698-2152	(248) 698-2538	Kent, John Jr.
15445 Cedar Ave		Apple Valley	MN	55124	(952) 891-2300	(952) 891-2304	Criego, Bill; Criego, Laurie; Criego, Mike
9840 Lyndale Ave South		Bloomington	MN	55420	(952) 881-0747	(952) 881-3613	Criego, Bill; Criego, Laurie; Criego, Mike
923 Washington Street		Brainerd	MN	56401	(218) 824-8888	(218) 824-8889	Warren, Steve
7808 Lakeland Ave North		Brooklyn Park	MN	55445	(763) 424-5506	(763) 424-7775	Criego, Bill; Criego, Laurie; Criego, Mike
2740 Main St NW		Coon Rapids	MN	55448	(763) 331-3700	(763) 331-3062	Snyder, Dan; Snyder, Marylin
1348 Town Centre Drive		Eagan	MN	55123	(651) 209-9600	(651) 209-2777	Criego, Bill; Criego, Laurie; Criego, Mike
952 Prairie Center Drive		Eden Prairie	MN	55344	(952) 259-0000	(952) 259-0002	Criego, Bill; Criego, Laurie; Criego, Mike
18180 Zane Street NW		Elk River	MN	55330	(763) 274-2175	(763) 274-2546	Snyder, Dan; Snyder, Marylin
4769 Miller Trunk Hwy		Hermantown	MN	55811	(218) 723-1363	(218) 723-8139	Criego, Bill
111 Star Street		Mankato	MN	56001	(507) 344-1500	(507) 344-4350	Criego, Bill; Criego, Laurie; Criego, Mike
13650 Grove Drive		Maple Grove	MN	55311	(763) 416-9933	(763) 416-9988	Criego, Bill; Criego, Laurie; Criego, Mike
2832 White Bear Avenue		Maplewood	MN	55109	(651) 770-7451	(651) 770-2203	Snyder, Dan
4404 Nathan Lane		Plymouth	MN	55442	(763) 577-9830	(763) 557-6693	Criego, Bill; Criego, Laurie; Criego, Mike
2950 41st Street NW		Rochester	MN	55901	(507) 282-5767	(507) 282-5870	Potas, Roberta J; Potas, Ron
2215 Snelling Avenue N		Roseville	MN	55113	(651) 636-4200	(651) 582-0475	Snyder, Dan

Address 1	Address 2	City	State	Zip	Phone Nbr	Fax Nbr	Owners
2710 2nd Street South		Saint Cloud	MN	56301	(320) 240-2332	(320) 240-2333	Musech, Brian; Musech, Dolora
27 N. Benton Drive	Suite 27	Sauk Rapids	MN	56379	(320) 230-2332	(320) 257-8271	Musech, Brian; Musech, Dolora
1105 County Road 10		Spring Lake Park	MN	55432	(763) 784-3080	(763) 784-9532	Snyder, Dan
5717 Excelsior Blvd		St Louis Park	MN	55416	(952) 929-6699	(952) 929-4821	Criego, Bill; Criego, Laurie; Criego, Mike
1565 S. Robert Street		W Saint Paul	MN	55118	(651) 450-7756	(651) 450-1958	Snyder, Dan
1480 Weir Dr	STE 200	Woodbury	MN	55125	(651) 714-4846	(651) 714-9239	Snyder, Dan
14783 Manchester Rd		Ballwin	MO	63011	(636) 394-5757	(636) 527-3577	Donnell, Steve
8026 E 171st Street	Suite #100	Belton	MO	64012	(816) 322-3288	(816) 322-3386	Glatz, LuAnn; Glatz, Rick; Gordon, Jimmy; Gordon, Wanda
17406 Chesterfield Airport Rd		Chesterfield	MO	63005	(636) 778-1100	(636) 778-1102	Donnell, Steve
805 E. Nifong Blvd	Suite B	Columbia	MO	65201	(573) 443-4660	(573) 443-4667	Hanner, Chad M
12520 Olive Blvd.	Suite B	Creve Coeur	MO	63141	(314) 392-9939	(314) 392-9937	Donnell, Steve
113 N Highway 67		Florissant	MO	63031	(314) 838-2277	(314) 838-2341	Donnell, Steve
1922 Missouri Blvd.	Suite F	Jefferson City	MO	65109	(573) 635-5125	(573) 635-5059	Dullard, Steve Jr.; Dullard, Steve Sr.
1455 NE Douglas St		Lees Summit	MO	64086	(816) 554-7587	(816) 554-7589	Glatz, LuAnn; Glatz, Rick; Gordon, Jimmy; Gordon, Wanda
1912 Star Drive	Suite F	Liberty	MO	64068	(816) 415-0799	(816) 415-0337	Trotter, Jeff; Trotter, Kris
2216 S. Campbell		Springfield	MO	65807	(417) 823-8060	(417) 823-8832	Hanner, Chris
3567 Ritz Center		St. Louis	MO	63125	(314) 416-9555	(314) 416-9558	Donnell, Steve
4057 Veterans Memorial Pkwy		St. Peters	MO	63376	(636) 447-4385	(636) 447-2267	Donnell, Steve
8041 Watson Rd		Webster Groves	MO	63119	(314) 962-2237	(314) 962-2664	Jeziarski, Ron
381 Ridge Way		Flowood	MS	39232	(601) 500-5500	(855) 251-7339	Langley, Chad; Langley, John
5218 Goodman Road	Suite 103	Olive Branch	MS	38654	(662) 874-5032	(662) 420-7921	Gray, Jeff
7111 Southcrest Parkway		Southaven	MS	38671	(662) 772-5150	(662) 772-5155	Gray, Jeff
1145 Central Ave		Billings	MT	59102	(406) 896-8014	(406) 256-1462	Maki, Ron
502 Professional Dr		Bozeman	MT	59718	(406) 994-0044	(406) 922-0599	Maki, Ron
900 10th Avenue South	Suite #3	Great Falls	MT	59405	(406) 761-1238	(406) 452-9114	Brown, Mel; Brown, Monica; Storer, Beverly; Storer, Bob
3091 N Sanders St	Suite A	Helena	MT	59602	(406) 442-6323	(406) 442-6228	Brown, Mel; Brown, Monica; Storer, Beverly; Storer, Bob
2100 Stephens Ave	Suite 122	Missoula	MT	59801	(406) 829-8286	(406) 829-8413	Maki, Ron
2147 Ten-Ten Rd		Apex	NC	27539	(919) 303-1141	(919) 303-1142	Duehring, Jon; Duehring, Shirley
1863 Hendersonville Rd	Suite 131	Asheville	NC	28803	(828) 277-6776	(828) 277-6710	Snyder, Charles
2605 Alamance Road		Burlington	NC	27215	(336) 395-8747	(336) 395-8748	Nicholson, Eric
4425 Park Rd	Suite #150	Charlotte	NC	28209	(704) 333-3325	(704) 333-3385	Triplette, Keith
116 E. NC 54		Durham	NC	27713	(919) 484-1700	(919) 484-1701	Duehring, Jon; Duehring, Shirley
3610 Sycamore Dairy Rd		Fayetteville	NC	28303	(910) 860-1111	(910) 860-2400	Dail, Bill; Dail, Linda
1416 E Franklin Blvd		Gastonia	NC	28054	(704) 865-3447	(704) 865-3441	Dail, Bill; Dail, Linda
514 N Berkeley Blvd		Goldensboro	NC	27534	(919) 778-7344	(919) 778-7345	Dail, Bill; Dail, Linda
2709 Battleground Ave		Greensboro	NC	27408	(336) 286-7004	(336) 286-7008	Nicholson, Eric
740 SE Greenville Blvd	Suite 500-A	Greenville	NC	27858	(252) 353-8143	(252) 353-8145	Wenger, Vern
2100 N Main St	Suite 102	High Point	NC	27262	(336) 307-3808	(336) 307-3813	Nicholson, Eric
9934B Rose Commons Dr.		Huntersville	NC	28078	(704) 948-6012	(704) 948-6030	Rettammel, Richard
4225 Western Blvd	Suite #100	Jacksonville	NC	28546	(910) 938-9400	(910) 938-9402	Dail, Bill; Dail, Linda
2217-F Matthews Township Pkwy		Matthews	NC	28105	(704) 846-1260	(704) 846-1261	Lim, Charles
2504 M L King Jr Blvd		New Bern	NC	28562	(252) 288-5777	(252) 288-5755	Wenger, Vern
9939 Lee Street		Pineville	NC	28134	(704) 889-5420	(704) 889-7031	Triplette, Keith
4907 Atlantic Ave		Raleigh	NC	27616	(919) 790-1800	(919) 790-1801	Duehring, Jon; Duehring, Shirley
3625 S Wilmington St		Raleigh	NC	27603	(919) 661-9990	(919) 661-9393	Duehring, Jon; Duehring, Shirley
7880 Alexander Promenade Place	Suite 100	Raleigh	NC	27617	(919) 560-3200	(919) 560-3300	Doggett, Mark
1241 S. Main Street	Suite 4	Wake Forest	NC	27587	(919) 570-5100	(919) 570-5101	Duehring, Jon; Duehring, Shirley
5042 Market St	Suite B	Wilmington	NC	28405	(910) 792-1300	(910) 792-1328	Dail, Bill; Dail, Linda
4012 Oleander Dr		Wilmington	NC	28403	(910) 228-5970	(910) 228-5826	Dail, Bill; Dail, Linda
3620 Raleigh Rd Pkwy W		Wilson	NC	27896	(252) 265-9600	(252) 265-9601	Dail, Bill; Dail, Linda

