iLamp

NewYork.iLamp.com
(not yet operational)

# iLamp Roadmap for The State of New York

This document covers information required to build a road map to commercial viability for the iLamp territorial license for the state of New York.

# iLamp

New York Population
**19.84 Million**

GDP
**$2.053 Trillion**

Estimated Streetlights
**1,726,080**

Street lighting is the single largest source of carbon emissions from local governments, typically accounting for 30-60% of their total emissions.

**iLamp NY**: Beyond a money saving streetlighting solution, iLamp offers a comprehensive strategy to ease grid strain, unlock significant local economic benefits, enhance public safety and health while establishing a robust local platform that projects New York's technologies and services globally.

**Lamp Sales**: iLamp's autonomous functionality reduces strain on the power grid. Its modular design enables the integration of a multitude of sensors, hardware, and software solutions which can be customised lamp by lamp, to enhance pedestrian safety, monitor key environmental markers, alleviate grid congestion, reduce pedestrian accidents, and provide many more data points, services and solutions. iLamp's adaptable design easily integrates with local systems, making it a vital component of urban street furniture.

**Utilities**: The Power as a Service (PaaS) model, wherein customers and modules pay for the clean energy generated and utilized by the device, paves the way for existing utilities to embrace sustainable practices, starting with iLamp. This model spearheads the development of new utilities focused on local clean energy production, detailed billing, and dynamic on-device management.

**Local Rights**: iLamp's dedication to comprehensive local rights fosters job creation across sectors, from production to maintenance. By leveraging regional talents and materials, it bolsters economic growth and regional prosperity. Sub-licensing rights in specific regions or sectors further expands revenue generation opportunities for the territorial license holder.

**Technology Platform**: Local hardware and software solutions are channeled into iLamp's global distribution network through the iLamp App Store and Module Store, margins are paid on each sale to the local rights holder, and these technologies are available to all iLamp territories worldwide, creating lucrative revenue streams from technology sales and markups.

iLamp is more than a product; it is a gateway to innovation, security, economic and technological advancement. By addressing crucial issues like grid efficiency and pedestrian safety, it embodies New York's forward thinking vision for a safer and more sustainable urban environment.

> *Creativity is the power to connect the seemingly unconnected.*
>
> - William Plomer

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# Overview

Reservation fee

**$200,000**

You receive post-payment:

- 1 year option to buy territory
- Roadmap + financial model
- Localised website
- Media pack, images, videos, etc
- ILOCX Listing

Funding by cede

| | |
|---|---|
| **subject to approval* | $19,000,000 |
| License Fee | $20,000,000 |
| Amount payable to exercise option and receive territorial license | **$800,000** |

You receive after payment:

- Territorial license
- Demo pole shipped & installed
- Sub-licensing rights*

## Price Breakdown

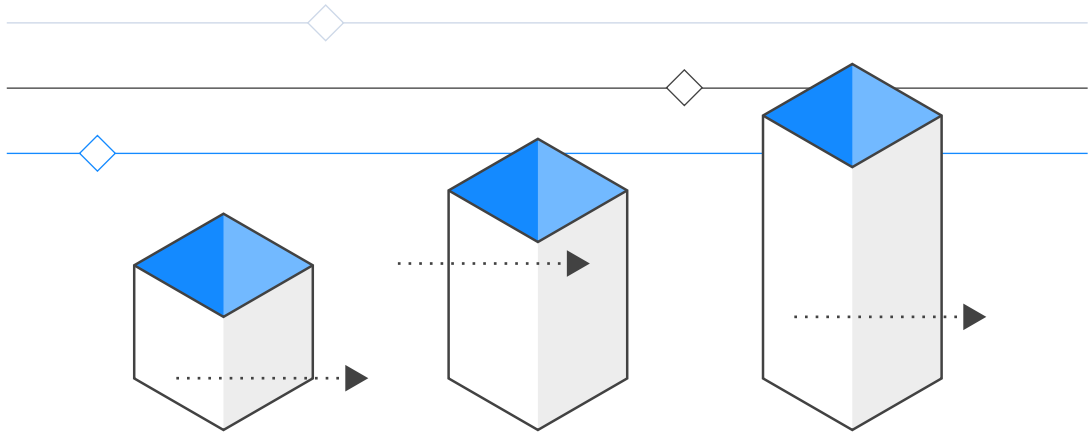
New York stands as a pivotal hub within the nation's interstate highway system, boasting an extensive network of roadways and bridges.

Considering New York's population of approximately 19.84 million, applying the revised NEEP formula ((Population/100) * 8.7) suggests that the state would require an estimated 1,726,080 streetlights.

From this estimate of a 1,726,080 streetlight market, 5% equates to approximately 86,304 units. This figure will be considered the serviceable addressable market for the next 10 years in New York. Assuming a price of $9,000 per lamp, the revenue potential is approximately $776,736,000.

It is crucial to highlight that this forecast does not encompass the Power as a Service model, income from additional apps, modules on the poles, licensing NY State innovations to other iLamp territorial holders, selling sub-licenses, or the extensive private market beyond the initial calculation. This private market, including private parking lots, university campuses, and more, }signifies a considerable opportunity for extra revenue, potentially expanding iLamp New York's market presence and financial outcomes significantly.

# Stages



## 1. Reservation

Reserve the territory on ILOCX using the account of the potential licensee: https://app.ilocx.com/territory.

- Once this phase is complete the potential licensee has 12 months to trigger the territorial license or lose the option.

## 2. Get Started

Once triggered the deposit needs to be paid, this totals **$800,000** and covers all costs to install a pilot scheme in the location chosen.

- This will include delivery and installation of an autonomous iLamp as a demonstration to land sales and mass installations.
- This also covers:
  - The costs to list on ILOCX covering all upfront fees and first year listing fees.
  - The building and delivery of a local website.
  - All media and images, data and point of sale aids, email addresses, and a detailed report covering USP's, market size, list of potential partners, HQ assistance for news and localized promotion of iLamp in the territory.

## 3. The Details

Once the option fee has been paid a local legal entity needs to be formed to hold the license. This is formed by the licensee.

# The New York Opportunity

New York, a state renowned for its fusion of historic charm and forward thinking innovation, is on the brink of a significant overhaul in its urban infrastructure. This transformation is in harmony with New York's commitment to technological progress and innovation. The rollout of iLamp in New York is set to forge a dynamic link between the state's ambitions for modernization and the global momentum towards smart city developments. This initiative envisions a future where New York's storied legacy and its pursuit of cutting edge urban solutions are interwoven through iLamp's visionary lens.

**Grid Resilience and Sustainable Transformation:**

In New York, a state characterized by its fluctuating energy demands and environmental consciousness, the balance between modernization and sustainability is crucial. iLamp stands out as a leader in this area, providing a self sustaining lighting solution that enhances grid resilience and fosters energy security. It represents a significant leap towards energy autonomy and sustainable urban living in New York.

**Power-as-a-Service (PaaS) Model: A Leap into the Future:**

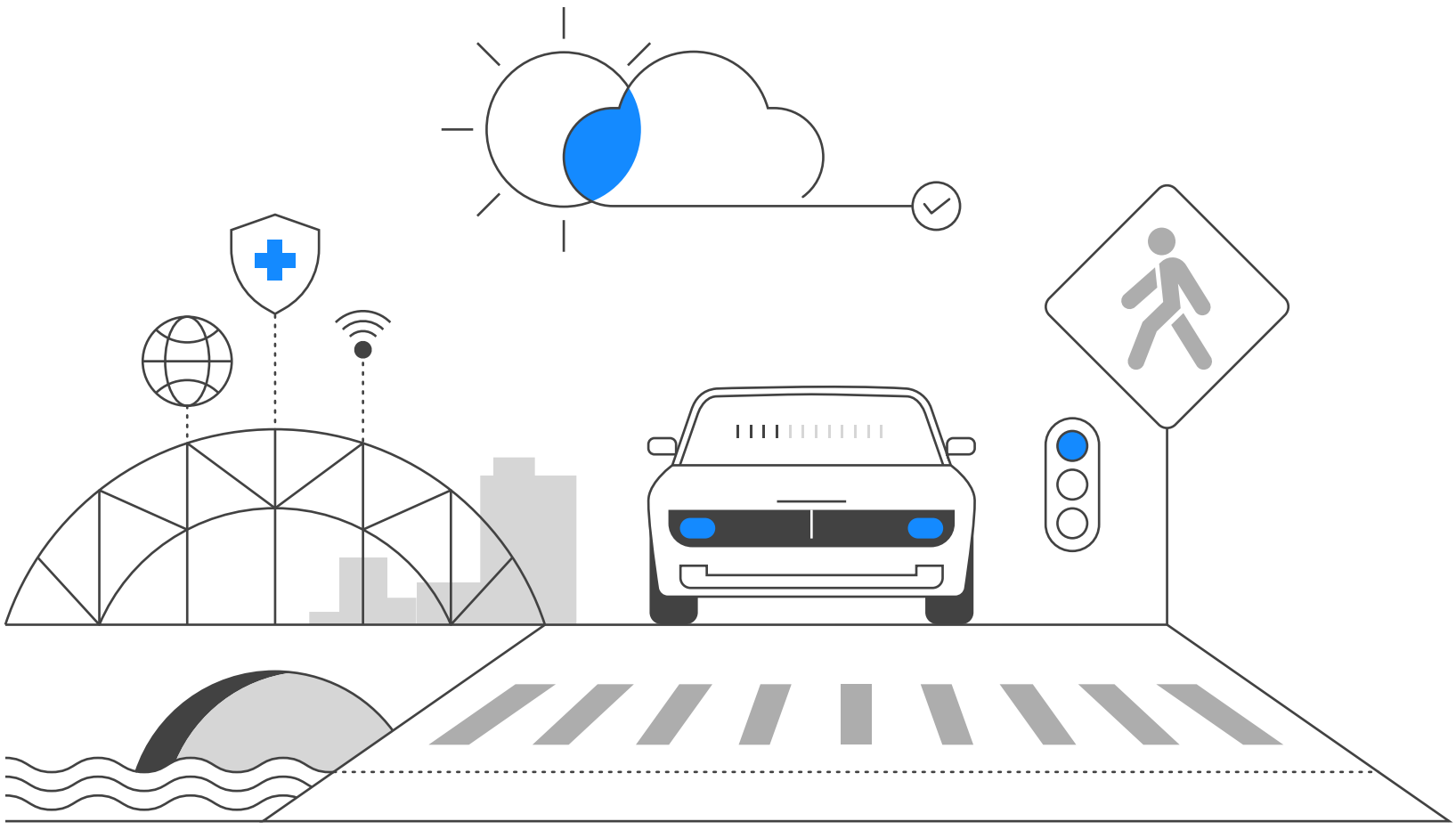
iLamp's Power-as-a-Service model is a game changer for utilities, propelling them into the future of clean and intelligent energy. This innovative approach transforms the traditional power distribution system, focusing on local generation, efficiency, and energy management innovation.

