



Electrifying Racing





Entropy Racing sees the Future of Motorsports, and it's Electric

The Electric Vehicle Sports Racer (EVSR) is an innovative new fully electric race car designed, created, and campaigned by the team at Entropy Racing with the goal of creating a full series of electric auto racing for the 2015 season. Led by Charlie Greenhaus, the EVSR team has over 30 years of experience in motorsport, building cars, racing cars, organizing events, and hosting races. Our vision is to create a world-class race series using electric race cars that embodies the excitement, thrills, and entertainment of conventional motorsport.

We invite you to share this vision: Join us in the EVSR Electric Motorsports Series.

Goals

- Build a 20-car fleet of competition electric cars by the end of Q1 2015.
- Create a full race series for the 2015 season at prime venues in the US.

Proof of Concept

Within six months the team used their decades-long racing experience to build two complete electric-drivetrain prototype cars. These cars, built by a team of seasoned electric vehicle engineers using a unique combination of readily available systems, went on to compete in the 2014 racing season – against the field of conventional gasoline-powered cars – and were not only remarkably reliable but gave compelling and competitive performance:

Highlights of the 2014 EVSR Season



- Placed **8th overall** out of 48 cars with *SCCA at the Chasing the Dragon Hillclimb*. (March 22, 2014)
- Placed **First in class** in each of two 30 minute races with *SCCA at Pocono Raceway*. (May 11, 2014)
- Set **4th fastest time overall** out of 57 cars at *Carlisle Imports and Kits Autocross*. (May 16, 2014)
- Posted the **longest competition range on one charge** in a 45 minute race (57 miles) with *IMG at Lime Rock Park*. (July 27, 2014)
- Earned the **Fastest Electric Time** for Subaru's *Climb to the Clouds* at Mt. Washington. (Driver: Tim O'Neil, EVSR #02) (June 29, 2014)
- Competed in the *Grassroots Motorsports Ultimate Track Car Challenge* at *Virginia International Raceway*. (July 18, 2014)
- Made history by racing two identical electric racecars in a sprint race with *IMG at Lime Rock Park* (July 26, 2014).
- Placed **First overall** in 12 lap (35 mile) feature race and set **fastest lap of race** with *SCCA at New Jersey Motorsports Park, Thunderbolt track*. (October 19, 2014)
- Set electric lap records at Virginia International Raceway, Summit Point Motorsports Park, Pocono International Raceway (Double Infield and North Courses), Watkins Glen International (Long and Short courses), Lime Rock Park, and New Jersey Motorsports Park, Thunderbolt track.



EVSR cars #02 and #01 driven by Andy Lally and Charlie Greenhaus, respectively, tackling the uphill at Lime Rock Park during the IMSA Northeast Grand Prix weekend, May 24, 2014

Proof of Capability



Greenhaus and the Entropy Racing team have an undisputed record for accomplishments in Motorsports. Entropy Racing began sports car racing in 1989 and began renting cars to clients in 1991. Entropy Racing has been a leader in club racing services for over two decades, providing services from car prep and delivery to rental race cars, coaching, event management services, and fabrication. Highlights include the 24 hours of Nelson Ledges in 1996, when Entropy Racing placed 2nd in class, 11th overall; the Rolex 24 at Daytona in 1999, finishing 4th in class; and the NASA 25Hours of Thunderhill in 2003, when Entropy Racing fielded two cars, finishing 4th and 5th in class. The successes continue in 2014 as the EVSR electric race cars have not only set multiple records for electric race cars but also have beaten lap records for similar gas powered cars.

The Technology

The EVSR team at Entropy Racing began design work on the EVSR fully electric race car on November 1, 2013 and by March 2014 had completed two cars and started actively campaigning them. The cars, built on a proven chassis using a straightforward design and reliable hardware, are the only electric cars that can be maintained and campaigned by an average club racer without special skills or factory support.



The EVSR Team with Skip Barber at Lime Rock Park, May 25, 2014

Performance

- Power: 178 hp at the rear wheels
- Torque: 190 ft/lbs
- Top Speed: 140mph
- Battery System: LiFePO₄ @ 150VDC
- Weight: 1950lb
- Up to 45 minutes run time under race conditions
- Recharge from “empty” to “full” in less than 2 hours

Commitment and Sponsorship

Supporting EVSR is supporting the future of Motorsports. Sponsors are joining and promoting the vision of a renewable, responsible, yet thrilling new level of competition. There are many unique benefits, and many levels of sponsorship.

