

**Q: What is Moving Flame™ technology?**

A: It is the trademarked name Liown uses to refer to its patented technology for electromagnetic movement of a flame-like shape, which reflects a light emitting diode (LED) for a realistic flame lighting device.

**Q: Who owns the patent for Moving Flame™ technology?**

A: Liown Electronics Co., Ltd owns Patent No. 8,789,986, which protects the Moving Flame™ technology. No other company has the legal right to manufacture, market and sell Liown's patented Moving Flame™ technology in China and sell it in the United States.

**Q: What does Luminara own?**

A: Luminara does not own patents in the Moving Flame™ technology. Luminara claims that it has certain rights under different patents owned by Disney Enterprises, Inc. The U.S. Patent & Trademark office has recognized the novelty of Liown's Moving Flame™ technology, and issued the '986 patent to Mike Li and Liown in July 2014.

**Q: What is the nature of the litigation between Liown and Luminara?**

A: The dispute is about whether the candles sold by each respective company infringe on the others' rights. Liown contends that Luminara took Liown's intellectual property in prior business dealings and is now selling patented Moving Flame™ technology candles without Liown's permission. Luminara argues that Liown's patent is invalid, which Liown, of course, disputes.

**Q: What is the status of litigation involving patented Moving Flame™ technology?**

A: There were a series of legal disputes two (2) years ago between Liown and Luminara, which resulted in settlement whereby Liown was to serve as the exclusive manufacturer for all Luminara's candles. That settlement, however, fell apart, and the parties have recently filed another series of lawsuits. Liown has sued Luminara for infringement of its '986 Patent on its Moving Flame™ technology.

**Q: Do I risk legal liability if I buy patented Moving Flame™ technology candles from one of Liown's authorized distributors or factory direct?**

A: Liown stands behind its patented Moving Flame™ technology and is indemnifying any purchaser who may be targeted by Luminara in a lawsuit alleging patent infringement through the sale of Moving Flame™ candles.

**Q: Is there a price difference?**

A: Yes. Candles with patented Moving Flame™ technology are priced slightly above other inferior products and have several premium features:

- Use 100% refined paraffin wax
- Full warranty on all candles
- Most realistic LED color and flame movement
- All components are assembled and tested by Liown employees to ensure highest quality standards
- Produced in state-of-the-art facilities, owned and operated by Liown and certified by retailers around the world

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**Q: Is the patent protecting Moving Flame™ technology worldwide?**

A: Yes. Moving Flame™ technology is protected by patents in the U.S., Asia and the EU. Liown owns 250 global patents and patents pending.

**Q: How long does Liown's patent last?**

A: The Moving Flame™ technology patent extends to 2030.

**Q: Do you have ample product available and ready for immediate shipment?**

A: Yes, we do. Our full product line is available and ready to be shipped.

**Q: Should I buy Moving Flame™ candles from someone else?**

A: To maintain the integrity of its patented Moving Flame™ technology, Liown must diligently protect its ownership rights. Liown encourages all buyers to do their research and be certain they are buying patented Moving Flame™ technology from Liown-authorized dealers. All patented Moving Flame™ technology candles bear the Liown logo.

**Q: Are there MSRPs for patented Moving Flame™ technology?**

A: Yes.

**Q: What makes these candles different/better than the other so-called "moving flame" candles being sold at deeply discounted prices by mass retailers? How can I compete?**

A: Candles with patented Moving Flame™ technology sold by Liown-authorized dealers are premium candles that offer higher aesthetic, better quality and a full warranty. These candles are manufactured in Liown's state-of-the-art factories with vigorous quality controls.