

SPONSORSHIP **OPPORTUNITIES**

EVSR: AN ENTROPY RACING PROGRAM

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The Entropy Racing team began design work 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. EVSR cars have never failed to cross the finish line.

UNIQUE VISION

EVSR built our prototypes to fit the existing race venues and didn't build the event to accommodate the vehicles. We have raced side by side with our gas-powered counterparts from the start. *Competitively.*

What we offer is a complete EV racer for 10 cents on the dollar as compared to an FIA Formula-E racecar with similar performance. EVSR is simpler and more accessible for not only costs but for staffing and support.

EVSR racecars are excellent training tools for the novice driver and are driven and respected by even the most seasoned of race professionals.

EVSR uses readily available, off-the-shelf components incorporated into a well-developed chassis. This combination makes for a capable, reliable, and easily repaired car unlike any other competition EV in the world.

The EVSR Electric Motorsports Series would be the only e-series available to the average club racer and the developing driver. The EVs are proven durable over thousands of race miles. EVSR is competitive against gas cars, as proven by many podium and top 5 overall finishes, and most importantly EVSR is just plain fun!



COMMITMENT & 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.

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 .

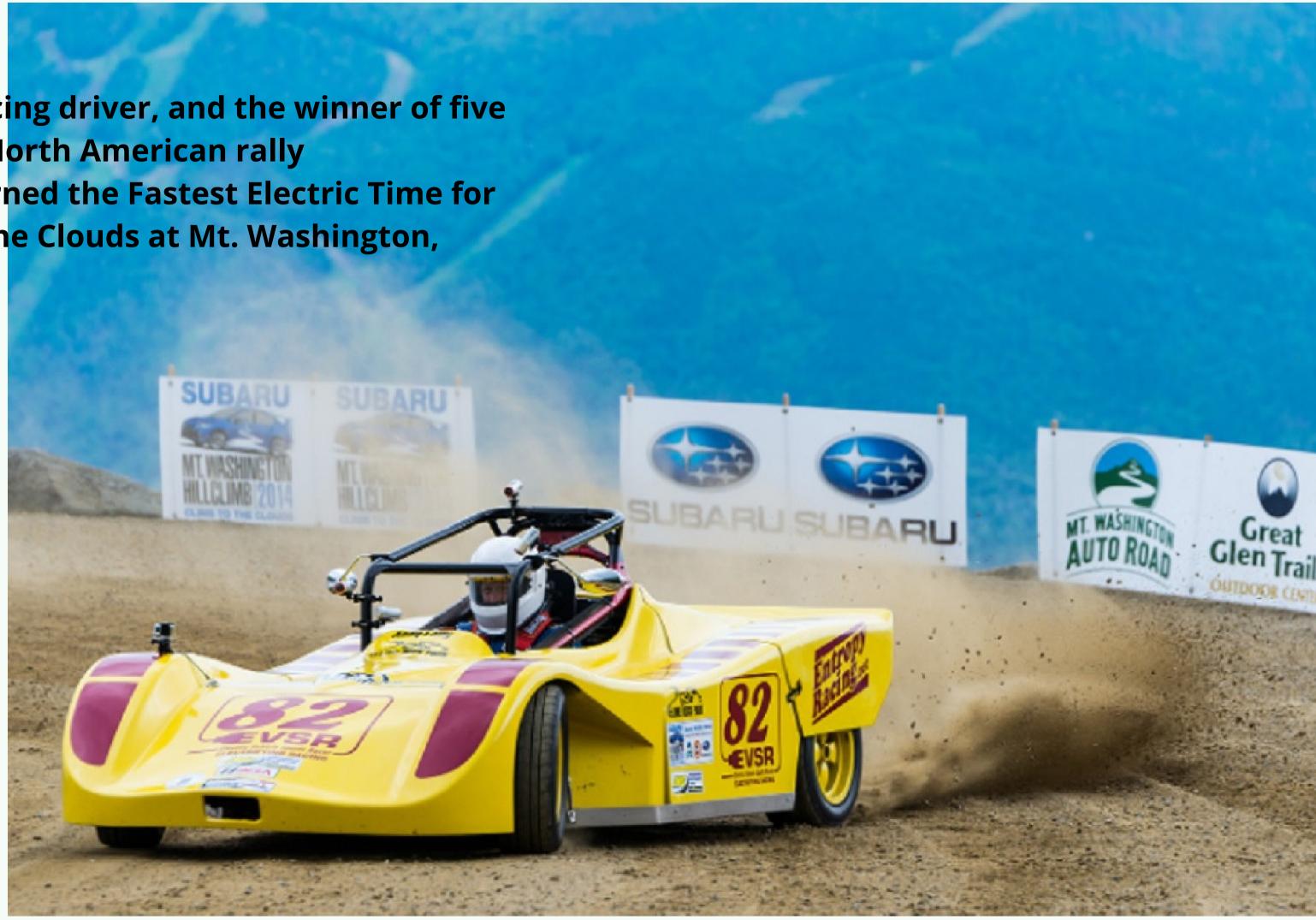
• When you own the series you can sell sponsorship to individual events.

Possible grants and tax advantages

 Both Motorsport and "Green" technology enjoy opportunities for tax advantages and government grants.



Tim O'Neil, rally racing driver, and the winner of five production-based N<mark>orth American rally</mark> championships, earned the Fastest Electric Time for Subaru's Climb to th<mark>e Clouds at Mt. Washington,</mark> June 2014



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.
- 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 racecars are the future of Motorsports.
- Show you are committed to the future by promoting renewable and sustainable solutions.



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, Staffing, Hospitality, Pro-Drivers.
- Corporate days and team building exercises in EVSRs.
- Full access to teams and cars for promotion.
- Branding: Website, social media, merchandise, cars, equipment, trailers, etc.
- Equity Opportunities in EVSR.

Title Sponsorship of the EVSR Series (\$3m):

• Everything listed above with a reduction in the field from 20 race ready cars to 12.

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 prominent advertising both physically and online.





SPONSORSHIP LEVELS

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 followup.
- Add a car for 30k (2 month lead time).

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 advertising both physically and online.

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

EVSR 2021 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 2019 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, SCCA, and NASA, 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 represents the best estimate to host a first rate, top quality series with all the trappings and frills to make the best program possible. 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 three 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 toprunning single car team on the grid of a 50 car race - with your 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 Car Series	12 Car Series
Race Ready EVSR Race Cars	\$2,500,000	\$1,500,000
Generators & 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, spare tires consum ables for season	\$200,000	\$125,000
Canopies, displays, etc.	\$50,000	\$50,000
Project debt and liabilities	\$250,000	\$250,000
Total of Start Up, First Year Expenses:	\$3,795,000	\$2,200,000
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 12 car)	\$100,000	\$75,000
Hospitality 2x \$600 per x 10 (1 staff for 12 car)	\$12,000	\$6,000
Hotels at 15 per event x 4 days x 10 events (10 hotels for 12 car)	\$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
Total of Yearly Costs:	\$1,045,000	\$919,000
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.

CONTACT INFORMATION

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