Address 1	Address 2	City	State	Zip	Phone Nbr	Fax Nbr	Owners
636-D South Stratford Rd		Winston-Salem	NC	27103	(336) 794-0673	(336) 794-0675	Nicholson, Eric
2119 13th Avenue South	Unit #1	Fargo	ND	58103	(701) 232-3474	(701) 232-2103	Criego, Bill
2501 S. Columbia Rd.		Grand Forks	ND	58201	(701) 772-0092	(701) 772-0180	Criego, Bill
15514 Spaulding Plaza, Suite 101		Omaha	NE	68116	(402) 505-5464	(402) 505-8628	Pelach, Gary; Pelach, Mary
2606 S. 132nd Street	Sherwood Plaza	Omaha	NE	68144	(402) 933-5588	(402) 933-5585	Pelach, Gary; Pelach, Mary
4845 N. 90th Street		Omaha	NE	68134	(402) 572-1171	(402) 573-6914	Pelach, Gary; Pelach, Mary
464 S Willow St		Manchester	NH	03103	(603) 621-0100	(603) 621-0300	Kolodze, Dennis J
317 Amherst St		Nashua	NH	03063	(603) 883-5060	(603) 883-8041	Kolodze, Dennis J
2001 Woodbury Avenue	Suite #1	Newington	NH	03801	(603) 433-1677	(603) 433-1676	Kolodze, Dennis J
380 S Broadway		Salem	NH	03079	(603) 685-0293	(603) 685-0296	Kolodze, Dennis J
1771 Route 88		Brick	NJ	08724	(732) 903-7907	(732) 903-7612	Ellery, Mike; Haigh, David
285 State Route 18	Suite A-2	East Brunswick	NJ	08816	(732) 257-5555	(732) 257-8555	Ellery, Mike; Haigh, Dave
100 Route 9	Galleria Shopping Center	Manalapan	NJ	07726	(732) 410-8704	(732) 391-6713	Thompson, Cheryl; Thompson, Phil
171 US Hwy 1		Metuchen	NJ	08840	(732) 379-4001	(732) 710-3748	Demarco, Mark
1215 Route 73		Mt. Laurel	NJ	08054	(856) 638-0778	(856) 638-0770	Abbate, Roy
513 Route 22 West		North Plainfield	NJ	07060	(908) 279-6497	(908) 279-6718	Hynes, Dennis
669 Route 17 South		Paramus	NJ	07652	(201) 968-5027	(201) 968-5029	Davis, Tom III
308 Orlando Drive		Raritan	NJ	08869	(908) 218-3747	(908) 218-3798	Davey, Joe; Demarco, Mark
276 Route 10 West		Succasunna	NJ	07876	(973) 584-7000	(973) 584-7014	Fisher, Irving; Fisher, Tanya
2200 B Route 22 East		Union	NJ	07083	(908) 686-2005	(908) 686-0048	Cartagena, Angel
569 Route 10 East		Whippany	NJ	07981	(973) 781-9090	(973) 781-9666	Fisher, Irving; Fisher, Tanya
4000 San Mateo, N.E.		Albuquerque	NM	87110	(505) 888-1666	(505) 872-0771	Hrasky, Ervin & Sandra; Hrasky, Kassandra; Hrasky, Keith
4337 E Main St		Farmington	NM	87402	(505) 326-7300	(505) 326-7301	Evans, Karla; Pierce, Jearl R; Pierce, Phyllis
2240 E. Lohman	Unit 3	Las Cruces	NM	88001	(575) 525-2355	(575) 525-2356	Stone, Linda; Stone, Loren
1609 St Michaels Dr		Santa Fe	NM	87505	(505) 992-1181	(505) 992-1715	Hays, Jeffrey
1400 S Carson St		Carson City	NV	89702	(775) 884-0566	(775) 884-2992	Vergilio, Don
4579 W Flamingo Rd		Las Vegas	NV	89103	(702) 221-0065	(702) 222-0043	Brunhild, Mike; Brunhild, Rob; Miller, Jason; Rosen, Paul
111 N. Nellis Blvd	Suite 130	Las Vegas	NV	89110	(702) 221-0257	(702) 221-0259	Brunhild, Mike; Brunhild, Rob; Miller, Jason; Rosen, Paul
731 S. Rainbow Blvd	Suite A	Las Vegas	NV	89145	(702) 822-6940	(702) 822-6942	Brunhild, Mike; Brunhild, Rob; Miller, Jason; Rosen, Paul
2370 E Serene Ave	#220-3	Las Vegas	NV	89123	(702) 221-9315	(702) 364-8087	Brunhild, Mike; Brunhild, Rob; Miller, Jason; Rosen, Paul
4898 S Virginia St		Reno	NV	89502	(775) 825-0566	(775) 825-2966	Vergilio, Don
670 E Prater Way	Suite #102	Sparks	NV	89431	(775) 331-0566	(775) 331-0564	Vergilio, Don
6231 Jericho Turnpike		Commack	NY	11725	(631) 486-6697	(631) 486-6699	Kuzma, Peter; Palmer, Barbara; Palmer, Scott
1100 Jefferson	Suite #18B	Rochester	NY	14623	(585) 272-8787	(585) 272-8905	Grownney, Jim Jr.
300 Tarrytown Road		White Plains	NY	10607	(914) 997-9400	(914) 997-9401	Corpus, Eros; Corpus, Jennifer
3900 Medina Rd	Suite K	Akron	OH	44333	(330) 670-6161	(330) 670-9208	Burzminski, Mike; Davies, Greg
4496 State Route 725	Suite #3	Bellbrook	OH	45305	(937) 433-9222	(937) 433-8023	Alvarez, Alisa; Alvarez, John; Grota, Linda
12131 Royal Point Dr		Cincinnati	OH	45249	(513) 683-6300	(513) 683-9732	Alvarez, Alisa; Alvarez, John; Grota, Linda
7850 Beechmont Ave		Cincinnati	OH	45255	(513) 474-0895	(513) 474-1942	Alvarez, Alisa; Alvarez, John; Grota, Linda
5010 N. High St		Columbus	OH	43214	(614) 431-2665	(614) 431-9594	Sutton, Chris; Sutton, Steve
5960 Scarborough Blvd		Columbus	OH	43232	(614) 577-1998	(614) 431-9594	Sutton, Chris; Sutton, Steve
206 Springboro Pike		Dayton	OH	45449	(937) 938-5177	(937) 938-5467	Alvarez, Alisa; Alvarez, John; Grota, Linda
3515 York Commons Blvd		Dayton	OH	45414	(937) 424-2525	(937) 387-0687	Alvarez, Alisa; Alvarez, John; Grota, Linda
4681 Morse Road		Gahanna	OH	43230	(614) 498-2000	(614) 431-9594	Sutton, Chris; Sutton, Steve
2251 Stringtown Road		Grove City	OH	43123	(614) 594-5205	(614) 431-9594	Sutton, Chris; Sutton, Steve

Address 1	Address 2	City	State	Zip	Phone Nbr	Fax Nbr	Owners
4887 Princeton Rd		Hamilton	OH	45011	(513) 737-2444	(513) 737-3367	Taylor, Robin; Taylor, Todd
4514 Cemetery Rd		Hilliard	OH	43026	(614) 850-8090	(614) 431-9594	Sutton, Chris; Sutton, Steve
8593 Columbus Pike		Lewis Center	OH	43035	(614) 396-5490	(614) 431-9594	Sutton, Chris; Sutton, Steve
746 East Aurora Rd	Suite #12	Macedonia	OH	44056	(330) 467-8100	(330) 467-8115	Burzminski, Mike; Davies, Greg
6365 Mayfield Rd		Mayfield Heights	OH	44124	(440) 449-5555	(440) 446-1533	Burzminski, Mike; Davies, Greg
123 W. Kemper Road		Springdale	OH	45246	(513) 453-4080	(513) 802-5684	Alvarez, Alisa; Alvarez, John; Grota, Linda
1780 N. Bechtle Ave		Springfield	OH	45504	(937) 398-0044	(937) 398-0043	Alvarez, Alisa; Alvarez, John; Grota, Linda
3128 Secor Road		Toledo	OH	43606	(419) 724-5888	(419) 724-5889	Mallya, Krishna
1601 S. Broadway, Suite B		Edmond	OK	73013	(405) 796-7587	(405) 509-6772	Boozer, Brandon; Dennis, Marietta
1322 NW Sheridan Road		Lawton	OK	73505	(580) 248-7587	(580) 248-2255	Boozer, Brandon; Dennis, Marietta
7201 S. E. 29th	Suite 202	Midwest City	OK	73110	(405) 582-7587	(405) 582-7590	Boozer, Brandon; Dennis, Marietta
2401 West Main St.	Suite 104	Norman	OK	73069	(405) 455-7587	(405) 701-1609	Boozer, Brandon; Dennis, Marietta
6315 N. May Avenue	Suite A	Oklahoma City	OK	73112	(405) 842-7587	(405) 842-7577	Boozer, Brandon; Dennis, Marietta
7500 S. Santa Fe, Ste 200		Oklahoma City	OK	73139	(405) 631-7587	(405) 635-1235	Boozer, Brandon; Dennis, Marietta
10846 S. Memorial Drive	Suite 105	Tulsa	OK	74133	(918) 394-7587	(918) 394-7588	Whalen, Billy; Whalen, Sally
6554 E. 41st Street		Tulsa	OK	74145	(918) 627-1600	(918) 627-0402	Whalen, Billy; Whalen, Sally
12825 SW Canyon Rd		Beaverton	OR	97005	(503) 646-8892	(503) 643-5093	Perez, Jose; Perez, Mary Regina; Perez, Miguel; Perez, Tony
3194 N. Hwy 97	Suite 100	Bend	OR	97701	(541) 241-1130	(541) 241-1132	Perez, Jose; Perez, Mary Regina; Perez, Miguel; Perez, Tony
420 Coburg Rd		Eugene	OR	97401	(541) 349-5030	(541) 349-5026	Perez, Jose; Perez, Mary Regina; Perez, Miguel; Perez, Tony
2438 SE Burnside		Gresham	OR	97080	(503) 328-0009	(503) 328-0012	Perez, Jose; Perez, Mary Regina; Perez, Miguel; Perez, Tony
3599 Crater Lake Hwy		Medford	OR	97504	(541) 858-5103	(541) 776-4972	Butler, Sam; Lautenschleger, Dan; Pace, Randy
4812 SE 82nd Ave		Portland	OR	97266	(503) 771-1377	(503) 771-1371	Perez, Jose; Perez, Mary Regina; Perez, Miguel; Perez, Tony
3008 NE Broadway St		Portland	OR	97232	(503) 546-4962	(503) 546-4963	Perez, Jose; Perez, Mary Regina; Perez, Miguel; Perez, Tony
3001 NW Stewart Pkwy	Suite 106	Roseburg	OR	97471	(541) 673-7587	(541) 673-5075	Butler, Sam; Lautenschleger, Dan; Pace, Randy
3045 Lancaster Drive NE		Salem	OR	97305	(503) 581-4890	(503) 315-5704	Perez, Jose; Perez, Mary Regina; Perez, Miguel; Perez, Tony
7715 SW Nyberg St	Suite A	Tualatin	OR	97062	(503) 783-3252	(503) 783-3294	Perez, Jose; Perez, Mary Regina; Perez, Miguel; Perez, Tony
3021 Lehigh St		Allentown	PA	18103	(484) 221-8946	(610) 351-0280	Mazzante, Lou; Mazzante, Tom
2501 Gettysburg Rd		Camp Hill	PA	17011	(717) 730-7472	(717) 730-3745	Farrow, Dan; Farrow, Dave; Farrow, Robert B
3912 Library Rd		Castle Shannon	PA	15234	(412) 531-1690	(412) 531-0390	Ravasio, Michael
110 Lincoln Highway		Fairless Hills	PA	19030	(267) 583-3090	(267) 583-3089	Abt, Ted II; Abt, Teddy III
4513 Jonestown Rd		Harrisburg	PA	17109	(717) 652-1584	(717) 540-1945	Farrow, Dan; Farrow, Dave; Farrow, Robert B
3023 Columbia Ave		Lancaster	PA	17603	(717) 393-2200	(717) 393-1987	Myers, Barry; Myers, Dustin
3841 William Penn Hwy		Monroeville	PA	15146	(412) 531-1690	(412) 380-7225	Ravasio, Michael
4808 McKnight Rd		North Hills	PA	15237	(412) 531-1690	(412) 366-3676	Ravasio, Michael
402 Home Drive		Pittsburgh	PA	15275	(412) 531-1690	(412) 787-0393	Ravasio, Michael
984 Loucks Rd		York	PA	17404	(717) 718-3547	(717) 718-3549	Farrow, Dan; Farrow, Dave; Farrow, Robert B
Ave Comerio HF Plaza Local	Ste #2 - Unlimited Group Corp	Bayamon	PR	00961	(787) 995-6898	(787) 995-6899	Marin, Cesar; Torres, Rolando
Luis Munoz Marin Avenue	Urb. Caguas Norte AX-9	Caguas	PR	00725	(787) 743-6898	(787) 743-6899	Marin, Cesar; Torres, Rolando
Carr #2 Ave. Hostos 975, Mayaguez Mall	Suite 2215	Mayaguez	PR	00680	(787) 986-7878	(787) 986-7898	Marin, Cesar; Torres, Rolando
PR-2 Ponce By Pass Local 15	Valle Real Shopping Center	Ponce	PR	00731	(787) 812-3295	(787) 812-3889	Marin, Cesar; Torres, Rolando
2645 Whiskey Rd	Suite 111	Aiken	SC	29803	(803) 644-4994	(803) 644-4901	Voss, Lisa M; Voss, Rick