**New Revenue Avenues and Technological Integration:**

iLamp's modular design paves the way for limitless technological integrations, treating each lamp as valuable real estate ready for integrations with third party sensors, modules and software. This opens significant new revenue channels both on the sale and mark up of the services these provide, ensuring that each iLamp unit becomes a nexus of high tech innovation, contributing to the digital transformation of New York's cities.

**Economic Benefits and Reach Beyond Urban Areas:**

The introduction of iLamp in New York promises significant economic advantages, with the potential to impact not only major urban hubs like New York City and Buffalo but also semi urban and rural locales. This inclusive strategy aims to provide a uniform and advanced technological footprint throughout the state, bringing smart, efficient solutions to every community.



# Public security and health

## Road Safety & Traffic

iLamp positively impacts road safety by providing optimal lighting conditions on roads and highways. iLamp's adaptive lighting capabilities can adjust brightness according to traffic conditions, enhancing safety during peak hours and adverse weather conditions. Modular camera and communications systems can help monitor traffic, detect potential hazards, and improve response times to accidents, improving road safety and reducing traffic.

## Pedestrian Safety

iLamp improves pedestrian safety by providing adequate lighting in areas such as sidewalks, crosswalks, and public transportation stops. Modular cameras can be used to monitor pedestrian movement and help identify potential hazards or security threats in real time ensuring safer pedestrian environments.

## Weather Monitoring Module

Weather sensors can detect changing weather conditions, such as fog, rain, or snow, and adjust the intensity and distribution of light accordingly. This adaptability enhances visibility for drivers and pedestrians in adverse weather conditions, further improving public safety.

### Air Quality

Air quality monitoring can help track pollution levels in real time, allowing authorities to implement appropriate measures to limit exposure and maintain a healthy environment. By monitoring and addressing air quality concerns, iLamp contributes to improved broader public health and well being.

### Communications

Communication modules can both expand telecoms coverage and facilitate the transmission of critical information to the relevant authorities and emergency services in case of accidents or security incidents. creating a comprehensive and interconnected network enabling authorities to monitor and manage various aspects of urban living more effectively. This network of sensors can lead to improved decision making, more efficient use of resources, and a better understanding of the

### Light Polution Reduction

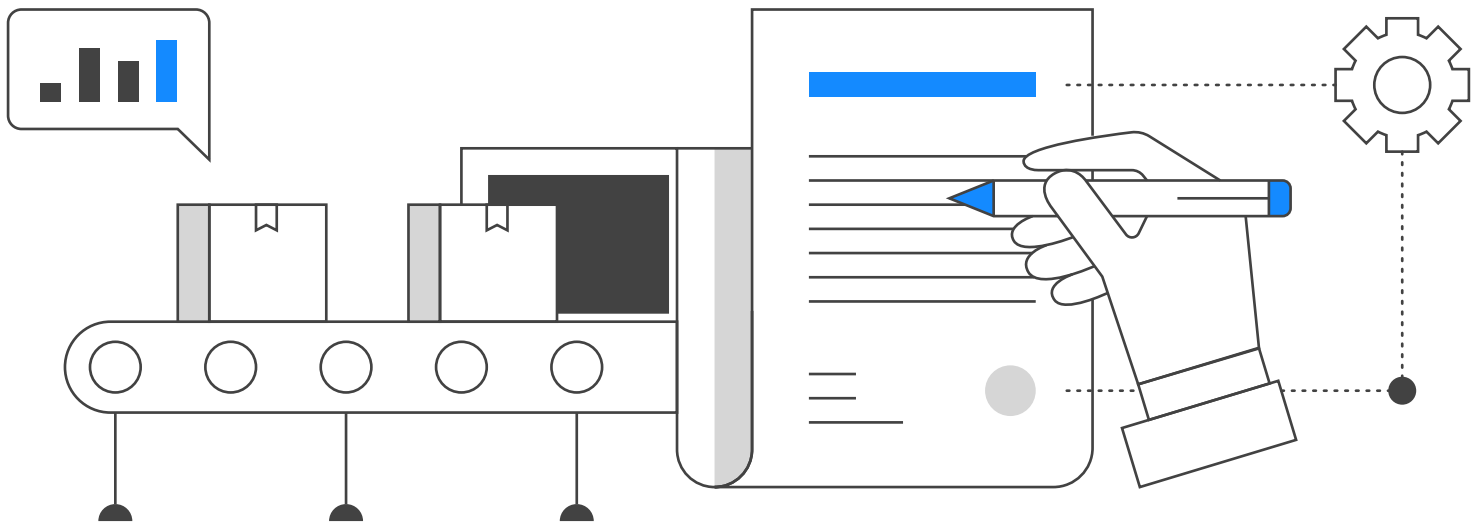
The adaptive lighting capabilities of iLamp can minimize light pollution by adjusting brightness levels according to the time of day and surrounding conditions. This can contribute to a better night-time environment, reducing the impact of artificial light on wildlife and human health.

### Integration with Existing Infrastructure

iLamp technology can integrate with existing sensors and infrastructure, allowing for enhanced data collection and analysis. By connecting iLamp with sensors a modules facilitating parking, traffic management, telecommunications structural, UV and noise monitoring, fire, leak and flood detection, grid management and many more.

### Public Protection

iLamp can host smoke, gas, gunshot detection, thermal imagine and communications modules, enabling the quick detection of public safety hazards, such as wildfires, shootings, gas leaks or explosions, these can then be relayed in real time via the communication module to the relevant authorities, enabling faster, more targetted and data driven responses.



# License holder benefits

### 1. First Refusal on Conflow Power Group Innovations:

Territorial holders will be at the forefront of any technological advancements or innovations developed by the Conflow Power Group. This means that before any new feature, product, or service is rolled out to the broader market, territorial holders have the exclusive opportunity to adopt, integrate, or decline them. This not only provides an edge over potential competitors but also ensures that each territory is equipped with the latest in energy and infrastructure solutions.

### 2. Comprehensive Rights:

iLamp grants territorial holders comprehensive rights, including the ability to establish local manufacturing. This initiative not only contributes to local economic growth but also ensures quicker response times for installations, maintenance, and replacements. With local manufacturing, territorial holders can control the quality, reduce delivery times, and tailor-make solutions suitable for their region's specific needs.

### 3. Competitive Edge Against iLamp HQ:

By establishing local manufacturing, territorial holders, depending on local market conditions, may be able to produce iLamps, or other modules at competitive prices, thereby posing healthy competition to iLamp HQ via the allowed sale of these lamps to other territories. This encourages market dynamics that can lead to additional revenue streams, as well as continuous improvements in the product, better pricing strategies, and an overall enhanced offering for end customers.

### 4. Access to Wider Network of Territorial Rights Holders:

Being a territorial rights holder means more than managing a region; it's an entry point into a global network of iLamp territories. This worldwide community unlocks avenues for collaborative projects and joint ventures but also creates a global marketplace where territories can showcase their own modules, technologies and solutions.

### 5. Distributing Locally Developed Technologies:

Territorial holders aren't restricted to what iLamp or Conflow offers. They can innovate, create, or license their own technologies for integration into the local iLamps. Once developed, they can distribute these innovations to other territorial holders both nationally and internationally. This not only diversifies their revenue stream but also places them in a position of influence within the iLamp community.

### 6. Charging Margins on Distributed Technologies:

When distributing their locally developed or licensed technologies to other territories, holders can charge a margin on those solutions. This is a direct revenue generation model that rewards innovation and the entrepreneurial spirit of the territorial holder.

### 7. Early Mover Advantage:

Territories that adopt iLamp's solutions early will naturally have a head start. As pioneers they gain first hand experience, establish best practices, and develop a robust infrastructure that later entrants will look to emulate. This experience positions them strongly not just as market leaders in their territories but also as potential consultants or partners for newer entrants.

### 8. Preferential Rates on Modules and Software Solutions:

One of the defining advantages for territorial holders is access to preferential rates on various modules and software solutions. iLamp HQ, recognizing the strategic importance of territories and their contribution to the global ecosystem, extends these rates as a token of partnership and collaboration.

When iLamp HQ or any other territory negotiates with third-party vendors or develops in-house solutions, the benefits of bulk purchasing or shared development costs are passed on to the territorial holders. This means lower acquisition costs, which can be a substantial financial benefit.

### 9. Collective Bargaining Power:

The collective might of all the territorial holders allows them to exert a greater influence when negotiating rates or features with software and module providers. This collaboration ensures that all territories, irrespective of their individual size or bargaining power, get to leverage the combined strength of the entire iLamp community.

