



Company Introduction

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Our Company:

- ▶ Flex Fuel U.S. is a pioneer in the manufacturing of ethanol conversion kits. The company's kits enable gasoline-powered vehicles to run in flex fuel mode, any combination of E85 and gasoline can be used.
- ▶ We are the first and only company to be certified by the EPA for E85 conversions.
 - Certification allows Flex Fuel US to legally sell conversion kits
 - Auto manufacturer's warranty is maintained
- ▶ Based in Chicago, IL, the company's management and technical team include leading experts in digital fuel injection, custom automotive engineering, and automotive aftermarket distribution.
- ▶ We believe there is a market for environmentally friendly products that will:
 - 1. Reduce engine emissions and enhance air quality
 - 2. Reduce America's dependence on foreign oil
 - 3. Provide consumers a choice in using renewable energy
 - 4. Improve engine performance and extend engine life
 - 5. Reduce the total cost of fuel



A Vision for the Ethanol Conversion Industry- Fix the Legacy Fleet

- ▶ Potential market for conversion could be as high as 100 million vehicles or more
- ▶ The market includes fleet customers, performance, greenies, and general consumers
- ▶ National renewable fuel standards and ethanol production and distribution goals (7X increase) are met
- ▶ National demand for ethanol could be met with replacement, conversions, & increased availability of fuel
- ▶ CO2 reduction from conversion would be enormous; up to 100 million tons/year or more
 - Typical vehicle produces 1 pound of CO2/ mile- over 6 tons/year
- ▶ Dramatic reductions in greenhouse gasses, independence on foreign oil viable in this decade

EPA Puts Stamp of Approval on Flex Fuel U.S. !

▶ Member Memo

- ▶ **To:** NEVC Board and Members
- ▶ **From:** Phil Lampert, Executive Director
- ▶ **Date:** 10/09/2007
- ▶ **Re:** Conversion Kit for Certain Fleet Vehicles

▶ NEVC Board and Members:

- ▶ **For the first time ever, the Environmental Protection Agency has granted its certification for an automobile conversion kit, allowing non-flexible fuel vehicles to safely and efficiently run on E85. Now, such fleet vehicles as the Ford Crown Victoria, Mercury Grand Marquis and Lincoln Town Car can legally be equipped with a Flex-Box Smart Kit (TM) and fueled with E85 by fleet operators. Developed by Chicago-based Flex Fuel U.S., an NEVC member and pioneer in ethanol conversion systems, the compact conversion unit easily mounts in the engine compartment and continuously monitors engine and emission controls and delivers supplementary fuel injection to allow the vehicle to operate at optimal performance no matter what fuel blend is in the tank.**
- ▶ **To visit the official website of Flex Fuel U.S., go to www.flexfuelus.com.**



Flex Fuel US Milestones:

- ▶ In October of 2007, Flex Fuel US was granted the **first EPA certification** to ever be awarded for an E85 conversion allowing Flex Fuel US to sell conversion kits for 4.6 liter Ford engines including the popular Crown Victoria and Lincoln Town Car.
- ▶ In the fall of 2007 Flex Fuel US signed a contract allowing AAMCO to sell and install conversion kits in over 800 retail outlets. The installed cost of the kit for fleets is under \$1,500; installed in less than two hours.
- ▶ The City of Chicago, and a leading limousine services company are piloting Flex Fuel US kits. Both plan to expand the program once EPA approvals are received and production kits are available for sale.
- ▶ In January of 2008, the US patent office granted Flex Fuel US a patent for the technology. New applications for the kit have been developed, passed emissions requirements, and await certification
 - Dodge Charger
 - Ford F150
 - Other popular models
- ▶ Warehouse, R&D facilities, and back office are operational in Chicago and Manteno, IL
- ▶ Production kit should be available in the next 2-3 months.



Benefits

- ▶ Consumer Choice- Allow gasoline powered vehicles to also operate on ethanol (E-85)
- ▶ The customer saves money
 - Ethanol is 14-25% cheaper than gasoline
 - Balanced against a 7-9% loss in fuel economy
 - Consumers net savings of 5-18% or 15 to 55 cents/gallon
 - In Illinois, rebate programs offer 80% savings on the purchase and installation of the kit
 - Payback in less than 1 year
- ▶ Engine Performance is improved
 - 10% increase in horsepower
 - 10% increase in torque
- ▶ EPA certification assures factory warranties are maintained
- ▶ Simple installation, passive operation, minimal maintenance
- ▶ Environment; lower emissions/cleaner air



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