Address 1	Address 2	City	State	Zip	Phone Nbr	Fax Nbr	Owners
3319 North Main Street		Anderson	SC	29621	(864) 225-1111	(864) 225-5100	Bailey, Don
2031 Sam Rittenberg Blvd	Unit #102	Charleston	SC	29407	(843) 556-7700	(843) 556-7736	Johnson, Russ; Kennedy, Bates
252 B. Harbison Blvd		Columbia	SC	29212	(803) 744-3007	(803) 744-3010	Johnson, Russ; Kennedy, Bates
10159 Two Notch Rd	Suite B	Columbia	SC	29229	(803) 445-1260	(803) 445-1265	Johnson, Russ; Kennedy, Bates
6615 Calhoun Memorial Hwy		Easley	SC	29640	(864) 306-7811	(864) 306-7812	Johnson, Russ; Kennedy, Bates
650-A Pamplico Hwy		Florence	SC	29505	(843) 679-2240	(843) 679-2241	Dail, Bill; Dail, Linda
1791 Woodruff Rd		Greenville	SC	29607	(864) 254-0307	(864) 254-0315	Johnson, Russ; Kennedy, Bates
621 Johnnie Dodds Blvd	Plaza at East Cooper	Mount Pleasant	SC	29464	(843) 881-4710	(843) 884-9630	Johnson, Russ; Kennedy, Bates
850-A Jason Blvd		Myrtle Beach	SC	29577	(843) 839-0048	(843) 839-0451	Dail, Bill; Dail, Linda
6303 Rivers Ave	US Hwy 52	North Charleston	SC	29406	(843) 824-1210	(843) 824-1254	Johnson, Russ; Kennedy, Bates
2215 N Cherry Rd		Rock Hill	SC	29732	(803) 328-1110	(803) 328-1133	Dail, Bill; Dail, Linda
127 E Blackstock Rd	Suite #400	Spartanburg	SC	29301	(864) 576-3848	(864) 576-4133	Johnson, Russ; Kennedy, Bates
540 South Pike West		Sumter	SC	29150	(803) 934-8605	(803) 934-9516	Bruce, Billy
1315 Haines Avenue	Suite E	Rapid City	SD	57701	(605) 718-6000	(605) 718-8994	Goeller, Gary
3300 S. Shirley Avenue		Sioux Falls	SD	57106	(605) 362-1050	(605) 362-0527	Pelach, Gary; Pelach, Mary
220 Hamilton Crossing Dr		Alcoa	TN	37701	(865) 983-1901	(865) 983-1902	Williams, Todd
6115 Stage Road		Bartlett	TN	38134	(901) 384-1933	(901) 384-1937	Gray, Jeff
1925 Gunbarrel Rd	Suite A-101	Chattanooga	TN	37421	(423) 499-1199	(423) 499-1196	Williams, Todd
2512 A Wilma Rudolph Blvd		Clarksville	TN	37040	(931) 647-5200	(931) 647-5290	Paschall, David; Paschall, Dorothy
615 Paul Huff Parkway	Suite 101	Cleveland	TN	37312	(423) 790-7761	(423) 790-7763	Williams, Todd
1545 Nashville Pike	Suite 104	Gallatin	TN	37066	(615) 461-8065	(615) 461-8067	Junker, David; Junker, Kathie
7850 Poplar Avenue	Suite #28	Germantown	TN	38138	(901) 752-0963	(901) 752-0629	Gray, Jeff
5550 Hwy 153	Suite #101	Hixson	TN	37343	(423) 874-1050	(423) 874-1052	Williams, Todd
100 Vann Drive	Suite K	Jackson	TN	38305	(731) 660-0600	(731) 660-0695	Gray, Jeff
222 N Peters Rd		Knoxville	TN	37923	(865) 692-0002	(865) 692-2028	Williams, Todd
766 Mt. Moriah		Memphis	TN	38117	(901) 821-0977	(901) 821-0955	Gray, Jeff
535 N Thompson Lane		Murfreesboro	TN	37129	(615) 895-4446	(615) 890-6658	Nightingale, Dan; Nightingale, Gita
3733 Nolensville Pike		Nashville	TN	37211	(615) 331-1551	(615) 331-1858	Boughner, Greg; Boughner, Mandy; Cowart, Linda; Cowart, Rusty
4151 Belt Line Rd	Ste #102	Addison	TX	75001	(972) 716-4144	(972) 716-4176	Pinch, Clayton; Pinch, Vicki
210 Central Expressway South	Suite 91	Allen	TX	75013	(972) 390-9300	(972) 390-9303	Pinch, Clayton; Pinch, Vicki
5073 S Coulter	Suite 1	Amarillo	TX	79109	(806) 358-7667	(806) 322-0108	Keiber, Bud
3301 I-40 West		Amarillo	TX	79109	(806) 322-3666	(806) 322-3664	Keiber, Bud
3430 S. Cooper St		Arlington	TX	76015	(817) 467-0613	(817) 557-2388	Tee, Lani; Tee, Stanley
1130 North Fielder Road		Arlington	TX	76012	(817) 274-1400	(817) 274-1405	Garth, Doc Sr.
7915 Burnet Rd		Austin	TX	78757	(512) 419-7587	(512) 419-1430	Patel, Kris
2300 S. Lamar	Suite #103	Austin	TX	78704	(512) 416-1191	(512) 416-7661	Patel, Kris
9001 Brodie Lane	Suite B-2	Austin	TX	78748	(512) 282-2207	(512) 282-2210	Picco, Kevin; Picco, Penny
12129 FM 620 N	Suite 101	Austin	TX	78750	(512) 219-5800	(512) 219-5802	Roten, Brad; Roten, Devon
6317 Bee Caves Road	Suite #300	Austin	TX	78746	(512) 327-5002	(512) 327-5004	Roten, Brad; Roten, Devon
4105 Dowlen Road	Unit J	Beaumont	TX	77706	(409) 225-5660	(409) 347-8266	Lee, Jennifer; Lee, Mabelle; Lee, Mickey; Lee, Toby
445 SW Wilshire Blvd.	Suite B	Burleson	TX	76028	(817) 447-5500	(817) 447-5591	Lancaster, Rick; Lancaster, Veronica
2277 N.W. Military Hwy	Suite 111	Castle Hills	TX	78213	(210) 308-0103	(210) 308-0109	Rohr, Jennifer L; Rohr, Jim C; Rohr, Linda M
2001 Texas Avenue S	Suite 600	College Station	TX	77840	(979) 696-7587	(888) 979-8122	Griffin, Suzanne L; Norris, Dennis
8000 State Highway 242	Suite 113-A	Conroe	TX	77385	(936) 321-7587	(936) 271-4894	Lee, Mickey; Lee, Toby
9100 N. Central Expressway	Suite #107	Dallas	TX	75231	(214) 234-0234	(214) 234-0233	Pinch, Vicki
1105 Dallas Dr		Denton	TX	76205	(940) 387-2040	(940) 387-4514	Hibberd, Larry; Sample, Jerry
6800 Gateway East	Suite 1C	El Paso	TX	79915	(915) 881-0744	(915) 881-0746	Gorman, Mike; Gorman, Patrick; Norton, Charlie
1718 Zaragoza	Suite B1	El Paso	TX	79936	(915) 856-0910	(915) 856-0930	Gorman, Mike; Gorman, Patrick; Norton, Charlie
5825 Camp Bowie Blvd		Fort Worth	TX	76107	(817) 377-2288	(817) 569-1615	Garth, Doc Sr.
5733 South Hulen St		Fort Worth	TX	76132	(817) 744-7636	(817) 744-7656	Garth, Doc Sr.

Address 1	Address 2	City	State	Zip	Phone Nbr	Fax Nbr	Owners
5636 North Tarrant Pkwy	Suite 106	Fort Worth	TX	76244	(817) 656-4471	(817) 656-4473	Merritt, Melody; Merritt, Wayne
4280 Lavon Drive	Suite #212	Garland	TX	75040	(214) 382-9838	(214) 382-9839	Smith, Dyann; Smith, Jim
360 W. Central Texas Expressway	Suite 201	Harker Heights	TX	76548	(254) 690-0115	(254) 690-0118	Badtram, Patricia; Badtram, Ralph
2662 S Gessner Rd		Houston	TX	77063	(713) 785-7587	(713) 785-6995	Redford, John; Romero, Arthur; Silberman, Jon; Wilhelm, Randy
10925 NW Freeway	Suite A	Houston	TX	77092	(713) 688-7587	(713) 688-2520	Redford, John; Romero, Arthur; Silberman, Jon; Wilhelm, Randy
4774 Beechnut St		Houston	TX	77096	(713) 668-7587	(713) 668-5907	Redford, John; Romero, Arthur; Silberman, Jon; Wilhelm, Randy
174 Yale Street	#700	Houston	TX	77007	(713) 637-4482	(832) 767-5682	Redford, John; Romero, Arthur; Silberman, Jon; Wilhelm, Randy
4765 FM 1960 West	Suite C	Houston	TX	77069	(281) 444-4484	(281) 444-4497	Lubeznik, Glenn; Winski, Scott
6073 Highway 6 North	Suite F	Houston	TX	77084	(281) 550-7587	(281) 550-7588	Lubeznik, Glenn; Winski, Scott
3909 Richmond Avenue		Houston	TX	77027	(713) 355-7587	(713) 355-7583	Redford, John; Romero, Arthur; Silberman, Jon; Wilhelm, Randy
2703 N Beltline Rd		Irving	TX	75062	(972) 256-2073	(972) 252-3775	Tee, Lani; Tee, Stanley
528 S Mason Rd		Katy	TX	77450	(281) 693-7587	(888) 979-8122	Griffin, Suzanne L; Norris, Dennis
6076 Azle Avenue		Lake Worth	TX	76135	(817) 585-1391	(817) 585-1393	Merritt, Melody; Merritt, Wayne
1093 W. Main St	Suite #222	Lewisville	TX	75067	(972) 219-7333	(972) 353-2718	Hibberd, Larry; Sample, Jerry
1205 E. Debbie Lane	Suite 113	Mansfield	TX	76063	(817) 225-4100	(817) 473-4701	Mallard, Neil
1980 N Central Expressway		McKinney	TX	75069	(972) 548-7740	(972) 548-7955	Dannelly, Darin; Dannelly, Gina
1220 N Town East Blvd	Suite 200	Mesquite	TX	75150	(972) 270-8000	(972) 270-8038	Papamihalis, Jason
5041 Davis Blvd		North Richland Hills	TX	76180	(817) 428-8658	(817) 428-4027	Garth, Doc Sr.
2510 Smith Ranch Rd	Suite 104	Pearland	TX	77584	(713) 436-5740	(713) 436-5466	Nair, Bindu S; Sreekumar, Sree
1201 South Jackson Rd	Unit 11	Pharr	TX	78577	(956) 961-4781	(956) 961-4783	Villarreal, Antonio; Villarreal, Laura
1725 North Central Expressway		Plano	TX	75075	(972) 423-6100	(972) 423-8271	Pinch, Vicki
4568 Hwy 121	Suite 104	Plano	TX	75024	(972) 335-0900	(972) 335-0915	Pinch, Clayton; Pinch, Vicki
1224 N. US Hwy 377	Suite 207	Roanoke	TX	76262	(682) 237-7820	(682) 237-7822	Gatlin, Felicia
2014 S Goliad Street	#150	Rockwall	TX	75087	(972) 771-7311	(214) 771-4201	Staples, John; Staples, Kevin
4002 FM 762	Suite #500	Rosenberg	TX	77469	(832) 595-8174	(888) 979-8122	Griffin, Suzanne L; Norris, Dennis
2541 South IH-35	Suite 600	Round Rock	TX	78664	(512) 600-7800	(512) 600-7801	Patel, Kris
4463 Sunset Drive		San Angelo	TX	76901	(325) 942-9535	(325) 942-9597	Brown, Kim; Brown, Richard
6891-3 Bandera Rd		San Antonio	TX	78238	(210) 647-0103	(210) 647-0158	Rohr, Jennifer L; Rohr, Jim C; Rohr, Linda M
2815 N Loop 1604E		San Antonio	TX	78232	(210) 496-0103	(210) 496-0109	Rohr, Jennifer L; Rohr, Jim C; Rohr, Linda M
11019 Culebra	Suite 103	San Antonio	TX	78253	(210) 688-6500	(210) 688-6501	Rohr, Jennifer L; Rohr, Jim C; Rohr, Linda M
119 SW Loop 410	Suite 131	San Antonio	TX	78245	(210) 509-0103	(210) 509-0109	Rohr, Jennifer L; Rohr, Jim C; Rohr, Linda M
1242 Austin Highway	Suite 104	San Antonio	TX	78209	(210) 598-0003	(210) 598-0062	Rohr, Jennifer L; Rohr, Jim C; Rohr, Linda M
4054 N US Hwy 75		Sherman	TX	75090	(903) 893-8881	(903) 893-8887	Dannelly, Darin; Dannelly, Gina
2757 E Southlake Blvd	Suite A-120	Southlake	TX	76092	(817) 488-6880	(817) 488-6884	Gatlin, Felicia
1609 Spring Cypress	Suite H	Spring	TX	77388	(832) 299-6678	(832) 299-6957	Lubeznik, Glenn; Winski, Scott
1531 S. Hwy 6	Suite 120	Sugar Land	TX	77478	(281) 565-1191	(281) 565-1194	Redford, John; Romero, Arthur; Silberman, Jon; Wilhelm, Randy
3550 S General Bruce Dr	Suite D106	Temple	TX	76504	(254) 773-4555	(254) 773-4550	Badtram, Patricia; Badtram, Ralph
4906 S. Broadway		Tyler	TX	75703	(903) 509-8400	(903) 509-8456	Martin, Guy
4300 W Waco Dr	Bldg A, Suite 3	Waco	TX	76710	(254) 776-6767	(254) 776-6771	Badtram, Patricia; Badtram, Ralph
2529 S. Main Street	Suite 104	Weatherford	TX	76087	(817) 599-8700	(817) 599-8709	Garth, Doc Sr.
599-A West Bay Area Blvd		Webster	TX	77598	(281) 332-1150	(281) 332-1142	Redford, John; Romero, Arthur; Silberman, Jon; Wilhelm, Randy
852 W Hill Field Rd		Layton	UT	84041	(801) 544-7111	(801) 544-8111	Hyatt, Greg; Osborn, Ronald
770 East Main Street		Lehi	UT	84043	(801) 341-8725	(801) 341-8769	Jones, Dave; Post-Jones, Serenity
51 E. 1600 North		North Logan	UT	84341	(435) 750-9999	(435) 750-6666	Marrott, Doug; Marrott, Keith
388 W University Pkwy		Orem	UT	84058	(801) 764-0444	(801) 764-0555	Marrott, Doug; Marrott, Keith
4093 Riverdale Rd.	Riverdale	Riverdale	UT	84405	(801) 689-2620	(385) 244-1880	Osborn, Ronald