### 10. Access to a Repository of Solutions:

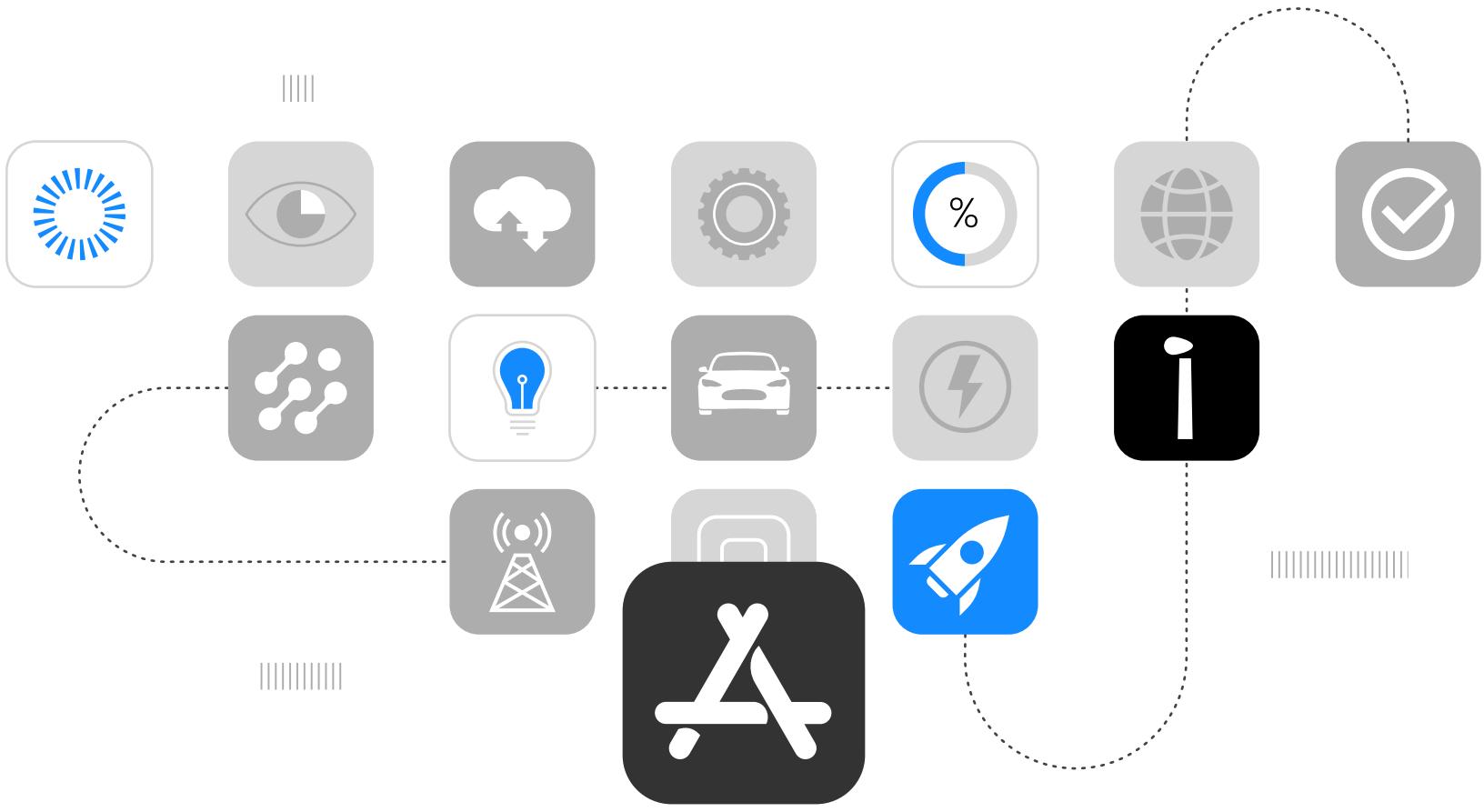
Territorial holders will have access to a vast repository of modules and software solutions developed or sourced by iLamp HQ and other territories. This curated collection ensures that territories do not have to start from scratch or waste resources in reinventing the wheel. They can simply choose from tried and tested solutions, making the deployment faster and more efficient.

### 11. Continuous Updates and Upgrades:

Technology is ever-evolving, and in the world of smart urban solutions, staying updated is crucial. Territorial holders will continuously receive updates and upgrades on the modules and software solutions from both iLamp HQ and other territories. This ensures that the iLamp infrastructure in each territory remains modern, efficient, and in line with the latest technological advancements.

### 12. Green Utility through Power as a Service:

Territorial holders keep 80% of PaaS revenue, to share as they see fit with development and power company partners. Once first contract is signed in the state the territorial holder can apply to become an autonomous green utility which opens up a whole host of other promotional activities and grant opportunities.




# iLamp App Store for Urban Innovation

iLamp stands at the forefront of urban technological evolution, akin to how the Google Play and Apple App Store redefined the landscape of software applications. This innovative street lighting solution transcends its primary function, unfolding as a dynamic framework for both hardware and software ingenuity.

## Innovative Solutions

In the iLamp ecosystem, innovative combinations of hardware and software create transformative solutions for urban challenges. For instance, integrated microphones in iLamps enable a software application for gunshot detection and triangulation, providing precise location data for rapid law enforcement response, enhancing public safety. Similarly, iLamps equipped with smoke and thermal sensors can detect early signs of forest fires, allowing for prompt alerts to residents and emergency crews, significantly mitigating fire damage and safeguarding communities. Motion sensors and cameras on iLamps optimise traffic flow through AI-driven analysis of traffic patterns, reducing congestion and accident risks, and contributing to a more environmentally friendly urban environment. These examples exemplify iLamp's potential in revolutionising urban living through smart, integrated technology solutions.

## A Modular Approach to Technological Integration

iLamp's modular design is its cornerstone, inviting a myriad of hardware innovations. From environmental sensors to advanced communication tools, this platform is not just about illumination; it's about revolutionising urban infrastructure. Like the early days of mobile app development, where internal sensors of smartphones unlocked a plethora of creative applications, iLamp offers a similar scope for creativity but with an additional emphasis on tangible hardware solutions.

## Empowering Local Innovation, Impacting Globally

While iLamp's immediate influence is local, enhancing public spaces with smart lighting, its potential for global technology dissemination is significant. This model encourages local developers to contribute to a growing repository of modular solutions, potentially setting new standards in urban technology and smart city development.

## Creating a Sustainable Ecosystem

The beauty of the iLamp model lies in its economic and collaborative structure. Territorial holders stand to gain considerably, capturing over 20% of the revenue from apps developed in their region, incentivising territorial holders to promote innovation within their locale but also allowing them to include these novel solutions in their sales pitches, thereby broadening their offer to clients. This creates a symbiotic ecosystem where territorial holders, developers, and end-users benefit mutually.

# Sublicensing Opportunity

Sublicensing is a pivotal strategy for iLamp New York, allowing for immediate initiation of operations across the diverse state. This method enables territorial holders to swiftly propagate the iLamp business model to subterritories, leading to rapid expansion and the potential for accelerated sales. The ability to sublicense instantly is crucial in securing vital early-stage revenue, offering financial stability from the outset.

By sublicensing the territorial license holder benefits by assembling a team of local experts, who possess an innate understanding of the state's varied and vast landscape. These professionals, empowered by the independence sublicensing provides, can operate with considerable autonomy. This autonomy promotes growth and innovation without constant oversight, creating a dynamic team environment that is agile and finely attuned to the specific needs of the New York market.

Leveraging local expertise, iLamp New York can collaborate with local professionals like manufacturers, businesspeople, and regional specialists who have a profound knowledge of their specific areas within New York. Sublicensing to these local experts ensures that iLamp's solutions are precisely tailored to meet the state's distinct challenges and opportunities, thereby establishing trust and credibility within local communities.

Sublicensees in New York may be already skilled in navigating the state's bureaucracy, regulations, policies, and understanding cultural nuances and market dynamics. This expertise facilitates more efficient market penetration. It also distributes operational risks among a wider group of stakeholders, reducing the financial and operational burden on the primary license holder. This model encourages local stakeholder involvement, fostering a sense of ownership and commitment to iLamp's success, potentially leading to stronger advocacy and brand loyalty across New York State.

The sublicensing model is inherently scalable, allowing iLamp New York to extend its influence throughout the state without the proportional increase in capital investment and resources typically associated with such expansion. The following price list reflects market prices as assessed by Cede Bank, specifically tailored for the New York market.

