



Derek Bailey  
Chief Executive



December 2019

# NEWSLETTER

## Derek Automotive Technologies, Inc.

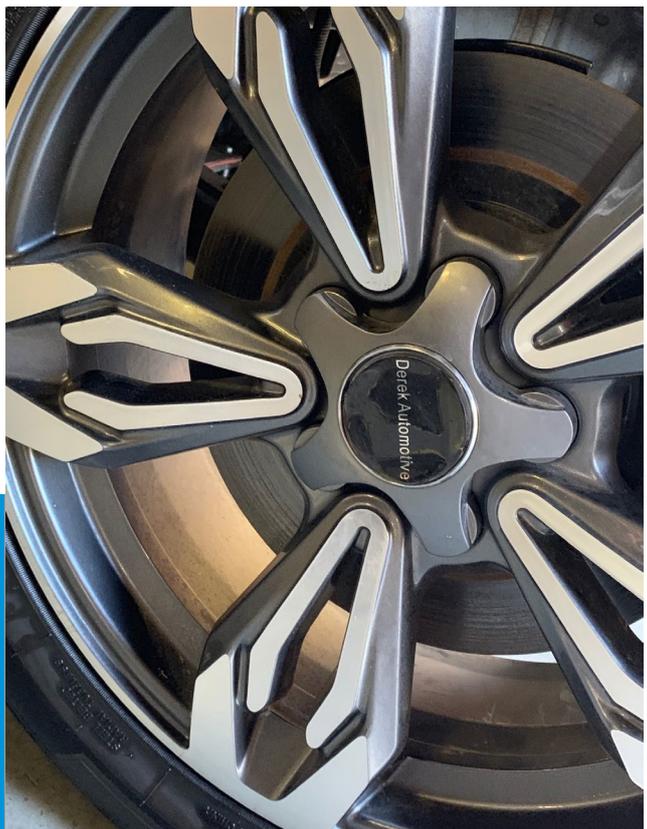
### IN THE NEWS

Talk of our self-charging car has automotive dealers and consumers buzzing about the prospects. We've made two covers in the month of December. Links to the articles: DEALER NEWS - <https://midatlanticautodealersunited.org/midatlantic-magazine>. TONY WARD STUDIO - [www.tonyward.com](http://www.tonyward.com)



## OUR AVANI™ SUV PROTOTYPE HAS ARRIVED IN THE USA

After months of back and forth with our factory on design, and working our way through the EPA and the Department of Transportation for approvals, our prototype SUV finally arrived in the USA in late October. **The vehicle is a fantastic first effort.** Now that we have the car in hand, we are going over it with a fine tooth comb and making the desired modifications to make it perfect for **Proteus Supercharge integration**, and to make it a vehicle consumers will want to purchase.



- WHAT IS INSIDE?**
- 01. AVANI SUV arrives in the USA
  - 03. Moving Forward & FAQ
  - 04. Talk About US
  - 05. New Team Members

## Arrival date: October 18th 2019



The new AVANI ev-1 was delivered to the warehouse deck at Wexler Packaging, which is owned by Pattie Wexler, Derek's best friend, and the earliest shareholder in the company. The container was so tight for space that we had to recruit Pattie's very 'slim' office assistant to shimmy into the car and drive it off the container for us. At the end of the ordeal Pattie gave Derek a big hug... "it was a moment - you had to be there."



“

### Test Drivers Approve!

Everyone who has come to test drive the new AVANI absolutely loves it, and thinks we are off to a fantastic start. In the upper left photo is Julia Sanders, a respected local fine artist, in the middle is Jerry Trone, our VP for dealer strategy, plus an auto dealer himself, along with Britton Garnjost, a local school teacher. In the picture to the right is Katie Kerl, a feature writer, who wrote the Tony Ward article on us. Bottom left is Christian Biscardi, our Marketing VP, and bottom right is Peter Capriotti, a VW car exec, with Anthony McCollum, our Executive VP.



## New AVANI ev-1

Our first vehicle is a mid-sized all-electric SUV. The AVANI is our first step towards building a new relationship between automobiles and the environment.

The prototype is being shown as a sample model for custom vehicle orders with a March 2020 delivery. The plan is to sell 100-200 all-electric vehicles to get the company producing revenue, and then plow that income back into completing the Proteus Supercharger by 2021, and to build out our dealer and service center network.



Have questions you'd like answered? Submit your questions for our Q&A section directly to the CEO by emailing derek@derekautomotive.com. All questions will be answered, even if they don't make the newsletter.