Address 1	Address 2	City	State	Zip	Phone Nbr	Fax Nbr	Owners
293 East 3300 South		Salt Lake City	UT	84115	(801) 461-4988	(801) 461-9101	Bates, Lance S
69 West 10600 South		Sandy	UT	84070	(801) 816-9090	(801) 816-1506	Erickson, Brad J
1055 W Red Cliffs Dr	Suite E	Washington	UT	84780	(435) 627-9933	(435) 627-9938	Osborn, Ronald
6818 S. Redwood Rd		West Jordan	UT	84084	(801) 566-5525	(801) 912-0735	Bates, Lance S
3690-D King St		Alexandria	VA	22302	(703) 575-7711	(703) 575-4443	Mitchell, Aileen; Mitchell, Jason
3915 Centreville Rd	Suite A	Chantilly	VA	20151	(703) 817-1062	(703) 817-1547	Mitchell, Aileen; Mitchell, Jason
1401 Emmet Street North		Charlottesville	VA	22903	(434) 964-1999	(434) 964-1900	Mumma, Mort C
1020 Battlefield Blvd North		Chesapeake	VA	23320	(757) 548-5800	(757) 548-5387	Allan, Bob; Allan, Lelia
648 Southpark Blvd	Suite A	Colonial Heights	VA	23834	(804) 504-0001	(804) 722-5804	Mumma, Mort C
11213-G Lee Highway		Fairfax	VA	22030	(703) 273-0220	(703) 273-2438	Mitchell, Aileen; Mitchell, Jason
1918 William St		Fredericksburg	VA	22401	(540) 371-5500	(540) 372-6914	McDougal, Brian; McDougal, Mark; Myers, Mike
2040 Coliseum Dr	Suite A-13	Hampton	VA	23666	(757) 864-0315	(757) 864-0318	Walker, Kurt; Walker, Teresa
9422 W. Broad St		Henrico	VA	23294	(804) 934-0200	(804) 934-0219	Mumma, Mort C
10689 Studley Manor Dr	Suite 101	Manassas	VA	20109	(703) 330-7007	(703) 330-7005	Mitchell, Aileen; Mitchell, Jason
6493 Mechanicsville Turnpike		Mechanicsville	VA	23111	(804) 730-8500	(804) 730-8600	Mumma, Mort C
13920 Hull Street Road		Midlothian	VA	23112	(804) 739-7772	(804) 739-0766	Mumma, Mort C
663 Turnberry Blvd	Suite G	Newport News	VA	23602	(757) 874-7090	(757) 874-7092	Walker, Kurt; Walker, Teresa
222 West 21st Street		Norfolk	VA	23517	(757) 227-5333	(757) 227-5613	Allan, Bob; Allan, Lelia
10461 Midlothian Turnpike		North Chesterfield	VA	23235	(804) 320-7707	(804) 320-0775	Mumma, Mort C
6255 College Drive	Suite A-0	Suffolk	VA	23435	(757) 483-1106	(757) 483-8874	Allan, Bob; Allan, Lelia
4336 Virginia Beach Blvd	Suite C	Virginia Beach	VA	23452	(757) 431-1855	(757) 431-2655	Allan, Bob; Allan, Lelia
4655 Monticello Avenue	Suite 101	Williamsburg	VA	23188	(757) 345-6967	(757) 345-6968	Walker, Kurt; Walker, Teresa
14224 Jefferson Davis Hwy		Woodbridge	VA	22191	(703) 494-8400	(703) 497-7213	McDougal, Brian; McDougal, Mark; Myers, Mike
14917 NE 20th Street		Bellevue	WA	98007	(425) 562-5000	(425) 643-9873	Phillips, Daniel; Sheldon, Stephen
12816 SE 38th Street		Bellevue	WA	98006	(425) 641-2000	(425) 644-1010	Phillips, Daniel; Sheldon, Stephen
909 S.E. Everett Mall Way	Ste E-500	Everett	WA	98208	(425) 347-2021	(425) 347-8494	Cooper, Brett; Cooper, Robert
321 N. Columbia Center Blvd	Suite C	Kennewick	WA	99336	(509) 783-3400	(509) 783-4600	Keegan, John; Lanyon, Doug
4028 196th Street SW		Lynnwood	WA	98036	(425) 582-7350	(425) 582-2179	Cooper, Brett; Cooper, Robert
2905 Capital Mall Dr. SW		Olympia	WA	98502	(360) 570-0000	(360) 570-0111	Phillips, Daniel; Sheldon, Stephen
10210 123rd Street Ct. E	Suite A	Puyallup	WA	98374	(253) 770-3313	(253) 770-1501	Phillips, Daniel; Sheldon, Stephen
536 NE Northgate Way		Seattle	WA	98125	(206) 364-0446	(206) 364-1047	Cooper, Brett; Cooper, Robert
7704 N Division	Suite 3	Spokane	WA	99208	(509) 489-4226	(509) 489-5406	Keegan, John; Lanyon, Doug
11101 E Sprague Ave		Spokane	WA	99206	(509) 924-6645	(509) 924-5322	Keegan, John; Lanyon, Doug
4027 Tacoma Mall Blvd	STE M	Tacoma	WA	98409	(253) 476-2666	(253) 476-2777	Phillips, Daniel; Sheldon, Stephen
17065 Southcenter Pkwy		Tukwila	WA	98188	(206) 575-7539	(206) 575-7549	Phillips, Daniel; Sheldon, Stephen
1218 NE 88th St	Suite #120	Vancouver	WA	98665	(360) 213-0926	(360) 213-2099	Perez, Jose; Perez, Mary Regina; Perez, Miguel; Perez, Tony
2100A SE 164th Avenue		Vancouver	WA	98683	(360) 448-6003	(360) 448-6005	Perez, Jose; Perez, Mary Regina; Perez, Miguel; Perez, Tony
632 S. 9th Avenue		Walla Walla	WA	99362	(509) 529-7001	(509) 529-7055	Keegan, John; Lanyon, Doug
3115 E Hamilton Ave		Eau Claire	WI	54701	(715) 552-1939	(715) 552-1943	Potas, Roberta J; Potas, Ron
1051 Pearson Drive		Hudson	WI	54016	(715) 245-5595	(715) 245-5596	Snyder, Dan
4206 Mormon Coulee Road		La Crosse	WI	54601	(608) 782-7340	(608) 782-7343	Zemple, Rick
2739 Roosevelt Rd.	Suite D	Marinette	WI	54143	(715) 732-5000	(715) 732-5004	Zemple, Rick
5501 Hwy 10 East		Stevens Point	WI	54482	(715) 295-0388	(715) 295-0390	Zemple, Rick
4511 Rib Mountain Drive		Wausau	WI	54401	(715) 355-9201	(715) 355-9286	Zemple, Rick
314 Goff Mountain Rd	Suite #8	Cross Lanes	WV	25313	(304) 776-7006	(304) 776-7007	McDavid, Jon
5116 Frontier Mall Dr	Suite #200	Cheyenne	WY	82009	(307) 638-9903	(307) 426-4795	Wiles, Jeremy; Wiles, Jerry

FRANCHISE AGREEMENTS SIGNED BUT STORE NOT OPEN AS OF JANUARY 31, 2014

Owner Name	Address	Phone #	Market
Wayne Ohland	2443 South Eldorado Mesa, AZ 85202	480-730-1103	Goodyear, AZ
Maya & Jerry Yang	5431 N. Calle Estrella Tucson, AZ 85749	520-760-0078	Tucson, AZ
Ted Mitchell	2916 Woodgate Drive Little Rock, AR 72211	501-224-4854	Jonesboro, AR
Warren Stephenson	2024 Arkansas Valley Drive Little Rock, AR 72211	501-224-4854	
Sharon & Tom Schultz	5590 Edgeview Drive Discovery Bay, CA 94505	925-368-4409	Walnut Creek, CA
Michael & Norma Riley	9410 Van Ess Way Durham, CA 95938	530-891-5690	Vacaville, CA
Kevin Lommen	541 Leisure Ct. Hollister, CA 95023	831-594-8607	Salinas, CA
Greg Boudreaux Rose Coyle William Perin	230 Amicita Avenue Mill Valley, CA 94941	415-455-9221	Santa Rosa, CA
Jerry Stokes, Jr.	418 Fairland Avenue Modesto, CA 95357	209-544-8645	Turlock, CA
Juleana Rice	3317 Printemps Drive Modesto, CA 95356	209-545-2014	
Don Tollefson	201 Dove Meadow Court Roseville, CA 95661	916-715-3300	Arden/Arcade, CA
Ryan Tollefson	25 Norfolk Ct Roseville, CA 95678	916-722-6600	
David Harshfield	1919 8th Avenue Sacramento, CA 95816	619-694-6161	Encinitas, CA
Dennis Brammeier	4838 Charlton Way Delray Beach, FL 33445	561-441-2978	Boca Raton, FL
Marc Brammeier	817 Palama Way Lantana, FL 33462	561-441-7054	
Craig Baumann	PO Box 953246 Lake Mary, FL 32795	262-893-5593	Oviedo, FL
Patrick LeBoeuf	459 W State Road 436 Altamonte Springs, FL 32714	407-788-7772	
Juan Baez Nelson Martinez Julio Martinez	16840 SW 49th Ct. Miramar, FL 33027	305-450-3966	Sunrise, FL
Melissa & Dave Cohen	4628 Harbour Village Blvd Ponce Inlet, FL 32127	770-652-8100	Deltona, FL
Dan Snyder	PO Box 15160 Sarasota, FL 34277	813-928-9866	Jacksonville, FL
Joe Kasper	6510 Osprey Lake Circle Riverview, FL 33578	813-523-5985	