## SUBLICENSING OPPORTUNITY

| State | Population | Street Lights | SAM YR.1 | Territory Price |
|---|---|---|---|---|
| Kings County | 2,590,516 | 225,375 | 11,269 | $12,952,580.00 |
| Queens County | 2,278,029 | 198,189 | 9,909 | $11,390,145.00 |
| New York County | 1,596,273 | 138,876 | 6,944 | $7,981,365.00 |
| Suffolk County | 1,525,465 | 132,715 | 6,636 | $7,627,325.00 |
| Nassau County | 1,383,726 | 120,384 | 6,019 | $6,918,630.00 |
| Bronx County | 1,379,946 | 120,055 | 6,003 | $6,899,730.00 |
| Westchester County | 990,427 | 86,167 | 4,308 | $4,952,135.00 |
| Erie County | 950,312 | 82,677 | 4,134 | $4,751,560.00 |
| Monroe County | 752,035 | 65,427 | 3,271 | $3,760,175.00 |
| Richmond County | 491,133 | 42,729 | 2,136 | $2,455,665.00 |
| Onondaga County | 468,249 | 40,738 | 2,037 | $2,341,245.00 |
| Orange County | 405,941 | 35,317 | 1,766 | $2,029,705.00 |
| Rockland County | 339,022 | 29,495 | 1,475 | $1,695,110.00 |
| Albany County | 315,811 | 27,476 | 1,374 | $1,579,055.00 |
| Dutchess County | 297,545 | 25,886 | 1,294 | $1,487,725.00 |
| Saratoga County | 238,797 | 20,775 | 1,039 | $1,193,985.00 |
| Oneida County | 228,846 | 19,910 | 995 | $1,144,230.00 |
| Niagara County | 210,880 | 18,347 | 917 | $1,054,400.00 |
| Broome County | 197,117 | 17,149 | 857 | $985,585.00 |
| Ulster County | 182,319 | 15,862 | 793 | $911,595.00 |
| Schenectady County | 160,093 | 13,928 | 696 | $800,465.00 |
| Rensselaer County | 159,853 | 13,907 | 695 | $799,265.00 |
| Chautauqua County | 126,027 | 10,964 | 548 | $630,135.00 |
| Oswego County | 118,287 | 10,291 | 515 | $591,435.00 |
| Jefferson County | 116,637 | 10,147 | 507 | $583,185.00 |
| Ontario County | 112,707 | 9,806 | 490 | $563,535.00 |
| St. Lawrence County | 107,733 | 9,373 | 469 | $538,665.00 |
| Tompkins County | 104,777 | 9,116 | 456 | $523,885.00 |
| Putnam County | 98,045 | 8,530 | 426 | $490,225.00 |
| Steuben County | 92,599 | 8,056 | 403 | $462,995.00 |
| Wayne County | 91,125 | 7,928 | 396 | $455,625.00 |
| Chemung County | 81,426 | 7,084 | 354 | $407,130.00 |
| Sullivan County | 79,658 | 6,930 | 347 | $398,290.00 |
| Clinton County | 78,753 | 6,852 | 343 | $393,765.00 |
| Cattaraugus County | 76,439 | 6,650 | 333 | $382,195.00 |
| Cayuga County | 74,998 | 6,525 | 326 | $374,990.00 |
| Madison County | 67,097 | 5,837 | 292 | $335,485.00 |
| Warren County | 65,599 | 5,707 | 285 | $327,995.00 |
| Livingston County | 61,516 | 5,352 | 268 | $307,580.00 |
| Columbia County | 61,286 | 5,332 | 267 | $306,430.00 |
| Washington County | 60,841 | 5,293 | 265 | $304,205.00 |
| Otsego County | 60,636 | 5,275 | 264 | $303,180.00 |
| Herkimer County | 59,822 | 5,205 | 260 | $299,110.00 |
| Genesee County | 57,535 | 5,006 | 250 | $287,675.00 |
| Fulton County | 52,669 | 4,582 | 229 | $263,345.00 |

**$95,242,735.00**

# Incentives, Grants and Programs

In September 2021, New York took a significant step towards a sustainable future by enacting the Climate Leadership and Community Protection Act (CLCPA). This landmark legislation not only sets aggressive targets for reducing greenhouse gas emissions but also emphasizes social equity and job creation within the state's environmental policies. Alongside state initiatives, the Inflation Reduction Act, the single largest climate action investment in U.S. history, is designed to mobilize private capital to achieve our climate goals and strengthen long-term growth, providing a substantial federal impetus to New York's and the nation's efforts to combat climate change.

The CLCPA mandates the New York State Department of Environmental Conservation (DEC) to establish new goals for reducing emissions across all sectors of the economy, aiming for a 40% reduction in greenhouse gas emissions by 2030 and an 85% reduction by 2050, compared to 1990 levels. Furthermore, the act calls for achieving net-zero emissions across the state's economy, making New York a leader in the fight against climate change. The Inflation Reduction Act complements these efforts by offering financial incentives and support for clean energy initiatives, bolstering New York's transition to a green economy.

The legislation allows electric utilities and other entities to implement electrification programs that decrease overall energy consumption and contribute towards the state’s emissions reduction targets, with specific guidelines to ensure these efforts support the broader goals of the CLCPA and are augmented by federal resources made available through the Inflation Reduction Act.

The CLCPA also fosters initiatives that contribute to building energy codes, appliance standards, and municipal actions such as building performance standards. It introduces changes affecting the way utilities manage their programs, including modifications to funding caps, an opt-out feature for major consumers, and expanded support for low-income households, all of which are further supported by the Inflation Reduction Act’s provisions for energy efficiency and renewable energy.

The act provides mechanisms for utilities to recover lost revenue through investments in energy efficiency, encouraging them to meet and exceed their emissions reduction targets with the possibility of earning performance-based incentives. This is synergistic with the Inflation Reduction Act’s aim to drive the U.S. towards a more sustainable and energy-efficient future.

**SAFE STREETS FOR ALL (SS4A) Grant**

This major grant program, with a budget reflecting a commitment to safety and sustainability, aims to support regional, local, and tribal efforts to eliminate roadway fatalities and serious injuries, promoting safe and sustainable transportation. This initiative is complemented by federal investments through the Inflation Reduction Act, targeting infrastructure improvements and clean transportation solutions.

**Significant Grant Allocations**

**Planning and Demonstration Grants**: Offering financial support ranging from $100,000 to $10 million for comprehensive safety and sustainability planning.

**Implementation Grants:** Providing $2.5 million to $25 million for executing infrastructure projects and strategies developed in safety action plans, with potential augmentation from federal funding under the Inflation Reduction Act.

New York's investment in safety and sustainability is evidenced by the significant funds allocated to various grant programs, demonstrating the state's dedication to creating safer, greener communities. Through these grants, New York is addressing immediate environmental and safety challenges while laying the groundwork for a more sustainable and secure future, in alignment with the goals and financial backing provided by the Inflation Reduction Act.

**Further incentives can be found on the following links:**

New York State Energy Research and Development Authority (NYSERDA): nyserda.ny.gov

New York State Department of Environmental Conservation (DEC): dec.ny.gov

New York State Department of Transportation (NYSDOT): dot.ny.gov

# The Market & Financials

New York State, known for its rich cultural heritage and forward-thinking initiatives, presents a dynamic market for infrastructure development. The state's dedication to modernization and sustainable urban planning makes it an ideal environment for innovative infrastructure solutions such as iLamp. New York's diversity, ranging from bustling metropolitan areas like New York City to extensive rural locales, offers a wide array of opportunities for street lighting solutions.

## Market Segmentation

| | | |
|---|---|---|
| **By Area** | : | Urban (New York City, Buffalo, Rochester) vs. Rural (Upstate New York, Adirondacks region) |
| **By Need** | : | Revitalizing outdated infrastructure vs. New installations in urban and suburban districts. |
| **By Application** | : | Public streets, highways, recreational areas, private complexes, and parking lots. |
| **Digital Cities** | : | Leading cities such as New York City and Buffalo provide substantial opportunities for iLamp deployment. |
| **Green Initiatives** | : | New York State’s commitment to environmental sustainability aligns well with iLamp. |
| **Decentralized Systems** | : | As New York advances its energy infrastructure, systems like iLamp that lessen dependence on the main grid are increasingly valuable. |

**Total Addressable Market (TAM):**
The total number of public streetlights required in New York is estimated at 1,726,080 using the Northeast Energy Efficiency Partnerships formula.

**Serviceable Available Market (SAM):**
Given New York’s diverse infrastructure needs and its receptiveness to innovative technologies, targeting 11% of the TAM.

**Serviceable Obtainable Market (SOM):**
Considering factors like market competition, technology adoption rate, and specific infrastructure conditions in New York, a conservative target of 5% of the SAM per sublicensee with a growth rate of 25%.

# The iLamp Financial Model

The following financial model is based on a business model of selling rights for the outlined areas. It assumes the territorial license holder focuses only on the sale of sublicensing of rights and the ongoing royalties attached to those sales within the state.

This model therefore does not directly cover the operation of these territories, which over the ten years covered by the financial model, allowing for one year of setup and  25% growth rate, generate significant revenue of their own.

In the model the highest value sublicenses are sold first, bringing in immediate capital, over the 10 year period covered in this financial model, 45 identified sublicensable territories with a population over 50,000 are sold.

The sales income decreases over time as the most valuable rights are sold first, as sublicensee's grow in their respective areas, royalties paid to the territorial license holder increase over time.

# Financial Model Structure

The financial model for iLamp is built around a territorial licensing system, where the territorial license holders are instrumental in expanding iLamp's reach across the state. The model includes:

**Sublicense Sales:** The territorial license holder is assumed to sell three sublicenses annually.

**Revenue Generation:** Sublicensees are projected to start generating revenue after an initial setup period of one year, allowing time for market penetration and establishment.

**Market Capture:** Annually, each sublicensee aims to capture 5% of the Serviceable Available Market (SAM), with a growth target of 25% set for each subsequent year.

**Sublicense Pricing:** Pricing for each sublicense is calculated based on the number of streetlights within the territory.

**Royalty Fees:** A royalty fee, typically around 15%, is charged by the territorial license holder on the revenue of each sublicensee.

# Further Information

**Product Costing:** The cost of implementing iLamp is estimated per streetlight or per area covered, taking into account installation and maintenance costs.

This model uses the NEEP formula designed to estimate the number of public streetlights in a given area beased on population. It does not include: Power as a Service revenues, margins charged on licensing state born technologies to other regions or countries through the iLamp App Store or the private street-lighting market including carparks, campuses and private developments.

This model is therefore by no means exhaustive and based on assumptions and estimates subject to change, and it doesn't guarantee future performance or outcomes. It's designed as a guide for decision making and planning, with a customizable spreadsheet available for licensees to adjust parameters according to their local market conditions, ensuring relevance and accuracy in different regional contexts.