## Welcome to the latest revolution!

Derek Automotive Technologies' AVANI vehicle line will set the course for the future of the electric car market. Our fleet of self-charging vehicles equipped with the new Proteus Supercharger will offer an unprecedented 300 MPGe whilst matching the carbon footprint of a standard plug-in electric vehicle, and this will certainly differentiate us from the pack.

That company that starts with a "T" made electric vehicles cool... Derek Automotive will make them **convenient**, by making them self-charging.

**Welcome to the latest revolution!**

Derek Bailey, CEO

## ASK-3 Q&A

Each month I'm taking three questions of interest from our shareholders and other stakeholders. Ask big questions & I'll deliver short, concise answers.

**This month's questions:**

**01. How does Derek Automotive possibly compete with a company as big and well known as Tesla?**

**Ans:** Tesla has a battery plug-in car. We use gas to electric for battery recharging. First, we'll hit Tesla in states like Utah, where distances between EVERYTHING is extreme. These buyers don't trust battery cars because the drug store is 100 miles away! Our gas to electric Proteus charger will inspire confidence, allowing these drivers to **go-green**, and save money on gas. The same can be said for most developing countries. It's also worth a mention that we're the only minority-owned electric car manufacturer in the country, i.e...entitled to '30% of contract awards' at the city, state and federal levels. **We think for Tesla, we're the barbarians at the gate.**

**02. When will this Proteus Supercharger be available in our vehicles?**

**Ans:** We are on target to begin delivering Proteus powered vehicles in March of 2021, maybe even sooner.

**03. Will the Proteus car be as environmentally friendly as an all-electric vehicle?**

**Ans: YES.** The Union of Concerned Scientists published a report that states a gas powered car needs to achieve 80 MPG to be equivalent to an EV. **Our design offers an MPGe of 300 plus miles.**

# MOVING FORWARD: 2020

Our early investors will be happy to know that our company valuation has increased six-fold from \$40 Millions to \$240 Million, since the arrival of our first vehicle. To provide shareholders with some liquidity and to spur our continued growth we are taking two major steps in 2020:



## \$50 Million 506 (b) Offering

The company is launching a \$50 million Reg. D, 506 (b) Convertible Note offering paying 12%, with a \$2.00 or 30% discount to market share price on conversion.



## Direct Public Listing

Since we are using a private offering to raise funds we won't "IPO" which is a public listing combined with raising funds. We've hired a securities law firm to get us listed over-the-counter, without a fundraising. The end is the same - **you'll soon be able to sell your shares on a public exchange.** The process should take about 8 months.

## OUR NEW BRANDING THING!

We have a new branding touch-point - **the green accessory item**. Green ties, bow-ties, scarves, and pocket squares will become part of our corporate branding and gift giving, as a symbol of our dedication to eco-friendly "green" technology development. Remember to wear a green accessory to Derek Automotive events.



We'll be adding logo'ed green accessories on our website-store, and we hope you will visit, make a purchase, and post a photo of you wearing the accessory on social media - it will help our marketing efforts so much! Thank you in advance.

## TALK ABOUT US...



Derek Automotive is making EV's **convenient** by making them **self-charging**, using our Proteus Supercharger technology. When others ask about your company these short statements will help you give simple answers and build excitement about our brand.

## SPECIAL THANKS TO OUR FRIENDS AT WEXLER PACKAGING PRODUCTS & MIDATLANTIC DEALERS ASSOCIATION

Launching an automotive brand is expensive and difficult. Therefore, we are so appreciative of the people who **empower us!** I want to thank by best friend Pattie Wexler, and her team, for providing us space in their building and for help receiving and storing our vehicle. Also, a huge thank you to Reg Evans and Peter Salinas, of MidAtlantic IADA, for thinking enough of us to place us on the cover of their respected publication. **We're wishing each of you a very prosperous 2020!**



### New Ad Campaign

Our new ad campaign has two tags: 'Dropping the plug-in' (**the charging cord for EVs**), and 'Welcome to the **'Latest Revolution,'** (**self-charging electric vehicles.** )



### Positioning Us

Our new positioning statement in the EV marketplace: - That company that starts with a 'T' made EVs **Cool...** Derek Automotive is making them **CONVENIENT**. The statement is an effective way to explain our unique position in the EV marketplace.



Pattie Wexler, is President of Wexler Packaging Products & a Derek Automotive Shareholder.

## NEW TEAM MEMBERS

Ultimately, our success will come down to who we can recruit to our team, and the last few months have been a bright spot in that regard. Meet some of our newest team members. Their extended bio's can be found on our website.