Owner Name	Address	Phone #	Market
Jane Watts June Riner	2602 Cosmos Dr., NE Atlanta, GA 30345	770-414-6979 770-474-5999	Newnan, GA
Helen & Sam Chong, Ryan Chong & Samual Chong, Jr.	95-1158 Anuanu Street Mililani, HI 96789	808-626-9170	Location 1, HI
David Cormany	9000 Oak Ridge Drive Justice, IL 60458	708-927-1837	Harwood Heights, IL
Gary Sarner	860 Weston Hills Drive Brookfield, WI 53045	262-853-4353	
Robert Koerner	418 N 2nd Street Chillicothe, IL 61523	616-283-4100	
Chuck & Christine Rainey	1880 Broughton Street Carmel, IN 46032	317-815-0575	Bloomington, IN
Glenn Lubeznik	823 Franklin Street Michigan City, IN 46360	219-898-3000	Aldine, TX
Scott Winski	1697 E. Pine Lake Circle Montgomery, TX 77315	281-414-1148	
Daniel Kopp	13345 W. 104th St. Lenexa, KS 66215	913-897-4200	Gladstone, MO
Scott Neuburger	11046 N. Belleview Avenue Kansas City, MO 64155	913-669-4014	
Sampson Bradley, Jr	2534 Hwy 594 Monroe, LA 71203	318-355-9978	Alexandria, LA
Vance McAllister	2460 Hwy 594 Monroe, LA 71203	318-348-4231	
Doug DenBoer	119 Crestwood Holland, MI 49424	616-392-3686	Lansing, MI
Richard Schippers	11003 South Drive Plainwell, MI 49080	269-664-6575	
Steve Leach	1331 Plainfield NE Grand Rapids, MI 49505	616-293-6734	
Chris Hanner	5371 S. Woodfield Avenue Springfield, MO 65807	417-459-2510	Springfield, MO
Mel & Monica Brown	470 Riverside Road Kalispell, MT 59901	262-825-8485	Kalispell, MT
Bob & Beverly Storer	2088 Riverside Road Big Fork, MT 59911		
Daniel T. Hughes	2005 Fern Hill Ct. Henderson, NV 89052	702-497-4889	N. Las Vegas, NV
Tim Dargan	15 Rosewood Drive Chesterfield, NJ 08515	609-324-0204	Princeton, NJ
Ken Farren	524 Mason Drive New Castle, DE 19720	302-287-3456	
Greg Moore	59 Peter Place Red Bank, NJ 07701	732-758-8963	Middletown, NJ

Owner Name	Address	Phone #	Market
Richard Rettammel	16104 Greenfarm Road Huntersville, NC 28078	704-948-6012	Concord, NC
William Condon	3309 Heartwood Drive SE Mandan, ND 58554	701-226-5965	Bismarck, ND
Mark Snider	4006 South Bay Dr., SE Mandan, ND 58554	701-751-4147	
John & Alisa Alvarez	2732 Southside Drive Troy, OH 45373	937-673-2807	Tylersville, OH
Linda Grota	313 Wood Side Drive Oconomowoc, WI 53066	262-912-3125	
Jose & Mary Regina Perez	541 W. Hills Way NW Salem, OR 97304	503-581-4890	Corvallis, OR
Miguel Perez	4725 Upper Drive Lake Oswego, OR 97035	503-646-8892	
Tony Perez	1319 W. Meadows Drive, NW Salem, OR 97304	503-581-4890	
Paul Denman	30 Oak Lane Havertown, PA 19083	610-850-3147	Springfield, PA
James Denman	2232 Jersey Avenue Scotch Plains, NJ 07076	908-472-8308	
Kathy & Shane Young	1525 Farmington Avenue Pottstown, PA 19464	610-327-0049	Pottstown, PA
Rich McCormick	135 Green Hill Road Telford, PA 18969	215-738-4800	Montgomeryville, PA
Rolando Torres	PMB 196: PO Box 3505 Juana Diaz, Puerto Rico 00765	787-260-0555	Hatillo, PR & Carolina, PR
Cesar Marin	HC-01, BOX 2003 Jayuya, Puerto Rico 00664	787-828-2772	
Bates Kennedy	18 Forest Lane Greenville, SC 29605	864-254-0307	Summerville, SC
Russ Johnson	1002 A Summerhaven Place Charleston, SC 29464	843-478-4545	
Katharine & Larry Keaton	131 John T Court Little River, SC 29566	843-222-9853	N. Myrtle Beach, FL
Todd Williams	11962 Lakehurst Lane Knoxville, TN 37934	865-692-0002	N. Knoxville, TN & Cookeville, TN
Richard Everett	4705 Chapel Hill Road Southside, TN 37171	931-624-7249	Pace, FL
Tim Anderson	1389 Borrowdale Drive Clarksville, TN 37040	931-551-3654	
Tony Gann	583 Winding Bluff Way Clarksville, TN 37040	850-529-9126	
Kris Patel	10909 Canfield Drive Austin, TX 78739	512-785-8735	Cedar Park, TX

Owner Name	Address	Phone #	Market
Dennis Norris	3822 Springfield Dr College Station, TX 77845	979-777-6010	Bryan, TX
Suzanne Griffin	1212 Mariners Cove College Station, TX 77845	979-225-0817	
Jon Silberman Randy Wilhelm John Redford Arthur Romero	1900 West Loop South, #500 Houston, TX 77027	713-985-4620	Pasadena, TX
Paul & Debra Fuglie	224 Heatherwood Drive Irving, TX 75063	817-876-1160	Cedar Hill, TX
Mike Ross	43987 Lords Valley Terrace Ashburn, VA 20147	313-802-0254	Ashburn, VA
Bob & Lelia Allan	801 Pompano Arch Chesapeake, VA 23322	757-431-1855	Virginia Beach, VA
Daniel Phillips	P.O. Box 12903 Olympia, WA 98508	360-570-0000	Issaquah/West Seattle, WA
Stephen Sheldon	3403 Steamboat Is. Rd. #436 Olympia, WA 98502		

**LIST OF FORMER FRANCHISEES
as of December 31, 2013**

TRANSFERRED FRANCHISE TO NEW FRANCHISEE

Former Franchisee	City	State	Telephone Number
Celestina & Miguel Pingol Jonathan Pingol Ronaldo Pingol	Culver City	CA	949-784-9241 310-526-1157 949-413-9619
Carl & Jennifer Johnson	Lake Forest	CA	949-547-9301
Don Bailey - RIS	Gainesville	GA	864-979-9524
Benjamin & Mary Bryant	Kennesaw	GA	678-230-0686
Matt Sanders	Bloomington	IL	309-661-1383
Jon-Pierre & Darlene Fueger	Louisville (2)	KY	502-418-8943
Edin Sejmenovic	Columbia	MD	410-309-0735
Maurice Brunhild – RIS	Farmington Hills	MI	248-752-6277
Robert Brunhild - RIS	Plymouth	MI	248-417-7143
Gary & Maureen Little	Cincinnati (2)	OH	513-266-7954
Dyann & Jim Smith - RIS	McKinney	TX	214-392-4765

*RIS – Remains in System

REACQUIRED BY THE FRANCHISOR

Former Franchisee	City	State	Telephone Number
Ahmed Abatorab	Crystal Lake Vernon Hills Palatine	IL	815-218-4267

TERMINATED OR CEASED OPERATION

Former Franchisee	City	State	Telephone Number
Leroy LaJeunesse	Fenton	MI	810-577-2043

TERMINATED FRANCHISE AGREEMENT (STORE NEVER OPENED)

Former Franchisee	City	State	Telephone Number
Tom & Cornelia Adams	Cookeville	TN	931-787-3624

FRANCHISEE(S) THAT OTHERWISE EXITED THE SYSTEM

Former Franchisee	Address		Telephone Number
Celestina & Miguel Pingol Jonathan Pingol Randy Pingol	15 Calle Del Rio, Rancho Station Margarita, CA 92688 5547 Yarmouth Avenue #27 Encine, CA 91316 5437 S. Sepulveda Blvd Culver City, CA 90623	Transfer/Sale of Ownership	949-784-9241 310-526-1157 949-413-9619
Carl & Jennifer Johnson	27022 Via Grande Mission Viejo, CA 92691	Transfer/Sale of Ownership	949-547-9301

Former Franchisee	Address		Telephone Number
Bridget Dorward	3516 Olsen Drive San Jose, CA 95117	Transfer/Sale of Ownership Shares	209-954-8208
Matt Steigenga	3913 52nd Drive West Bradenton, FL 34210	Transfer/Sale of Ownership Shares	941-737-0601
Dennis Reinhardt	1591 Bennett Springs Drive Greensboro, GA 30642	Transfer/Sale of Ownership Shares – Deceased 2013	
Benjamin & Mary Bryant	2577 Fairlawn Downs Kennesaw, GA 30144	Transfer/Sale of Ownership	678-230-0686
Matthew Sanders	1910 Berrywood Lane Bloomington, IL 61704	Transfer/Sale of Ownership	309-661-1383
Ahmed Abatorab	345 S. Eastwood Drive Woodstock, IL 60098	Reacquired by Franchisor	815-218-4267
Jon-Pierre & Darlene Fueger	4608 Steep Ridge Ct. Louisville, KY 40299	Transfer/Sale of Ownership	502-418-8943
Edin Sejmenovic	6596 Sweet Fern Columbia, ME 21045	Transfer/Sale of Ownership	410-309-0735
Dana Dannelly	P.O. Box 38 Genoa, NE 68640	Transfer/Sale of Ownership Shares	402-993-2269
Phyllis Pierce	1801 E. Blanco Blvd. Bloomfield, NM 87413	Deceased	
Curtis Dail	1976 Benson Road Garner, NC 27529	Transfer/Sale of Ownership Shares – Deceased 2013	
Gary & Maureen Little	8074 Woodglen Drive West Chester, OH 45069	Sale-Trx of Ownership	513-266-7954
Tom & Cornelia Adams	54 Fairway Ct Crossville, TN 38571	Mutually Terminated Agreement (Store Never Opened)	931-787-3624
Mark Marquart	4105 Curzon Avenue Ft. Worth, TX 76107	Deceased	
Kerry Staples	1110 Burnett Ct Garland, TX 75044	Transfer/Sale of Ownership Shares	972-948-4837

If you buy a Batteries Plus Bulbs® franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

EXHIBIT E

LIST OF STATE ADMINISTRATORS; AGENTS FOR SERVICE OF PROCESS

**STATE ADMINISTRATORS AND
AGENTS FOR SERVICE OF PROCESS**

STATE	STATE ADMINISTRATOR/AGENT	ADDRESS
California	Commissioner of Business Oversight California Department of Business Oversight	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, 1 st Floor 525 West Ottawa Street Lansing, MI 48933
Minnesota	Commissioner of Commerce Minnesota Department of Commerce	85 7 th Place East, Suite 500 St. Paul, MN 55101-2198
New York (State Administrator)	New York State Department of Law Bureau of Investor Protection and Securities	120 Broadway, 23rd Floor New York, NY 10271
New York (Agent)	Secretary of State of the State of New York	41 State Street, Second Floor Albany, NY 12231
North Dakota	Securities Commissioner North Dakota Securities Department	600 East Boulevard Avenue State Capitol, Fifth Floor, Dept. 414 Bismarck, ND 58505-0510
Rhode Island	Director, Department of Business Regulation, Securities Division	1511 Pontiac Avenue John O. Pastore Complex – Building 69-1 Cranston, RI 02920
South Dakota	Director Division of Securities Division of Securities	445 East Capitol Avenue 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 201 W. Washington Ave., Suite 300 Madison, WI 53703

EXHIBIT F
STATE-SPECIFIC ADDENDA

CALIFORNIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

This Addendum relates to franchises sold in the state of California and is intended to comply with California statutes and regulations.

1. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

2. Item 3. In addition to the information required by Item 3, neither the Franchisor, or any person 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. Item 17. Item 17 of the Franchise Disclosure Document has the following additional provisions:

A. California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or nonrenewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

B. Any proposed termination of the Franchise Agreement for bankruptcy may not be enforceable under federal bankruptcy law. (11 U.S.C.A. Section 101 et seq.)

C. 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.

D. The Franchise Agreement (and, to the extent applicable, the Multiple Unit Franchise Agreement) requires binding arbitration to be conducted in Milwaukee, Wisconsin. You are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, 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.

4. The Franchisor's web site is found at www.batteriesplus.com.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www.dbo.ca.gov.

5. Item 19. The financial performance representation figures do not reflect all 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 all costs and expenses you will incur in operating your Store. Franchisees or former franchisees, listed in the disclosure document, may be one source of this information.