**FINANCIAL MODEL**

| Year | Territories Sold | Territory Sales Income | Royalties Received | Territory-Wise Revenue |
|---|---|---|---|---|
| 1 | Kings County,Queens County,New York County | $32,324,090.00 | $0.00 | $0.00 |
| 2 | Suffolk County,Nassau County,Bronx County | $21,445,685.00 | $1,898,232.19 | $12,654,881.24 |
| 3 | Westchester County,Erie County,Monroe County | $13,463,870.00 | $3,632,188.08 | $24,214,587.22 |
| 4 | Richmond County,Onondaga County,Orange County | $13,463,870.00 | $5,330,900.87 | $35,539,339.13 |
| 5 | Rockland County,Albany County,Dutchess County | $4,761,890.00 | $7,064,519.05 | $47,096,793.69 |
| 6 | Saratoga County,Oneida County,Niagara County | $3,392,615.00 | $9,110,290.81 | $60,735,272.04 |
| 7 | Broome County,Ulster County,Schenectady County | $2,697,645.00 | $11,587,094.82 | $77,247,298.83 |
| 8 | Rensselaer County,Chautauqua County,Oswego County | $1,851,705.00 | $14,595,280.43 | $97,301,869.50 |
| 9 | Jefferson County,Ontario County,St. Lawrence County | $1,685,385.00 | $18,421,533.20 | $122,810,221.34 |
| 10 | Tompkins County,Putnam County,Steuben County | $1,477,105.00 | $18,421,533.20 | $192,974,982.32 |
| **Total** | | **$95,086,755.00** | **$71,640,039.45** | **$477,600,262.99** |

## INCOME STATEMENT

| REVENUES | YEAR ONE | YEAR TWO | YEAR THREE |
|---|---|---|---|
| **Royalties received** | $0.00 | $1,898,232.19 | $3,632,188.08 |
| **Sublicense sales** | $32,324,090.00 | $21,445,685.00 | $13,463,870.00 |
| **Net Revenues** | $32,324,090.00 | $23,343,917.19 | $17,096,058.08 |

| COST OF GOODS SOLD | YEAR ONE | YEAR TWO | YEAR THREE |
|---|---|---|---|
| **Cost of sales** | $1,000,000.00 | $2,334,391.72 | $1,709,605.81 |
| **Gross Profit** | $31,324,090.00 | $21,009,525.47 | $15,386,452.27 |

| EXPENSES | YEAR ONE | YEAR TWO | YEAR THREE |
|---|---|---|---|
| **Royalties paid** | $3,555,649.90 | $2,567,830.89 | $854,802.90 |
| **Selling & Marketing** | $4,525,372.60 | $3,268,148.41 | $2,393,448.13 |
| **Rent & Utilities** | $646,481.80 | $466,878.34 | $341,921.16 |
| **General & Administrative** | $1,616,204.50 | $1,167,195.86 | $854,802.90 |
| **Salaries & Wages** | | | |
| **Total Operating Expenses** | $10,343,708.80 | $7,470,053.50 | $4,444,975.10 |

| OPERATING INCOME | YEAR ONE | YEAR TWO | YEAR THREE |
|---|---|---|---|
| **Operating Income** | $20,980,381.20 | $13,539,471.97 | $10,941,477.17 |
| **Income Before Taxes** | $20,980,381.20 | $13,539,471.97 | $10,941,477.17 |
| **Income Tax** | $1,993,136.21 | $1,286,249.84 | $1,039,440.33 |
| **Net Income** | $18,987,244.99 | $12,253,222.13 | $9,902,036.84 |

# iLamp NY and the paradigm shift

iLamp is embarking on a groundbreaking journey in New York, aiming not just to enter the market but to fundamentally reshape it. A crucial decision for iLamp New York lies in finding the right balance between maintaining operational control and distributing sublicenses. Opting for direct management could lead to substantial profits and tighter control over profit margins. However, partnering with adept local organizations could facilitate faster market penetration, resulting in swift revenue increases and an immediate boost in income.

New revenue streams are being unlocked by capitalizing on New York-originated hardware and software innovations, building a robust ecosystem of solutions. Through iLamp's extensive distribution channels and its app store, these innovations are introduced to new markets, each contributing to fresh, profitable revenue avenues for iLamp New York.

Our venture's scope extends far beyond mere products. New York is home to a wealth of untapped local initiatives, presenting abundant opportunities. Establishing local manufacturing could place iLamp New York at the forefront as a key regional supplier. By monetizing the spaces on lamp poles and employing a variety of hardware and software solutions, along with subscription models like Power As A Service, the possibilities for income generation are vast and significant.

Backed by the Conflow Power Group, iLamp New York gains early access to and priority on all technological breakthroughs and innovations from CPG, securing a major lead as an innovator in New York.

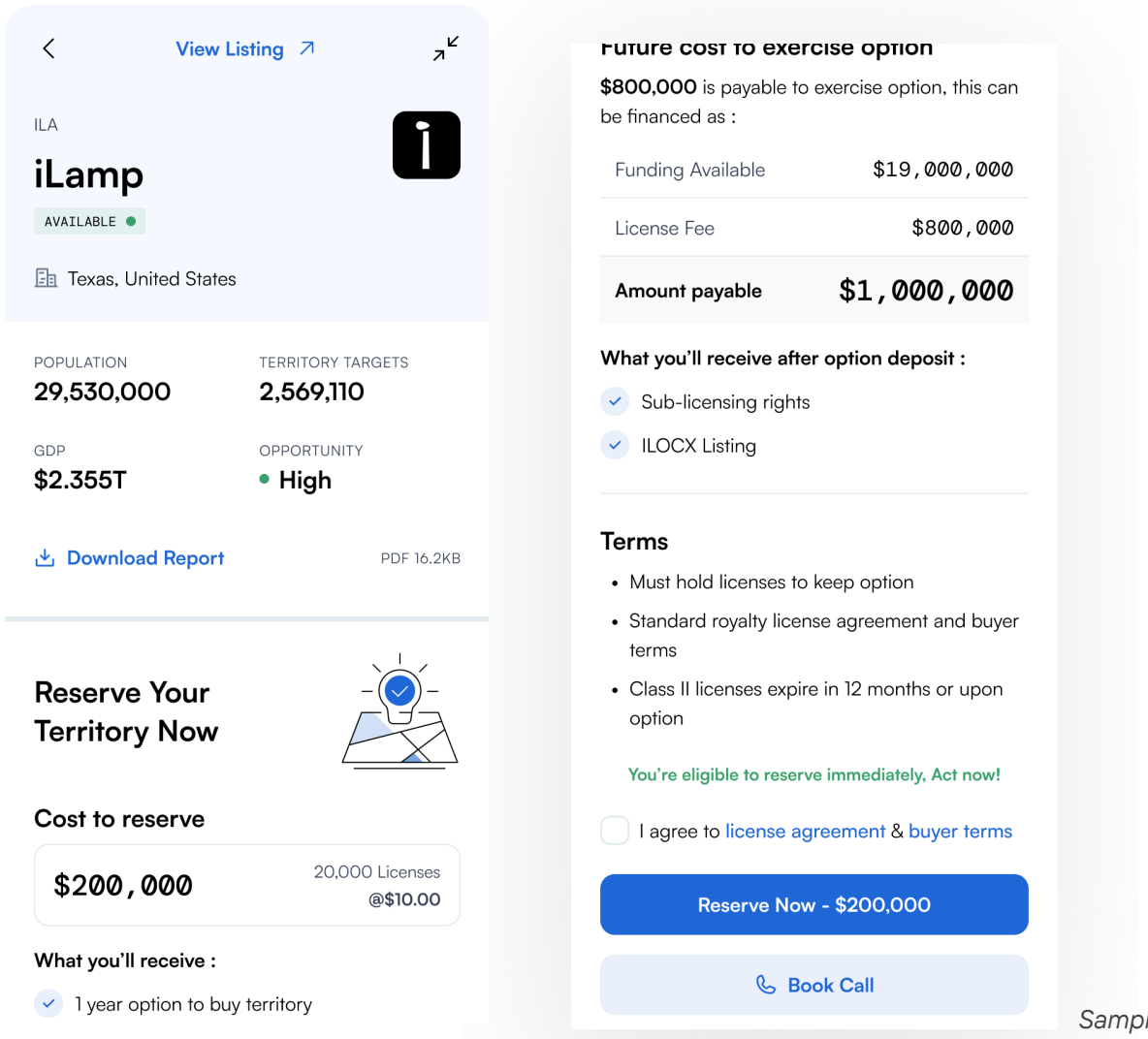
The collaboration with the ILOCX platform further empowers iLamp New York in efficiently managing sublicense sales as well as territorial license sales. This mechanism is vital for sublicensees looking to raise capital within their markets, promoting growth and facilitating market expansion.

The global urban landscape stands on the brink of a profound transformation, and our cutting-edge solutions are not just in demand; they are critical. As urban environments evolve, iLamp's state-of-the-art solutions illuminate the path ahead. iLamp New York is poised to become a key figure in this essential shift, symbolizing progress and innovation.