### Michael Canzoneri

**CONSULTANT.** A veteran of Silicon Valley startups, Michael has delivered more than 100 successful disruptive Customer Experience, IoT, Artificial Intelligence, and Graph projects across a multitude of industries. He has 19 years' experience in the development and deployment of enterprise software solutions with a primary focus on customer-facing applications, enterprise data warehouses and analytics architecture(s). Expertise we will use to build our customer experience.



### Anthony McCollum, EVP

Anthony is former banker and founder of the nation's first black-owned ISP. He brings auto business mananagement and marketing experience learned from Lexus.



### Jerry Trone, VP

Jerry is an automobile dealer with over 20 years experience. Jerry is building our dealer strategy and he's the guy who got us on the cover of the Mid-Atlantic dealer's magazine. **The man is connected.**

### Christian Biscardi,

Christian is a former solar sales superstar who brings high-energy marketing experience to DAT, and will run our marketing, events, and customer engagement strategies.



### Michael Brunson

Michael is a CPA & managerial accountant who brings the company more than 35 years of accounting and financial planning experience. He's developing our tax strategies, working with attorneys on offerings, and building relationships with key lenders.



### Adrian Johnson,

Adrian Johnson, Esquire is a corporate attorney trained in advocacy, negotiations, and corporate law specialties. He brings 10+ years of international experience (Asia, Central America, and Europe) to the company.



## DEALERSHIPS AVAILABLE

Derek Automotive is actively recruiting auto industry entrepreneurs to become a part of our dealership network. Our goal is to open 20 dealerships in 2020, with each dealership selling 10 - 15 vehicles per month, producing \$24 million to \$50 million in sales. We're envisioning ultra-stylish dealership cafes, complete with a coffee bar, where customers will visit with sales representatives to design their custom order AVANI ev products



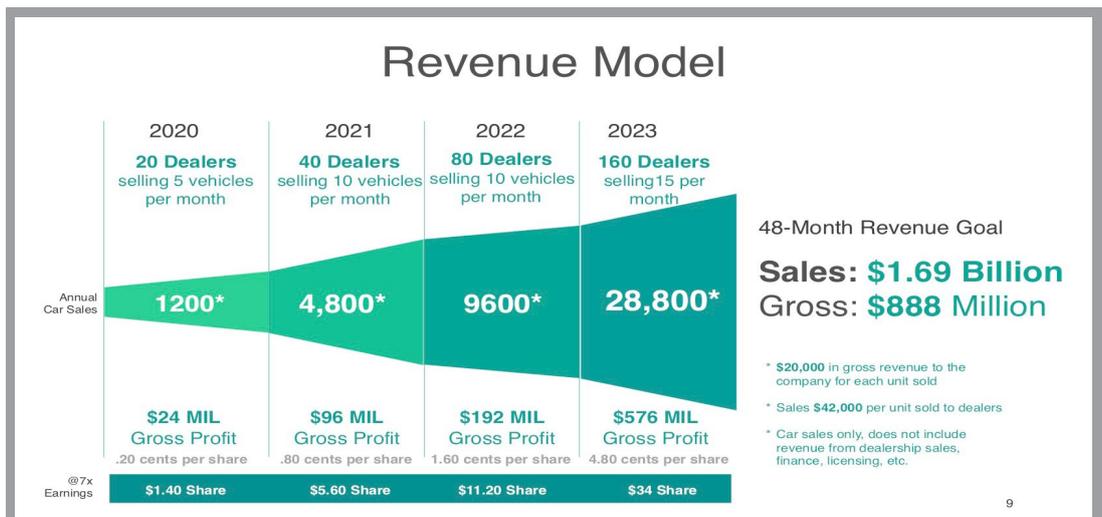
Our goal is to open 20 dealerships in 2020, with each dealership selling 10 - 15 vehicles per month, producing \$24 million to \$50 million in sales.

system software and a three vehicle inventory for showroom display. We're seeking experienced, high-end, independent car dealers, along with larger auto sales groups, to join with us in opening new showrooms. We believe we offer an outstanding business opportunity selling the first fully self-charging electric vehicles, with an average range of 1500 miles and an MPGe of 300 plus.

and get delivery of their vehicle on a six week delivery schedule. Dealerships start at a \$150,000 investment, which includes

If you know of suitable candidates please have them contact: [derek@derekautomotive.com](mailto:derek@derekautomotive.com).

Dealership, Revenue & Share Price Goals Over The Next 48 Months



Contact Us



777 Schwab Rd. Unit M  
Hatfield, PA 19440



202-253-0043  
800-387-8440



[derek@derekautomotive.com](mailto:derek@derekautomotive.com)  
[www.derekautomotive.com](http://www.derekautomotive.com)