MANAGEMENT AND OWNERSHIP

9.1 Overall Corporate Structure

Canadian Electric Automobiles Ltd. will be the parent company with partially owned regional assembly companies. Its roles will be:

- Financial. It will sell the investment concept to governments, institutional investors and potential franchisees

- Franchising. The franchisees will assemble the vehicles under license and provide plant operational management and local selling expertise.

- Technical Development. Canadian Electric Automobiles Ltd. will be provided technical advice to obtain Department of Transportation safety certification. Since the EXAR-1 has been recommended by the U.S. DOT it is expected that certification will be simply a normal process of production. Snow Corp. will provide a turnkey assembly plant.

- Liaison with EXAR-1's Inventor. The inventor of the EXAR-1 originated the important concepts behind this project such as using regional assembly plants to capitalize on the simplicity of this vehicle. He has done all of the pioneering homework and is the source of the entire concept. His expertise is part of our agreement.

The structure of the parent company is expected to be simple since detailed technical work will be subcontracted and the manufacturing will be handled by a manufacturing subsidiary.

The planned structure is:

President	Elmer Patrick Ayers
Operational Officer	To be hired.
Financial Assistant	To be hired.
Manager Franchising	To be hired.

Elmer Patrick Ayers will focus on the fund raising challenge for Canadian Electric Automobiles Ltd. Mr. Ayers has had a long sales oriented career and is a very good concept salesman. He has the same contiguous vision of the future as does Mr. Ramirez. He has played the key role of advancing this project by injecting considerable seed capital funds, energy, leadership and vision. He wants to properly commercialize the EXAR-1 and develop a new industry in Western Canada.

While Mr. Ayers has considerable small business experience, he considers himself to be more of a salesman than a business executive and seems content to delegate business details to business professionals, and act simply as overseer and Chief Executive Officer.

9.2 Potential Design Consultants

Quite a few potential design consultants have been identified who can provide technical services should Mr. Ramirez, Amectran, or Snow corporation be unable to do so:

1. Vehma International, Magna International Company, Richmond Hill, Ontario.

2. Universe Engineering, design and Engineering Center, Markham, Ontario. A Division of Vehma International.

3. Borg-Warner Chemicals, Troy Michigan

4. Uniroyal Chemical, Naugatuck, CT.

5. MARCHAL Division SEV Corporation, St. Clair Shores, MI.

6. Curtis Instruments, Inc., Mt. Kisco, N.Y.

7. Motor Wheel, a Subsidiary of the Goodyear Tire & Rubber Company.

8. Norco, Georgetown, CT.

9. Clarion Corporation of America, Inc., Lawndale, CA.

10. Hydro-catylator Corporation, Hialeah, FL.

11. ATE Products, Alfred Teves GmbH, Frankfurt, West Germany.

12. Stewart-Warner Corporation, Indianapolis, IL.

13. Dupont Canada Inc., Toronto, Ontario.

14. Pacifico Incorporated, Gresham, Oregon.

15. Trojan Battery Co., Santa Fe Springs, CA.

The automotive industry is a large one and there are felt to be many sources of technical expertise available.

Mr. Ramirez is a talented and complex individual who raised $9 million to develop the EXAR-1 prototype. Mr. Ramirez is strong-willed and determined, like many successful inventors. He appears to have been ahead of his time as many of his automotive predictions dating back to 1974 are currently being implemented into the automotive industry.

For financial and legal reasons described earlier, the project ran out of funding in approximately 1981 and has sat idle since then.

The role of Mr. Ramirez has been spelled out in the License Agreement. This is not part of this business plan, but will be available as required.

Mr. Ramirez is the inventor of the EXAR-1 and the significant concepts in this project are as:

- An electric car should not look like a golf cart. It should look at least as nice as a gasoline car.
- An electric automobile should be designed to be electric and not a conversion from gasoline.
- Use of an Acrylic/Kevlar body to minimize replacement cost and the complexity of repairs and assembly as well as maintenance plus an inherent safety factor.
- Use of regional mini-assembly plants taking advantage of the greater simplicity of assembling an electric car. Mini-plants involve less financial risk and are amenable to rapid growth through franchising.
- Controlled inventory required by pre-selling production and low breakeven cost.
- Computer controlled car operation.
- Unique manufacturing technology.
- Elimination of middle-man sales and service.
- Optional warranty and product liability exposure.
- Numerous other technical advances and innovations to the sales, marketing, manufacturing, distribution and servicing of the EXAR-1.