# Next steps

## 01 | Buy Option

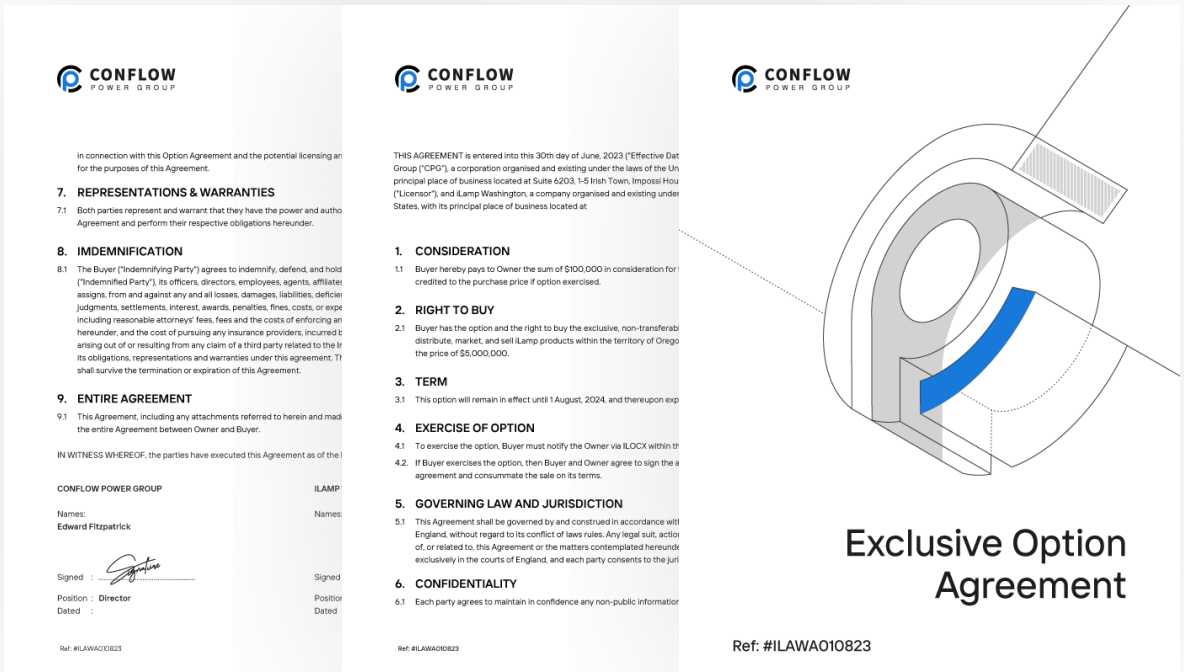
This is the first step where you decide to purchase the option to buy a specific iLamp Territory. You'll likely choose a territory based on certain parameters such as demographics, potential market size, or geographical preference.




*Sample buy option screen*

## 02 | Receive Option Agreement

After expressing your intent to purchase, you'll receive an option agreement, which is a contract that gives you the right to execute the purchase of the territory within a specified period.




*Sample Option To Buy*

## 03 | Loan Approval* **if applicable*

In some cases, financing might be necessary to purchase the territory. iLamp technology holds a AAA rating for lending, loans are therefore available for up to the majority of the transaction value.

The loan approval process focuses on the applicant.

- **Evaluating the creditworthiness of the individuals involved**

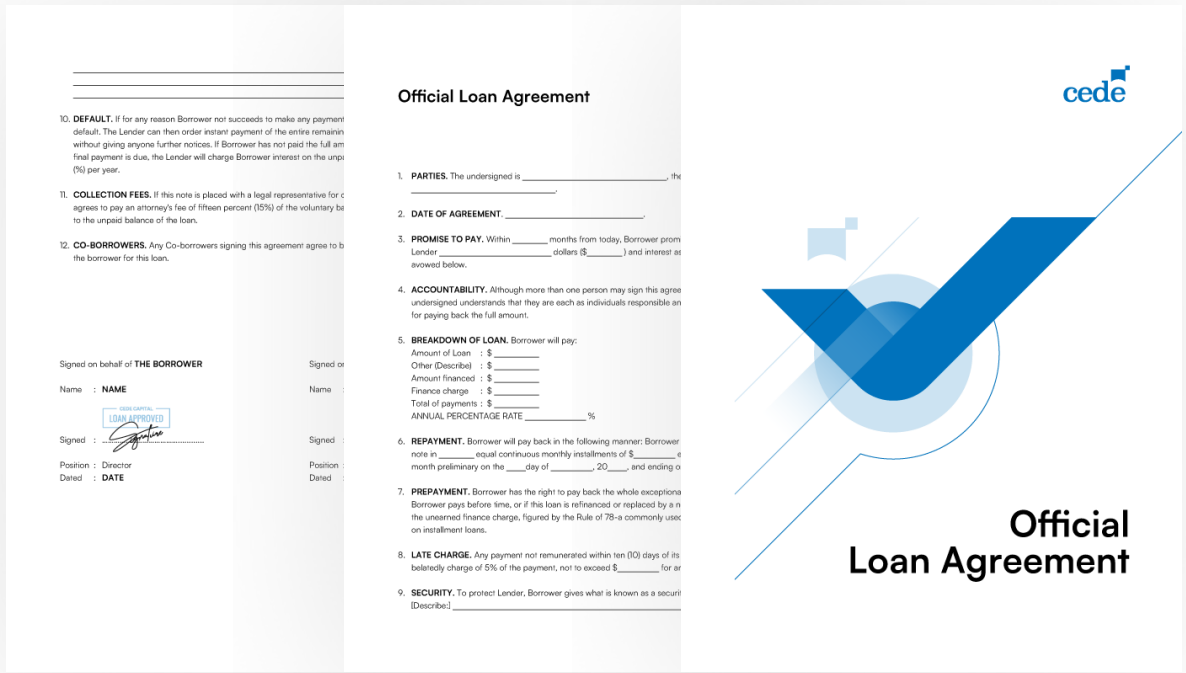
  This typically includes the directors and any other major stakeholders in the business. Cede Capital will look at these individuals' credit history, current financial position, and overall financial management.

- **Profile review**

  Cede Capital will assess the experience, capabilities, and business acumen of the people who will be managing the business.

- **Local market assessment**

  Cede Capital will evaluate the demand for the product or service, the competition, and any other local demographic data, economic trends, and industry-specific indicators.



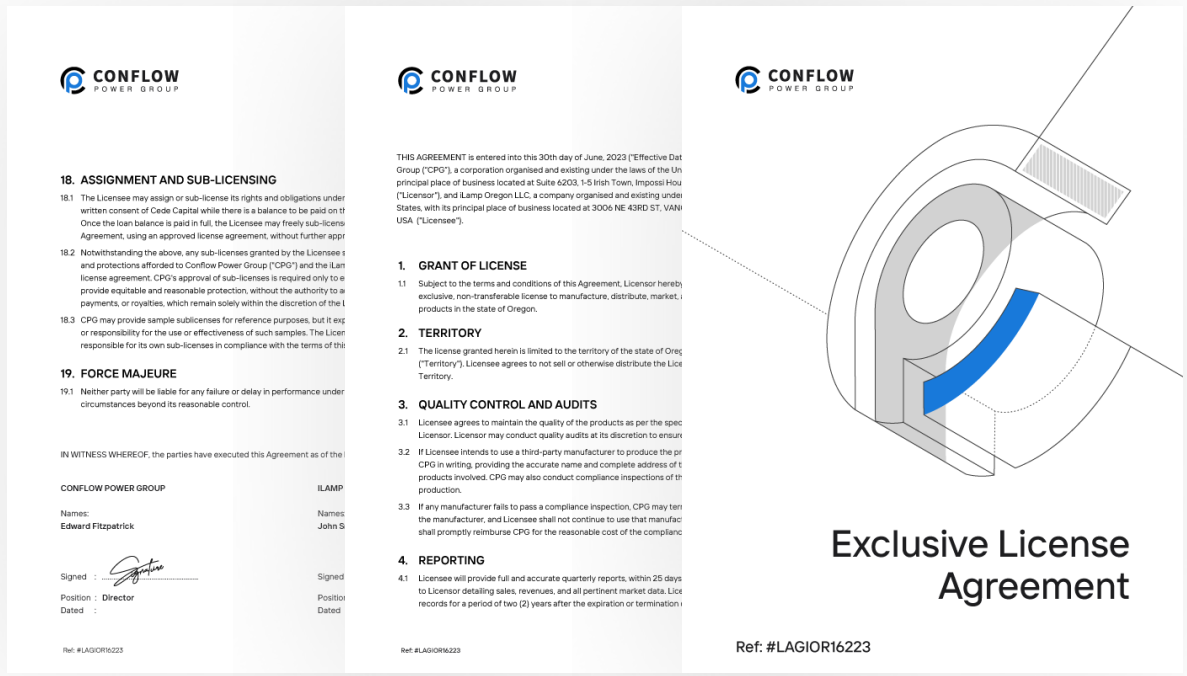

*Sample Loan Agreement document*

## 04 | Execute Option

The option must be exercised within 365 days from Purchase This means you have up to a year to finalize your decision to purchase the territory. If you decide to proceed, you'll execute the option, effectively triggering the purchase process.

## 05 | Sign License Agreement

This is an agreement between you and the Conflow Power Group, the company that owns the iLamp product range, granting the  in the designated territory. It sets the terms and conditions of the partnership.



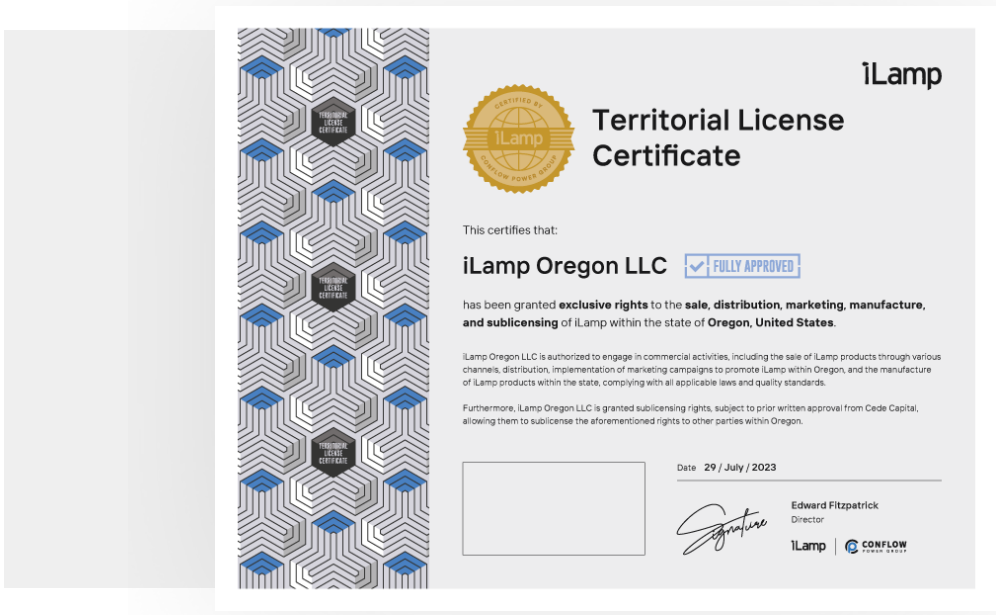

*Sample License Agreement document*

## 06 | Pay Balance

This step involves paying the remaining balance for the purchase of the territory. This could be done in a lump sum or as agreed upon in the financing terms, if applicable.