Sponsorship brings so much more than a logo on a car

A common misconception about sponsoring a racecar or a race series is that it just gets you a logo on a car, but sponsoring EVSR will get you so much more than some vinyl space.

Sponsorship brings increased visibility

Spectators both on TV and at the racetrack

- Typical attendance for a single race is 60,000 to 100,000 spectators, with over one million spectators over the course of a season.
- Motorsports is the top ranked and fastest growing spectator sport in the US, with over 800 million attendees, and growth tripling the NBA, NFL and NHL combined, reaching an affluent, young market.

Tens of thousands of miles traveled from event to event

- Moving billboard on trailers equal to an estimated \$76,000 worth of Ad value per year.

Mention of brand during racing (broadcasting)

- Each minute of talking about your car or your series equals about \$9,000 in Ad value.
- Owning the series means your brand will be mentioned hundreds of times.

Sponsorship brings increased revenue

Merchandising opportunities

Brand loyalty

- Both “Green” and motorsports demographics will choose your products over competitors.

Selling additional sponsorships

- Once you own the brand or sponsor an event you can sell sponsorships per car or per vinyl to those companies you choose.
- If you own the series you can sell sponsorship to individual events.

Possible grants and tax advantages

- Both Motorsport and “Green” technology enjoy opportunities for tax advantages and government grants.

Sponsorship brings increased employee moral

Exclusive access, event passes, and unique involvement in events

- The EVSR story becomes part of the fabric of your company culture.

Give your employees a place to root for their brand

- Increase employee pride and loyalty toward you and your business.

Give back to employees

- Give merchandise to employees.
- Corporate Days: give employees the opportunity to drive race cars as part of team building or as part of a corporate outing.

Sponsorship creates positive associations with your company

Sponsorship positions your company as Green

- Your company will be seen as responsible, renewable, yet vital and exciting.

Proof of exposure for technology

- Technology and Supplier Sponsors demonstrate the performance of their product in use under the most demanding of conditions.

Sponsorship positions your company as Future Minded

- EVSR and electric powered race cars are the future of Motorsports.
- Show you are committed to the future by promoting renewable and sustainable solutions.



EVSR prototypes in front of green solar electric generating station at Pocono Raceway. Motorsport doesn't have to be the antithesis of environmentalism.

Main demographics accessed by sponsoring EVSR

Motorsport demographic details

- 72% of Motorsport fans demonstrate loyalty to sponsor brands.
- 80% of fans know which companies sponsor Motorsports.
- 90% of fans support products and services provided by Motorsports sponsors.
- Motorsport fans understand the need for, and role of, Marketing Partners:
 - “Racing couldn’t happen without Marketing Partners.”
 - “I support Racing Brands more than partnerships of other sports.”

Green demographic details

- 31% of the population considers themselves “Green” or environmental driven.
- Green is a growing segment, having grown by 7.3 million people since 2007.
- Green consumers are loyal to brands seen as environmentally friendly.
- 36% will search for Green products and 50% will choose “Green” over non-green.

Sponsorship Levels

Title Sponsorship of the EVSR Series (\$5m):

- Branding of the series.
- 20 race ready cars.
- Show vehicles for your place of business.
- Fully Loaded Events: Trucks, Umbrella girls, Staffing, Hospitality, Pro drivers.
- Corporate days and team building exercises in EVSRs.
- Full access to teams and cars for promotion.
- Branding on everything: Websites, social media, T-shirts, cars, equipment, trailers, etc.
- Equity Opportunities in EVSR.

Title Sponsorship of the EVSR Series (\$2m):

- Branding of the series.
- 12 race ready cars.
- Show vehicles for your place of business.
- Fully Loaded Events: Trucks, Umbrella girls, Staffing, Hospitality, Pro drivers.
- Corporate days and team building exercises in EVSRs.
- Full access to teams and cars for promotion.
- Branding on everything: Websites, social media, T-shirts, cars, equipment, trailers, etc.
- Equity Opportunities in EVSR.

Event Sponsorship (\$50k base):

At the core of the Motorsports experience, *Event Sponsorship* provides the opportunity to become part of the entire event experience from the ground up.

- Branding of an event.
- Logo Placement.
- Full Representation.
- Branding both online and physical throughout the life of the event.
- Pre-race promotion.
- Start-to-finish race day for both spectators and media.
- Post-event follow up.
- Add a car for 30k (2 month lead time).

Limited Title Sponsorship (\$100k base)

- Sponsorship in a car-to-car basis.
- Vinyl wrap or custom paint.
- Full representation.
- Photography and graphics on the EVSR website and a prominent advertisement both physically and online.