**ILLINOIS ADDENDUM TO
FRANCHISE DISCLOSURE DOCUMENT**

This Addendum relates to franchises sold in the state of Illinois and is intended to comply with Illinois statutes and regulations.

1. Item 17. Item 17 of the disclosure document is amended by replacing the description in the Summary column of Item 17(v) with the phrase “Not Applicable.”

**ILLINOIS ADDENDUM TO
MULTIPLE UNIT FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in Illinois and is intended to comply with Illinois statutes and regulations. In consideration of the execution of the Multiple Unit Franchise Agreement (the "Agreement"), Franchisor and Multiple Unit Franchisee agree to amend the Agreement as follows:

1. Venue. Section 18(D) of the Agreement is deleted.

2. Governing Law. Section 18(E) of the Agreement is amended to provide that any provision that designates governing law to be other than Illinois is void under the Illinois Franchise Disclosure Act of 1987.

3. Construction. In all other respects, the Agreement will be construed and enforced with its terms.

BATTERIES PLUS, L.L.C.

MULTIPLE UNIT FRANCHISEE:

By _____
Its _____

By _____

By _____

**ILLINOIS ADDENDUM TO
FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in Illinois and is intended to comply with Illinois statutes and regulations. In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. Venue. Section 20(D) of the Franchise Agreement is deleted.
2. Governing Law. Section 20(E) of the Franchise Agreement is amended to provide that any provision that designates governing law to be other than Illinois is void under the Illinois Franchise Disclosure Act of 1987.
3. Construction. In all other respects, the Franchise Agreement will be construed and enforced with its terms.

BATTERIES PLUS, L.L.C.

FRANCHISEE:

By _____
Its _____

By _____

By _____

**MARYLAND ADDENDUM TO
FRANCHISE DISCLOSURE DOCUMENT**

The following information applies to franchises and franchisees subject to Maryland statutes and regulations. Item numbers correspond to those in the main body:

1. Item 22.

The Franchise Agreement requires the franchisee to sign a general release as a condition of renewal, sale, or assignment of the franchise. This release may not apply to any liability under the Maryland Franchise Registration and Disclosure Law. The form of release that you must sign in those situations will be substantially similar to the form included at the end of Exhibit F to the Franchise Disclosure Document.

**MARYLAND ADDENDUM TO
MULTIPLE UNIT FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in Maryland and is intended to comply with Maryland statutes and regulations. In consideration of the execution of the Multiple Unit Franchise Agreement (the "Agreement"), Franchisor and Multiple Unit Franchisee agree to amend the Agreement as follows:

1. Venue. Section 18(D) of the Agreement is deleted.

2. Construction. In all other respects, the Multiple Unit Franchise Agreement will be construed and enforced with its terms.

BATTERIES PLUS, L.L.C.

MULTIPLE UNIT FRANCHISEE:

By _____
Its _____

By _____

By _____

**MARYLAND ADDENDUM TO
FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in Maryland and is intended to comply with Maryland statutes and regulations. In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. Release. Sections 3(B)(7) and 15(C)(7) of the Franchise Agreement are amended to provide that any release required as a condition of assignment or renewal without separate consideration may not apply to liability under the Maryland Franchise Registration and Disclosure Law (the “Maryland Franchise Law”). Specifically, Section 14-229(a)(3) of the Maryland Franchise Law, Business Regulation Article, Annotated Code of Maryland prohibits general releases by a franchisee in favor of the franchisor.

2. Venue. Section 20(D) of the Franchise Agreement is deleted.

3. Construction. In all other respects, the Franchise Agreement will be construed and enforced with its terms.

BATTERIES PLUS, L.L.C.

FRANCHISEE:

By _____
Its _____

By _____

By _____

**MINNESOTA ADDENDUM TO
FRANCHISE DISCLOSURE DOCUMENT**

This Addendum relates to franchises sold in the state of Minnesota and is intended to comply with Minnesota statutes and regulations.

1. Item 13. Item 13 of the disclosure document is amended to include the following language:

We will indemnify you for damages for which you are held liable in any proceeding arising out of the use of the “Batteries Plus” mark, provided you have used the Licensed Marks properly and have notified us of any claim against you within 10 days of your knowledge of the claim. We will have sole control of any litigation involving the Licensed Marks. Our indemnification obligation will not apply to any franchisee residing outside the state of Minnesota who purchases a franchise to be located outside of Minnesota.

2. Item 17. Item 17 of the disclosure document is amended to include the following: “Minnesota law provides franchisees with certain termination and non-renewal rights. Minnesota Statutes Section 80C.14, subs. 3, 4 and 5 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 nonrenewal of the Franchise Agreement.

Minnesota Statutes Section 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. To the extent a dispute is subject to litigation (and not arbitration or mediation), nothing in the disclosure document or Franchise Agreement can eliminate or reduce any of your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.”

**MINNESOTA ADDENDUM TO
MULTIPLE UNIT FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in Minnesota and is intended to comply with Minnesota statutes and regulations. In consideration of the execution of the Multiple Unit Franchise Agreement (the “Agreement”), Franchisor and Multiple Unit Franchisee agree to amend the Agreement as follows:

1. Licensed Marks – Indemnification. Section 9 of the Multiple Unit Franchise Agreement is amended to include the following language:

Franchisor will indemnify a Minnesota Multiple Unit Franchisee for damages for which such Multiple Unit Franchisee is held liable in any proceeding arising out of the use of the “Batteries Plus” mark, provided that Multiple Unit Franchisee has used the mark properly and has notified Franchisor of any claim against Multiple Unit Franchisee within ten (10) days of Multiple Unit Franchisee’s knowledge of such claim. Franchisor will have sole control of any litigation involving the Licensed Marks. Franchisor’s indemnification obligation will not apply to any Multiple Unit Franchisee residing outside the state of Minnesota who purchases a franchise to be located outside of Minnesota.

2. Application of Minnesota Law. Section 13 of the Agreement is amended by adding the following sentences at the end of such Section: “Minnesota law provides franchisees with certain termination and nonrenewal rights. Minnesota Statutes Section 80C.14, subds. 3, 4 and 5 require, except in certain specified cases, that a Multiple Unit Franchisee be given 90 days’ notice of termination (with 60 days to cure).”

3. Venue. Section 18(D) of the Agreement is deleted.

4. Construction. In all other respects, the Multiple Unit Franchise Agreement will be construed and enforced with its terms.

BATTERIES PLUS, L.L.C.

MULTIPLE UNIT FRANCHISEE:

By _____
Its _____

By _____

By _____

**MINNESOTA ADDENDUM TO
FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in Minnesota and is intended to comply with Minnesota statutes and regulations. In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. Licensed Marks – Indemnification. Section 6 of the Franchise Agreement is amended to include the following language:

Franchisor will indemnify a Minnesota Franchisee for damages for which such Franchisee is held liable in any proceeding arising out of the use of the “Batteries Plus” mark, provided that Franchisee has used the mark properly and has notified Franchisor of any claim against Franchisee within ten (10) days of Franchisee’s knowledge of such claim. Franchisor will have sole control of any litigation involving the Licensed Marks. Franchisor’s indemnification obligation will not apply to any Franchisee residing outside the state of Minnesota who purchases a franchise to be located outside of Minnesota.

2. Application of Minnesota Law. Sections 3 and 16 of the Franchise Agreement are amended by adding the following sentences at the end of each Section: “Minnesota law provides franchisees with certain termination and nonrenewal rights. Minnesota Statutes Section 80C.14, subds. 3, 4 and 5 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 nonrenewal of the Franchise Agreement.”

3. Venue. Section 20(D) of the Franchise Agreement is deleted.

4. Governing Law. Section 20(E) of the Franchise Agreement is amended by adding the following provision at the end of such Section: “Under Minnesota Statutes Section 80C.21, this section will not in any way abrogate or reduce any rights of the Franchisee as provided for in Minnesota Statutes, Chapter 80C, including the right to submit non-arbitrable matters to the jurisdiction of the courts in Minnesota. Minnesota statutes Section 80C.21 and Minnesota Rule 2860.4400J prohibit the Franchisor from requiring litigation to be conducted outside Minnesota.”

5. Construction. In all other respects, the Franchise Agreement will be construed and enforced with its terms.

BATTERIES PLUS, L.L.C.

FRANCHISEE:

By _____
Its _____

By _____
By _____

NEW YORK ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

This Addendum relates to franchises sold in the state of New York and is intended to comply with New York statutes and regulations.

1. Item 3. Item 3 of the disclosure document is amended by the addition of the following:

Neither we, our predecessor, or any person identified in Item 2:

A. Has an administrative, criminal or civil action pending against that person alleging: a felony; a violation of a franchise, anti-trust or securities law; fraud, embezzlement, fraudulent conversion, misappropriation of property; unfair or deceptive practices or comparable civil or misdemeanor allegations or any pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchises and the size, nature or financial condition of the Franchise system or its business of operations.

B. Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within a ten (10) 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, anti-trust, or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

C. 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, anti-trust, trade regulation or trade practices 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 associations or 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 other business activity as a result of an action brought by a public agency or department, including, without limitation, actions effecting a license as a real estate broker or sales agent.

2. We represent that this Prospectus does not knowingly omit any material fact or contain any untrue statement of a material fact.

3. Item 17(c). Item 17(c) of the disclosure document is amended to provide that a release issued upon renewal of the Franchise Agreement may not apply to claims arising under the General Business Law of the State of New York, Article 33, Section 680 through 695.

**NEW YORK ADDENDUM TO
FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in New York and is intended to comply with New York statutes and regulations. In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. Release. Sections 3(B)(7) and 15(C)(7) of the Franchise Agreement are amended to provide that a release of claims without separate consideration arising under Article 33 of the General Business Law of the State of New York and the regulations issued thereunder may not be enforceable under New York law.

2. Construction. In all other respects, the Franchise Agreement will be construed and enforced with its terms.

BATTERIES PLUS, L.L.C.

FRANCHISEE:

By _____
Its _____

By _____

By _____

**NORTH DAKOTA ADDENDUM TO
FRANCHISE DISCLOSURE DOCUMENT**

This Addendum relates to franchises sold in the State of North Dakota and is intended to comply with North Dakota statutes and regulations.

1. Item 17. Item 17 of the disclosure document is amended by the addition of the following:

Items 17(c) and (m) require you to sign a release as a condition to renewal or transfer. These provisions may not be enforceable in North Dakota. In addition, the Multiple Unit Franchise Agreement and the Franchise Agreement contain covenants not to compete which extend beyond the termination of the franchise. These provisions may not be enforceable in North Dakota.

**NORTH DAKOTA ADDENDUM TO
FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in North Dakota and is intended to comply with North Dakota statutes and regulations. In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. Covenant Not to Compete. Sections 14(C) and 18(A)(8) of the Franchise Agreement are amended to provide that covenants not to compete upon termination or expiration of the Franchise Agreement may be unenforceable, except in certain circumstances provided by law.

2. Construction. In all other respects, the Franchise Agreement will be construed and enforced with its terms.

BATTERIES PLUS, L.L.C.

FRANCHISEE:

By _____
Its _____

By _____

By _____

**RHODE ISLAND ADDENDUM TO
MULTIPLE UNIT FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in Rhode Island and is intended to comply with Rhode Island statutes and regulations. In consideration of the execution of the Multiple Unit Franchise Agreement (the "Agreement"), Franchisor and Multiple Unit Franchisee agree to amend the Agreement as follows:

1. Governing Law. Section 18(E) of the Agreement is amended by the addition of the following sentence: "Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that a 'provision in a franchise agreement restricting jurisdiction or venue to a forum outside the state or requiring the application of the laws of another state is void respecting a claim otherwise enforceable under this Act.'"

2. Construction. In all other respects, the Agreement will be construed and enforced with its terms.

BATTERIES PLUS, L.L.C.

MULTIPLE UNIT FRANCHISEE:

By _____
Its _____

By _____

By _____

**RHODE ISLAND ADDENDUM TO
FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in Rhode Island and is intended to comply with Rhode Island statutes and regulations. In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. Governing Law. Section 20(E) of the Franchise Agreement is amended by the addition of the following sentence: "Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that a 'provision in a franchise agreement restricting jurisdiction or venue to a forum outside the state or requiring the application of the laws of another state is void respecting a claim otherwise enforceable under this Act.'"