## 07 | Receive Territorial License Certificate

After payment is complete, you will receive a certificate acknowledging your rights to operate in the specified territory, proving your ownership.


iLamp

Territorial License Certificate

This certifies that:

iLamp Oregon LLC FULLY APPROVED

has been granted **exclusive rights** to the **sale, distribution, marketing, manufacture, and sublicensing** of iLamp within the state of **Oregon, United States**.

iLamp Oregon LLC is authorized to engage in commercial activities, including the sale of iLamp products through various channels, distribution, implementation of marketing campaigns to promote iLamp within Oregon, and the manufacture of iLamp products within the state, complying with all applicable laws and quality standards.

Furthermore, iLamp Oregon LLC is granted sublicensing rights, subject to prior written approval from Cede Capital, allowing them to sublicense the aforementioned rights to other parties within Oregon.

Date 29 / July / 2023

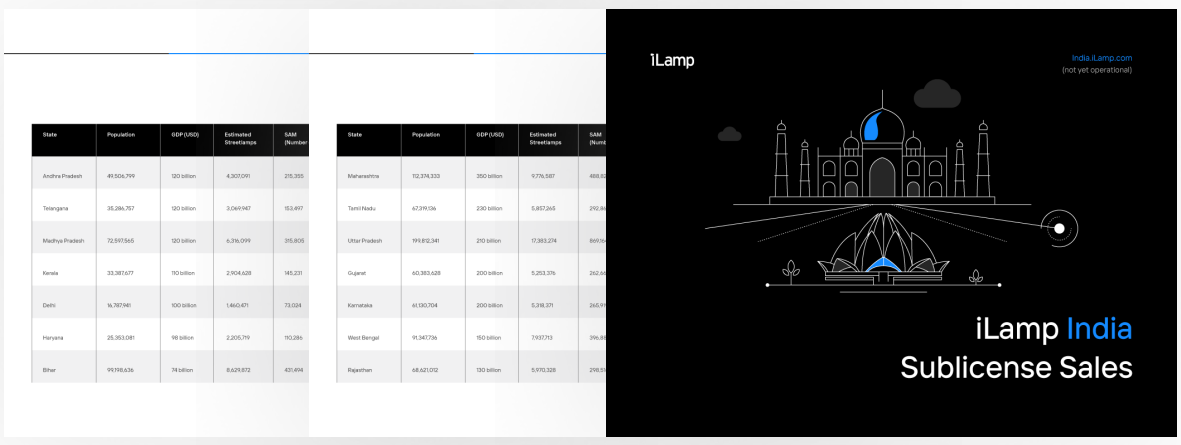
Edward Fitzpatrick
Director

iLamp | CONFLOW

*Sample Territorial License Certificate*

## 08 | Receive Sublicensing Pack

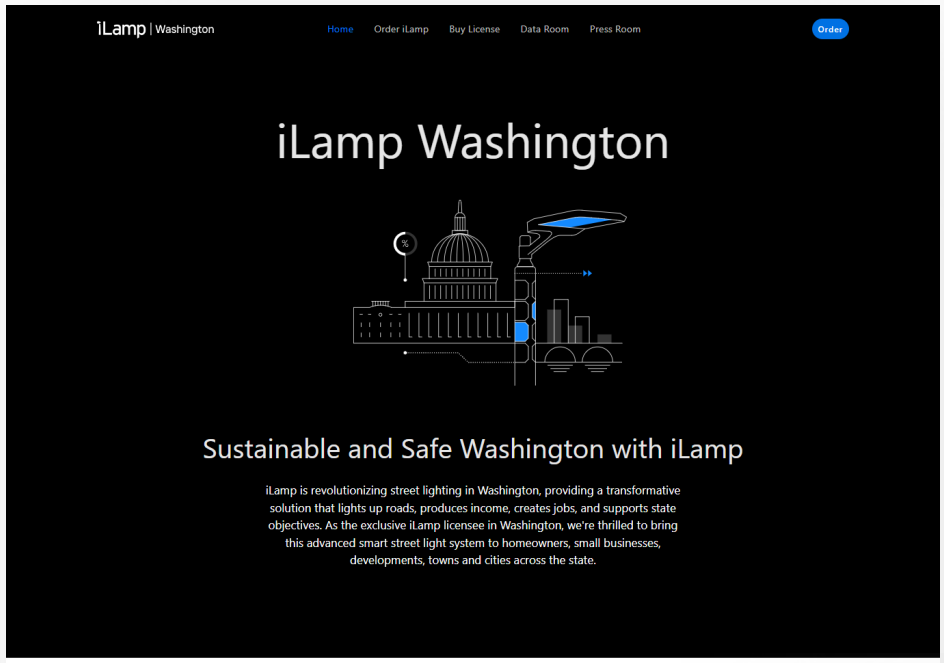
This pack contains information about how you can sublicense your rights to others in your territory, allowing them to operate under your license with the iLamp brand, along with guidelines on price and strategy.




*Sample Sublicensing document*

# 09 | Local iLamp Website

To assist in your local efforts to raise money and sell products, we will provide you with a localalised website and data room.




*Example iLamp local website*

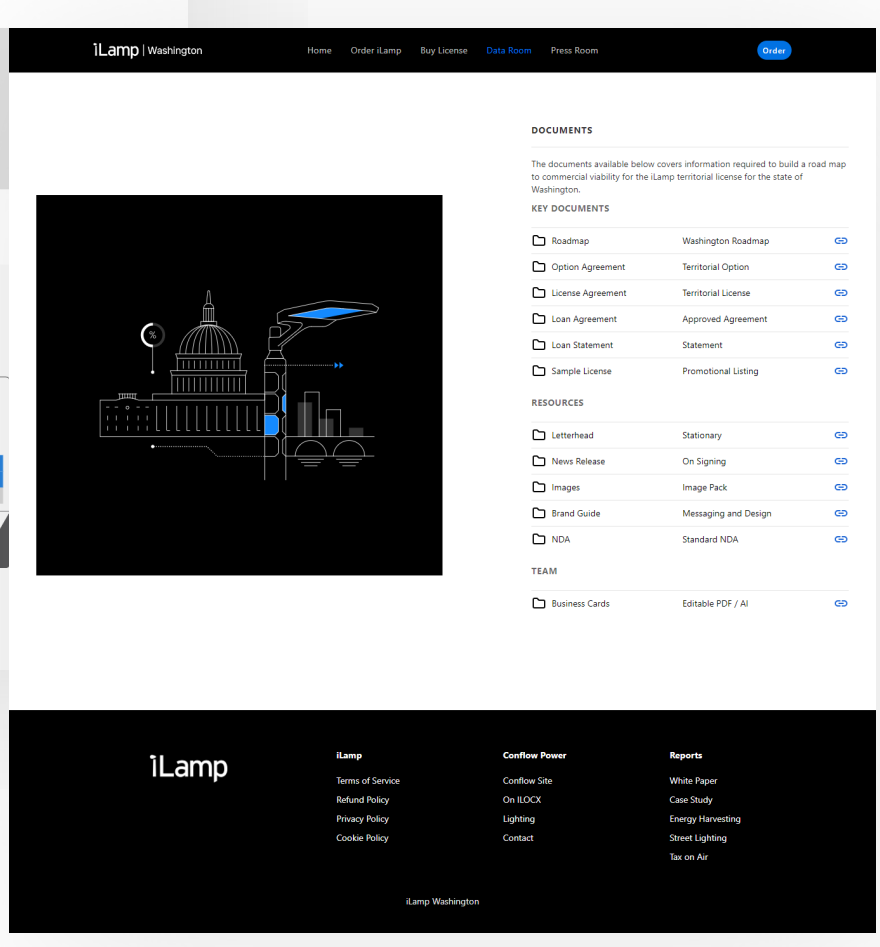
## Smart Street Lighting

iLamp relieves grid strain, while boosting energy efficiency, cost savings, and public safety, supporting both Net Zero and Vision Zero goals. iLamp drives sustainable urban development and integrates with additional modules to provide advanced functionality.

## The Washington Roadmap

The document available below covers the information required to build a road map to commercial viability for the iLamp territorial license for the state of Washington.