Technology/Supplier Sponsor:

We are always looking for ways to improve the series, the cars, and the program. The *Technology/Supplier Sponsorship* is your opportunity to demonstrate the superiority of your product or service in real-world application.

- Branding and logo on prominent locations on every EVSR and tow vehicle.
- Photography and graphics on the EVSR website and a prominent advertisement both physically and online.

Sponsorship with a project like the EVSR Motorsports team is a unique and flexible opportunity.

For more information on how you can be a part of this opportunity, please contact us at charlie@evsr.net, or call Charlie Greenhaus at 570.682.9666.

(Please see attached "EVSR Financials" for a complete analysis of cost and revenue projections.)



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EVSR: Electric Vehicle Sports Racer 2015 Cost Analysis and Details

The following page contains a chart that details projected costs to run a full 10 event, 20 race series with 20 EVSR cars in 2015 at a variety of venues as part of a professional series. We have long-established relationships with high profile tracks such as Lime Rock Park, Watkins Glen, and Virginia International Raceway. We also have done business with many sanctioning bodies, such as IMSA and SCCA, and with these relationships we are confident we can build a balanced schedule of events available to a wide audience.

The first year projected costs include building the cars and outfitting the series with trucks, trailers and all the needed equipment to support a full-scale twenty car series.

The \$5M figure detailed is not set in stone and could be trimmed, but that amount represents the best estimate to host a first rate, top quality series with all the trappings and frills to make the best program possible. We could also reduce the number of cars and/or the number of events to trim costs. That said, Entropy Racing is convinced that we have laid out a cost-effective series that will give any sponsor the best value in terms of publicity, promotion, and presentation.

The first season will be the most expensive, due to the capital investment in the equipment needed to launch the series, but subsequent seasons will cost as little as \$1.5M for the same schedule and presentation. This is due in large part to the durability and long service life of the cars and support equipment. Couple these manageable costs with additional sponsorships and the participation of gentlemen drivers who would pay for their rides, and the series could become self-supporting or possibly show a positive cash flow within a couple of years.

While Motorsports is an uncertain prospect to some, Entropy Racing has been in the business of managing events, teams, and cars for over two decades and we have made it our business to get our cars to grid on schedule and in budget for that entire time.

Let Entropy Racing and EVSR take your business to the center of Motorsports, with an *entire series* for a fraction of what it costs to put a top-running single car team on the grid of a 50 car race -- with someone else's name on the front page.

Total Cost of First Year, Single Sponsorship 20 or 12 Car Series

Start up costs: Equipment cost only present in the first year	20 cars	12cars
Race ready EVSR cars	\$2,500,000	\$1,500,000
Generators and charging equipment	\$150,000	\$75,000
Motor home for Hospitality	\$150,000	N/A
2 Stacker trailers for semi trucks (1 for 12 cars)	\$150,000	\$75,000
2 full size Semi tractors for above (1 for 12 cars)	\$150,000	\$75,000
1 full size cargo van (crew transport)	\$35,000	N/A
2 top kick or dually pickups	\$100,000	N/A
2 midsized trailers for dually (3-4 car)	\$60,000	\$50,000
Tools spares tires consumables for season	\$200,000	\$125,000
Canopies, displays etc	\$50,000	\$50,000
Total:	\$3,545,000	\$1,950,000

Yearly Costs: Event, Series and Program Costs		
Track and sanction fees 10 races	\$250,000	\$250,000
Staffing 20 staff @ \$500 per x10 (15 staff for 12car)	\$100,000	\$75,000
Umbrella girls 2x\$600 per event x 10 (1 girl for 12car)	\$12,000	\$6,000
hotels at 15 per event x4 days x10 events (10 hotels for 12car)	\$60,000	\$40,000
Travel and hospitality costs	\$200,000	\$200,000
2 rental cars per event for 10 events	\$8,000	\$8,000
Advertising and promotion costs	\$75,000	\$50,000
Shop Staffing	\$250,000	\$200,000
Insurance	\$40,000	\$40,000
Shop rent and associated costs	\$50,000	\$50,000
Project Debt and liabilities	\$250,000	\$250,000
Total:	\$1,295,000	\$1,169,000

Total Estimated Costs for First Season and All Hardware: \$4,840,000 \$3,119,000

The above costs are total estimates for single source revenue; costs can be offset by additional sponsorship of individual cars, product sponsorships, service sponsors, group funding, and branding opportunities.