2. Construction. In all other respects, the Franchise Agreement will be construed and enforced with its terms.

BATTERIES PLUS, L.L.C.

FRANCHISEE:

By _____
Its _____

By _____

By _____

**VIRGINIA ADDENDUM TO
FRANCHISE DISCLOSURE DOCUMENT**

This Addendum relates to franchises sold in the state of Virginia and is intended to comply with Virginia statutes and regulations.

1. 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.

**WASHINGTON ADDENDUM TO
MULTIPLE UNIT FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in Washington and is intended to comply with Washington statutes and regulations. In consideration of the execution of the Multiple Unit Franchise Agreement (the "Agreement"), Franchisor and Multiple Unit Franchisee agree to amend the Agreement as follows:

1. Release. The Washington Franchise Investment Protection Act prohibits a franchisor from requiring a franchisee to assent to a release, assignment, novation, or waiver which would relieve any person from liability imposed by this chapter, except as otherwise permitted by RCW 19.100.220.

2. Construction. In all other respects, the Agreement will be construed and enforced with its terms.

BATTERIES PLUS, L.L.C.

MULTIPLE UNIT FRANCHISEE:

By _____
Its _____

By _____

By _____

**WASHINGTON ADDENDUM TO
FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in Washington and is intended to comply with Washington statutes and regulations. In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. Other Modifications.

A. The State of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement in your relationship with the Franchisor, including the areas of termination and renewal of your franchise. There also may 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.

B. The Washington Franchise Investment Protection Act prohibits a franchisor from requiring a franchisee to assent to a release, assignment, novation, or waiver which would relieve any person from liability imposed by this chapter, except as otherwise permitted by RCW 19.100.220.

2. Construction. In all other respects, the Franchise Agreement will be construed and enforced with its terms.

BATTERIES PLUS, L.L.C.

FRANCHISEE:

By _____
Its _____

By _____

By _____

FORM RELEASE OF CLAIMS

**THIS IS A CURRENT RELEASE FORM THAT GENERALLY WILL
BE USED WITH OR INCORPORATED INTO A SEPARATE AGREEMENT.
THIS FORM IS SUBJECT TO CHANGE OVER TIME.**

For and in consideration of the Agreements and covenants described below, Batteries Plus, L.L.C. (“Batteries Plus”), _____ (“Franchisee”) and _____ (“Guarantors”) enter into this Release of Claims (“Agreement”).

RECITALS

- A. Batteries Plus and Franchisee entered into a Batteries Plus Franchise Agreement dated _____, ____ (the “Franchise Agreement”).
- B. [NOTE: Describe the circumstances relating to the release.]

AGREEMENTS

1. **Consideration.** [NOTE: Describe the consideration paid.]
- 2-3. [NOTE: Detail other terms and conditions of the release.]
4. **Release of Claims.**

A. Definitions.

1. **BP Parties:** Batteries Plus and each of its subsidiaries, corporate parents and affiliates, and their respective officers, directors, owners, stockholders, members, employees, insurers, attorneys, agents, successors, predecessors, assigns, heirs and personal representatives.

2. **Franchisee Parties:** Franchisee and each of the Guarantors and all persons or entities acting on their behalf or claiming under them including, without limitation, each of their respective corporate parents, subsidiaries, affiliates, owners, heirs, executors, administrators, managers, directors, officers, employees, trustees, agents, partners, business entities, attorneys, insurers, successors and assigns.

B. The Franchisee Parties irrevocably and unconditionally waive, release and forever discharge, and covenant not to sue, the BP Parties of and from any and all claims, suits, debts, liabilities, causes of action, demands, contracts, promises, obligations, losses, rights, controversies, damages, costs, expenses (including, without limitation, actual attorneys’ fees and costs incurred), actions and causes of action of every nature, whether known or unknown, direct or indirect, vested or contingent, at law or in equity, whether arising by statute, common law, or otherwise, including claims for negligence (collectively, “Claims”), that they may now have, or at anytime heretofore had, or hereafter may have, against each or any of the BP Parties arising out of or relating to any conduct, transaction, occurrence, act or omission at any time before the [Effective Date] relating to the Franchise Agreement(s), the development or operation of the Store(s), the franchise relationship between the parties, the offer or sale of any franchise, or any agreement between any of the Franchisee Parties and any of the BP Parties.

C. The Franchisee Parties specifically and expressly acknowledge and agree that the consideration accepted under this Agreement is accepted in full satisfaction of any and all injuries and/or damages that have previously arisen and which may hereafter arise respecting any of the claims being released.

[California option: The Franchisee Parties expressly waive all rights or benefits that they have or may have under Section 1542 of the California Civil Code, which section provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.]

D. The Franchisee Parties acknowledge that they have had a reasonable opportunity to consult with an attorney prior to signing this release and they have executed this release voluntarily. Also, the Franchisee Parties represent that they have not assigned or transferred to anyone any claims released by them under Section 4(B) above.

5. **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.]

FRANCHISEE:

BATTERIES PLUS, L.L.C.

BY: _____

BY: _____

ITS: _____

ITS: _____

DATE: _____

DATE: _____

PERSONAL GUARANTORS:

EXHIBIT G
TERRITORY RESERVATION AGREEMENT

BATTERIES PLUS BULBS® TERRITORY RESERVATION AGREEMENT

THIS TERRITORY RESERVATION AGREEMENT (“Agreement”) is entered into this _____ day of _____, 20____, between Batteries Plus, L.L.C., a Wisconsin limited liability company, with a principal place of business at 1325 Walnut Ridge Drive, Hartland, Wisconsin 53029 (“Franchisor”), and _____, a _____ formed and operating under the laws of the State of _____ [or _____], an individual, with a principal place of business at _____ (“Prospective Franchisee”).

INTRODUCTION

Franchisor develops and owns a system relating to the development and operation of retail stores selling batteries, light bulbs and related items, together with device repair and other services, for the individual retail and commercial consumer. In certain markets, Franchisor offers a program under which Franchisor grants qualified persons the right to reserve a territory in which to develop, own and operate a Batteries Plus Bulbs® store at a specific location. Prospective Franchisee desires to obtain the right to reserve a territory for six (6) months during which time Prospective Franchisee can enter into a Batteries Plus Bulbs® franchise agreement to develop a Batteries Plus Bulbs® store under the provisions described in this Agreement.

AGREEMENTS

1. Reservation of Rights. Subject to the provisions stated below, Franchisor grants to Prospective Franchisee the right to establish and operate for its own account, but not to subfranchise, sublicense or resell, a Batteries Plus Bulbs® store (the “Store”) pursuant to an individual Batteries Plus Bulbs® franchise agreement (the “Franchise Agreement”) in the form then-currently used by Franchisor, provided that: (A) the initial franchise fee will be Thirty Thousand Dollars (\$30,000); and (B) Prospective Franchisee will not be required to pay Franchisor for the point-of-sale system access development fee or for the initial product inventory order until six (6) months after the effective date of the Franchise Agreement. Prospective Franchisee’s rights to establish and operate a Store under this Agreement will be limited to the area described on the attached Exhibit A (the “Territory Reservation Area”). If Prospective Franchisee is in compliance with the term of this Agreement and all Batteries Plus Bulbs® franchise agreements to which Prospective Franchisee is a party, Franchisor will not establish for its own account or franchise others to operate Batteries Plus Bulbs® stores within the Territory Reservation Area other than to Prospective Franchisee under this Agreement.

2. Rights Reserved To Franchisor. Franchisor (for itself and its affiliates) retains the right:

A. to itself operate, and to grant other persons the right to operate, Batteries Plus Bulbs® stores at locations outside the Territory Reservation Area; and

B. to sell the products and services authorized for sale at Batteries Plus Bulbs® stores into your Territory Reservation Area or through dissimilar channels of distribution (i.e., other than the operation of full-service retail Batteries Plus Bulbs® stores), including by electronic means such as the Internet and by websites established by Franchisor, and pursuant to conditions Franchisor deems appropriate within and outside the Territory Reservation Area.

3. Reservation Fee. For the rights described in Section 1 above, Prospective Franchisee must pay Franchisor a non-refundable Reservation Fee of Six Thousand Dollars (\$6,000), payable upon

Prospective Franchisee's execution of this Agreement. The Reservation Fee will be credited towards the Initial Franchise Fee.

4. Development of Store. Franchisor will be obligated to enter into the Franchise Agreement for the development of the Store under this Agreement only if, at the time Prospective Franchisee intends to enter into a Franchise Agreement: (A) Prospective Franchisee meets Franchisor's then-current criteria for Batteries Plus Bulbs® franchisees, including net worth and cash liquidity requirements; and (B) all amounts due and owing by Prospective Franchisee or an "Affiliate" under or relating to any existing Batteries Plus Bulbs® franchise agreement are paid in full and Prospective Franchisee and each Affiliate (if any) otherwise are in good standing under such agreements, including compliance with all of Franchisor's minimum store hour requirements and minimum in-stock inventory levels. The term "Affiliate" means any entity controlling, controlled by or under common control with Prospective Franchisee.

5. Development Procedure. The Store will be governed by the terms of the Franchise Agreement. Prospective Franchisee will not develop the Store at any site that Franchisor has not approved in writing or for which there is no Franchise Agreement.

6. Term. Subject to Section 7 below, the term of this Agreement will be for six (6) months, commencing on the date of this Agreement.

7. Default and Termination.

A. Prospective Franchisee may terminate this Agreement at any time with or without cause by delivering written notice thereof to Franchisor. Prospective Franchisee will be in default, and Franchisor may at its option, terminate this Agreement if: (1) Prospective Franchisee violates any material provision of this Agreement; (2) Prospective Franchisee violates any material provision of any Batteries Plus Bulbs® franchise agreement to which Prospective Franchisee or any Affiliate is a party and fails to cure such breach within any cure period permitted; or (3) Prospective Franchisee is declared bankrupt or becomes insolvent.

B. Except as described below, Prospective Franchisee will have thirty (30) days, or such longer period as applicable law may require, following receipt of written notice of termination from Franchisor within which to remedy the default. If Prospective Franchisee fails to correct the alleged default within that period of time, this Agreement will terminate without further notice to Prospective Franchisee effective immediately upon expiration of the thirty (30)-day period (or such longer period as applicable law may require). Franchisor may terminate this Agreement immediately upon delivery of written notice to Prospective Franchisee, with no opportunity to cure, if the termination results from any of the following: (1) the nature of Prospective Franchisee's breach makes it not curable; or (2) any default under items (2) or (3) in Section 7(A) above.

C. Upon termination or expiration of this Agreement, all rights licensed hereunder will automatically revert to Franchisor and Prospective Franchisee's reservation rights will cease. Termination or expiration of this Agreement will not affect Prospective Franchisee's rights under any individual Batteries Plus Bulbs® franchise agreement in effect at that time.

8. Assignment. This Agreement is personal to Prospective Franchisee and may not be assigned by Prospective Franchisee to any third party. This Agreement may be assigned and transferred by Franchisor and will benefit Franchisor's successors and assigns. Any such assignment or transfer will require the assignee to fulfill Franchisor's obligations under this Agreement.

9. Limited Liability. Prospective Franchisee acknowledges and agrees that no past, present or future director, officer, employee, incorporator, member, partner, stockholder, subsidiary, affiliate, controlling party, entity under common control, ownership or management, vendor, service provider, agent, attorney or representative of Franchisor will have any liability for (i) any of Franchisor's obligations or liabilities relating to or arising from this Agreement, (ii) any claim against Franchisor based on, in respect of, or by reason of, the relationship between Prospective Franchisee and Franchisor, or (iii) any claim against Franchisor based on any alleged unlawful act or omission of Franchisor.