VIEW PDF iLamp



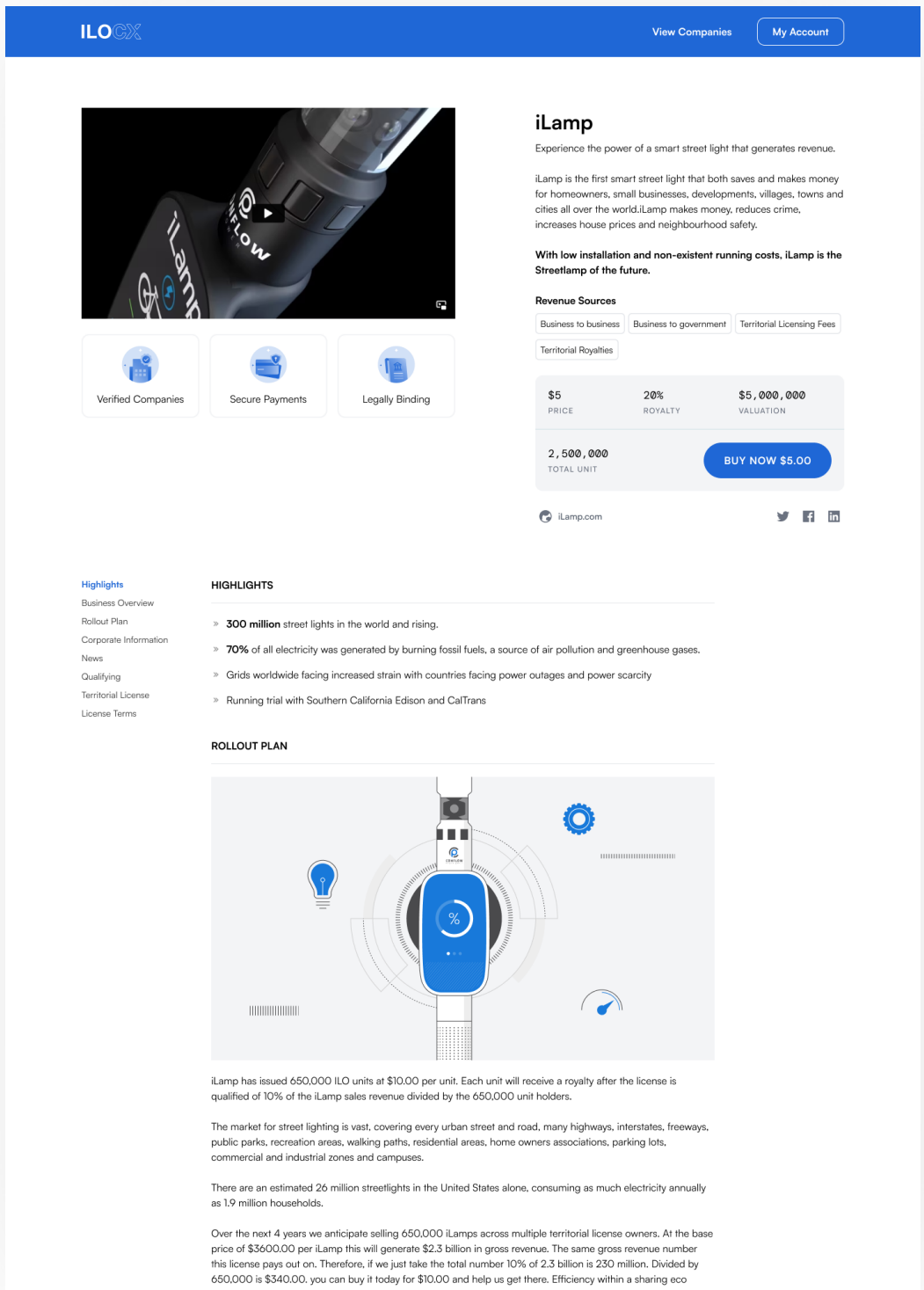

*Example iLamp local data room*

## 10 | Receive iLamp Sales Pack

This includes sales and marketing materials, such as brochures, price lists, technical specifications, and other resources that you can use to market and sell iLamp products within your territory.

## 11 | Local iLamp Listing

To assist in your efforts to raise money, all iLamp Territories receive a 3 year ILCOX listing with the cost covered by Conflow Power Group.




*Example Local listing page*

# 12 | Receive Demonstration Pole

Receive an iLamp which you can use for demonstrations to potential customers, partners, or sublicenses. It's a tangible representation of what you're selling in your territory.


*iLamp*

# iLamp Oregon Case Study

To date iLamp has sold 20 licenses all at various stages of development.  To better understand the steps on the previous pages, below is a shortcase study of their success to date.

iLamp Oregon has achieved all above steps.  They purchased the license, received their first iLamp, now installed and fully tested on site. They Sold a sub license territory of Multnomah county - **Read Announcement.**

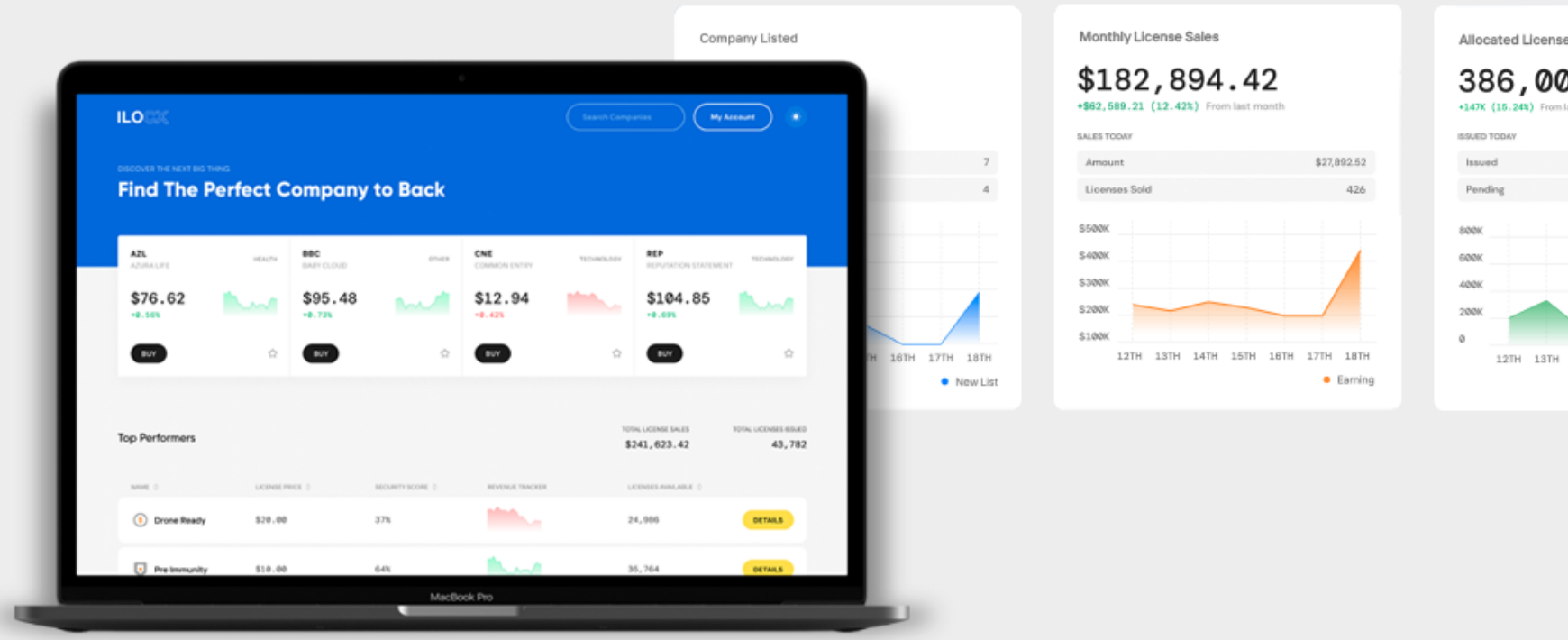
They launched the promotional license sale on ILOCX and sold it out inside one month. (See news) they used the revenue from the sale of the territory to pay a royalty to the promotional license holders.

Licese holders bought in for $1.00 and and after the royalty of .23c per license the price rose to $2.30 - **See News**

iLamp Oregon sold the first iLamp to a housing developer and are now turning that into their first commercial contract. With this sale they initiated their Power as a Service contract where they get paid for the power produced by the technology.  This makes them an autonomous green utility.  Set up for multiple commercial contracts, municipal contracts and more sub license sales to dominate this space.

iLamp Oregon now has a $23m valuation and is raising $5m for 20% of their equity. They have a strong balance sheet. Local demand and support. They have a tax advantage as revenue from the sale of intangible assets isn't taxed until they receive over $5m in sales.

All road maps are modelled to achieve these stages in each state we can demonstrate a clear value with a proven technology. A clear addressable market need with all the tools installed to achieve the same results as Oregon only dependant on the size of the territory would dictate the financial potential.




## Your ILOCX listing

List using the ILO Framework to raise money to finance your exclusive iLamp license while building local support and an online sales team to drive pre-sales.

### RAISE MONEY AS YOU NEED IT

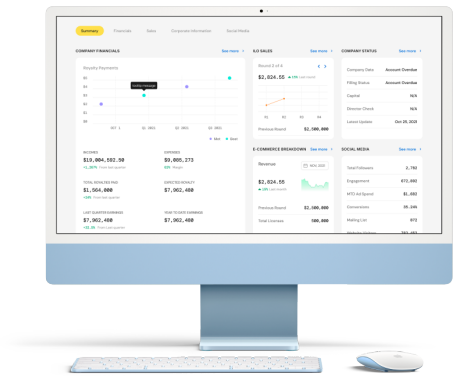
Get access to the funds you need, as you need them, smoothing your fundraising process.

### BUILD A TEAM

ILOCX framework helps companies to build effective teams that are properly rewarded.

### REWARD PARTICIPATION

Incentivize buyers with ILOCX rewards, your own affiliate program, and license classes.



## Listing Requirements

iLamp licensees are prequalified to list and receive an ILOCX instance and will be priority listed through our streamlined process with a dedicated listing manager.

Listing fees for iLamp licenses are waived for the first year, then only $25,000 per year.

Listings with over $1 million in sales are listed on the board at ILOCX.com.

**100+**
Total companies listed

**Millions**
Total licenses issued

**10X**
Returns already booked