10. Enforcement. The laws of the state where the Territory Reservation Area is located will govern this Agreement. Any dispute between the parties hereto arising out of or relating to this Agreement, which the parties are unable to resolve, will be submitted to binding arbitration under the then current rules of the American Arbitration Association. The arbitration will take place in Milwaukee, Wisconsin. The arbitrator(s) shall have no authority to select a different hearing locale for the arbitration. The decision of the arbitrators will be final and binding on all parties. The parties agree that Franchisor will not have an adequate remedy at law if Prospective Franchisee breaches or fails to perform any of the terms of the Agreement. In addition to any other remedy available, Franchisor will have the right to obtain from any court of competent jurisdiction injunctive relief or a decree of specific performance plus reimbursement for costs, including reasonable attorney's fees, incurred in securing such relief.

11. Miscellaneous. This Agreement represents the entire Agreement of the parties relative to its subject matter and it cannot be waived, altered or rescinded in whole or in part except by an express writing by the parties. Any notice provided under this Agreement will be in writing and delivered by certified mail, overnight delivery service or facsimile, addressed to the other party at the address communicated to the other party. The provisions of this Agreement are severable in the validity or unenforceability of any of them will not affect the remainder of this Agreement.

The parties have signed this Agreement on the date stated in the first paragraph.

FRANCHISOR:

BATTERIES PLUS, L.L.C.,
Wisconsin limited liability company

By: _____
Title: _____

FRANCHISEE:

(If Prospective Franchisee is a corporation or a
limited liability company)

Name of corporation or limited liability
company

By: _____
Title: _____

(If Prospective Franchisee is an individual
owner, Prospective Franchisee must sign below;
if a partnership, all partners must sign below)

Prospective Franchisee

Prospective Franchisee

Prospective Franchisee

Prospective Franchisee

EXHIBIT H

TRIPLE OPTION PROGRAM ADDENDUM (FIRST STORE)

9. Limited Liability. Prospective Franchisee acknowledges and agrees that no past, present or future director, officer, employee, incorporator, member, partner, stockholder, subsidiary, affiliate, controlling party, entity under common control, ownership or management, vendor, service provider, agent, attorney or representative of Franchisor will have any liability for (i) any of Franchisor's obligations or liabilities relating to or arising from this Agreement, (ii) any claim against Franchisor based on, in respect of, or by reason of, the relationship between Prospective Franchisee and Franchisor, or (iii) any claim against Franchisor based on any alleged unlawful act or omission of Franchisor.

10. Enforcement. The laws of the state where the Territory Reservation Area is located will govern this Agreement. Any dispute between the parties hereto arising out of or relating to this Agreement, which the parties are unable to resolve, will be submitted to binding arbitration under the then current rules of the American Arbitration Association. The arbitration will take place in Milwaukee, Wisconsin. The arbitrator(s) shall have no authority to select a different hearing locale for the arbitration. The decision of the arbitrators will be final and binding on all parties. The parties agree that Franchisor will not have an adequate remedy at law if Prospective Franchisee breaches or fails to perform any of the terms of the Agreement. In addition to any other remedy available, Franchisor will have the right to obtain from any court of competent jurisdiction injunctive relief or a decree of specific performance plus reimbursement for costs, including reasonable attorney's fees, incurred in securing such relief.

11. Miscellaneous. This Agreement represents the entire Agreement of the parties relative to its subject matter and it cannot be waived, altered or rescinded in whole or in part except by an express writing by the parties. Any notice provided under this Agreement will be in writing and delivered by certified mail, overnight delivery service or facsimile, addressed to the other party at the address communicated to the other party. The provisions of this Agreement are severable in the validity or unenforceability of any of them will not affect the remainder of this Agreement.

EXHIBIT H-1

TRIPLE OPTION PROGRAM ADDENDUM TO BATTERIES PLUS FRANCHISE AGREEMENT

This Addendum is made and entered into as _____, 201_ (“Effective Date”), among Batteries Plus, L.L.C. (“Franchisor”), _____, a _____ (“Franchisee”), and _____ (“Guarantors”).

INTRODUCTION

Franchisor and Franchisee are entering into a Batteries Plus Bulbs® Franchise Agreement as of the Effective Date (the “Franchise Agreement”), under which the Franchisee will operate a Batteries Plus Bulbs® store at _____ (the “Store”). Franchisee is an existing Batteries Plus Bulbs® franchisee who meets Franchisor’s qualifications to participate in this limited store development incentive program. The parties desire to modify the Franchise Agreement to reflect the terms of this store development program.

AGREEMENTS

In consideration of the foregoing, the parties hereto agree as follows:

1. Inventory Credit. If Franchisee fully complies with the Participation Requirements (as defined in Section 5 below), and Franchisee opens the Store in compliance with the terms of the Franchise Agreement within five (5) months following the Effective Date, Franchisee will receive a Five Thousand Dollar (\$5,000) credit from Ascent Battery Supply, L.L.C. (“Ascent”) against the total purchase price of the initial order of approved products for the Store.

2. Extended Credit Terms. If Franchisee fully complies with the Participation Requirements (as defined in Section 5 below) and Franchisee opens the Store in compliance with the terms of the Franchise Agreement by December 15, 2014, Franchisee will not pay interest for a period of six (6) months on amounts owed, not to exceed Eighty Thousand Dollars (\$80,000) on the initial order of approved Store products from Ascent (the “Deferred Amount”). If, at any time, Franchisee fails to comply with any of the Participation Requirements and such breach remains uncured for thirty (30) days after written notice specifying such failure, Franchisee must immediately pay Franchisor the Deferred Amounts.

3. Store Opening. Exhibit A, Section 4 of the Franchise Agreement is amended to provide that the Franchisee agrees to complete the development of and commence operations at the Store within nine (9) months following the Effective Date.

4. Extension. Section 4(F) of the Franchise Agreement is deleted in its entirety.

5. Participation Requirements. Franchisee agrees to fully comply with the following minimum participation requirements (the “Participation Requirements”):

A. Franchisee must complete the development and commence operation of the Store within nine (9) months following the Effective Date;

B. Franchisee cannot be in default under the terms of any agreement between Franchisee and Franchisor or its affiliates;

C. Franchisee is and must remain in good standing under each Batteries Plus Bulbs® franchise agreement to which it is a party;

D. Franchisee meets Franchisor's minimum financial requirements for net worth and cash liquidity, as published by Franchisor in the Franchise Agreement (or such greater amount described in the Operations Manual); and

E. Franchisee satisfies all other requirements then-currently published by Franchisor, including participation in Franchisor's National Accounts Program and commercial sales activity.

6. Construction. This Addendum supersedes any contradictory provisions in the Franchise Agreement. In all other respects, the Franchise Agreement will be construed and enforced with its terms. All capitalized terms or terms in quotations which are not defined herein will have the meaning as described in the Franchise Agreement.

The parties have signed this Addendum as of the Effective Date.

FRANCHISOR:

FRANCHISEE:

BATTERIES PLUS, L.L.C.

By _____

By _____

Its _____

Its _____

GUARANTORS:

By _____

By _____

EXHIBIT I
DISCLOSURE ACKNOWLEDGMENT AGREEMENT

**DISCLOSURE
ACKNOWLEDGMENT AGREEMENT**

Applicant _____
(If corporation) State of Incorporation _____
Address of Applicant _____
Location (Territory) Applied For _____

1. I have received all appropriate disclosure documents for the State(s) of _____ at least fourteen (14) calendar days, exclusive of the day I received them and the day I signed them, before signing the Franchise Agreement (or Multiple Unit Franchise Agreement) and/or payment of any monies.

2. I have signed and returned to Batteries the acknowledgment of receipt for each disclosure document given me.

3. I have had an opportunity to read the Franchise Agreement thoroughly and understand all of Batteries' covenants and obligations and my obligations as a franchisee of the Batteries Plus Bulbs® system. I understand that the Franchise Agreement contains all obligations of the parties and that Batteries does not grant to me under the Franchise Agreement any right of first refusal.

4. I understand that this franchise business, as in all business ventures, involves risk and despite assistance and support programs, the success of my business will depend primarily upon me and my ability.

5. Except for fill in the blank provisions or for negotiated changes that I initiated, I received a copy of the revised Franchise Agreement, Multiple Unit Franchise Agreement or related agreement at least seven (7) calendar days before the date on which the Franchise Agreement, Multiple Unit Franchise Agreement or related agreement was signed.

6. I understand that Batteries has a national marketing and promotional program which is not directed towards any specific franchise territory but is intended to benefit the entire Batteries Plus Bulbs® system nationwide. I further understand that amounts from the national marketing and promotional fund will be used, among other purposes, to offset in-house expenses incurred in providing marketing services, media planning and network marketing support, developing and operating the System e-commerce platform, and providing market intelligence through analytics to the Batteries Plus Bulbs® system.

7. I understand that Batteries operates a supply chain program on which Batteries may directly or indirectly receive compensation, and that a wholly-owned subsidiary of Batteries, Ascent Battery Supply, L.L.C. ("Ascent"), supplies the majority of batteries, light bulbs and related products to stores through the supply chain. I also understand that, through this supply chain program, Ascent pays Batteries a product revenue payment of 2.17% of Batteries Plus Bulbs® system-wide franchisee Net Revenues respecting sales of batteries and related products and 4.17% of system-wide franchisee Net Revenues respecting sales of all other products and services in addition to reimbursement of certain expenses and interest on funds made available to Ascent. I further understand that Ascent is responsible for all direct and indirect costs incurred by Batteries and its affiliates in the operation of the supply chain program and Ascent recovers all of these costs from franchisees through the prices that Ascent charges for products supplied to stores.

8. I understand that, pursuant to license agreements, Batteries' products and accessories may be sold under the "Rayovac" or the "Duracell Procell" brand and that these agreements may not remain in effect during the complete term of the franchise agreement.

9. If I was referred to Batteries by a franchise broker or referral source, the name of that franchise broker(s) or referral source(s) is _____.

10. I have had no promises, guarantees or assurances made to me and no information provided to me relative to earnings, revenues, profits, expenses or projected revenues for this franchise, except as disclosed in the disclosure document. If I believe that I have received any such promises, guarantees, assurances or information, I agree to describe it below (otherwise write "None").

Applicants' Acknowledgment:

Name: _____
Date: _____

Name: _____
Date: _____

EXHIBIT J

Receipt

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 we offer you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or our affiliate in connection with the proposed franchise sale. Iowa, New York and Rhode Island require that we give 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 we give 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 we do 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, D.C. 20580 and those state administrators listed on Exhibit E.

The franchisor is Batteries Plus, L.L.C. located at 1325 Walnut Ridge Drive, Hartland, Wisconsin 53029. Our telephone number is (262) 912-3000.

Issuance Date: March 28, 2014.

Our franchise seller involved in offering and selling the franchise to you is John Twist, 1325 Walnut Ridge Drive, Hartland, Wisconsin 53029, (262) 912-3000, or is listed below (with address and telephone number), or will be provided to you separately before you sign a franchise agreement:

We authorize the respective state agencies identified on Exhibit E to receive service of process for us in the particular state.

I have received a disclosure document dated March 28, 2014, that included the following Exhibits:

- | | |
|-----------------------------------------------------------------|-----------------------------------------|
| (A) Financial Statements | (F) State-Specific Addenda |
| (B) Multiple Unit Franchise Agreement | (G) Territory Reservation Agreement |
| (C) Franchise Agreement | (H) Triple Option Program Addendum |
| (D) List of Franchise Stores and Former Franchisees | (I) Disclosure Acknowledgment Agreement |
| (E) List of State Administrators; Agents for Service of Process | (J) Receipts |

Date: _____
(Do not leave blank)

Signature of Prospective Franchisee

Print Name

Copy for Franchisee

Receipt

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 we offer you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or our affiliate in connection with the proposed franchise sale. Iowa, New York and Rhode Island require that we give 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 we give 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.

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| (D) List of Franchise Stores and Former Franchisees | (I) Disclosure Acknowledgment Agreement |
| (E) List of State Administrators; Agents for Service of Process | (J) Receipts |

Date: _____
(Do not leave blank)

Signature of Prospective Franchisee

Print Name

Copy for Batteries Plus, L.L.C.

Please sign and date both copies of this receipt, keep one copy (the previous page) for your records, and mail one copy (this page) to the address listed on the front page of this disclosure document or send to Tess Sale by email to tsale@batteriesplus.com or by fax to (262) 912-3100.