9.3 EXAR Assembly Plant Organization

Plant:		Salary Level
1. Production Staff (62 stations, 42 active assembly positions)		
Area Managers	3	
Foremen	6	H
Mechanical engineer	1	H
Electrical engineer	1	H
Production engineer	1	H
Safety design engineer	1	H
Section heads	30	M
Assembly line personnel	120	L
	163	
2. Maintenance Staff		
Foreman (electrical and instrumentation, plastics equipment, mechanical)	3	M
Maintenance staff	1	M
	4	
3. Purchasing		
Supervisor	1	H
Expeditors, inventory control	2	M
	3	
4. Accounting		
Manager	1	MGT
Accountants,e.g. cost	1	H
Support	1	M
	3	
5. Quality Control		
Supervisor	1	MGT
Testing inspectors	3	H
	4	
6. Miscellaneous		
Security	4	L
Janitorial	2	L
Nurse	1	M
Receptionist	1	L
	8	
7. Customer Support		
Manager	1	H
"800" person	1	M
	2	

8.	Shipping		
	Supervisor	1	H
		1	
9.	MIS Department		
	Manager/programmer	1	H
		1	
10.	Personnel		
	Manager	1	M
	Training	1	M
	Secretary/Reception	1	L
		3	
11.	Plant Management		
	Plant Manager	1	MGT
	Secretary	1	M
	Assistant Manager	1	H
		3	
		237	

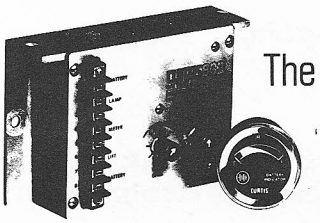
MGT - 35-50,000+
H - 26,000+ 7% (see SOP)
M - 24,000+ 7% (see SOP)
L - 15,000+ (see SOP)

9.4 Board of Directors

Both the Public Petroleum parent company and the first manufacturing subsidiary will have a Board of Directors.

The investors in Public Petroleum will participate in the upside potential by investing in the parent company. The down side risk will be reduced by the assets contained in the manufacturing subsidiary.

The corporate structure will be finalized after comments from investors and professional advice. The Board of Directors will include representation from investors, founding shareholders and management.



The Curtis 933

Electric fork lift truck "fuel" gage and battery controller.

"FUEL" GAGE: displays the state-of-charge of the battery and provides the operator and supervisor with information on which to base their decisions. A recent test of "fuel" gage equipped vehicles in an automotive assembly plant dramatically proves the value of the gage. (Report available upon request.)

RESERVE WARNING LIGHT: tells the driver that he has reached his "energy reserve". That is, that he has approximately 5% battery capacity before his lift will be inhibited. Battery changes are initiated at the most appropriate point in the discharge cycle optimizing battery life, energy costs, and maintenance costs.

ENERGY RESERVE: Unlike other systems, once the battery is discharged to a point where the warning light comes on, lift lockout is initiated only after further reasonable use of the vehicle (fuel out) and not on an arbitrary time period.

LIFT LOCKOUT: to prevent the damage of deep discharge of the battery if it is discharged beyond its "energy reserve".

INFINITE MEMORY: The unit has infinite memory so that if the battery is disconnected during shift, such as during lunch or coffee break, the unit will remember the state-of-charge and will display it on reconnection of the battery. This feature precludes the problems experienced with other devices where disconnects are purposely made to defeat protective devices.

HIGH ACCURACY: The Curtis 933 provides high correlation between the battery's specific gravity and its gage.

SIMPLY ADJUSTED: The Curtis 933 is supplied factory adjusted for a full scale terminating in a specific gravity of 1150. A simple graduated adjustment is provided for higher or lower specific gravities.

ANY VOLTAGE: Units can be supplied for 12V, 24V, 30V, 32V, 36V, 36/48V, 48V, 72V or 80V.

AUTOMATIC RESET: Gage will reset to full upon connection of a fully charged battery (90% to full); *measure the state-of-charge of the replacement battery*, rejecting the battery if it is not within a predetermined percentage of full charge.

EASILY INSTALLED: The warning light is integral with the gage. Lift lockout connection can be merely inserted in series with the coil of the lift contactor. Mounts in any direction. Only 8 wires to connect.

TROJAN "MILEAGE MASTER" BATTERIES

This new Trojan "217" golf car battery is engineered for top performance on the most difficult terrain. The increased capacity to 217 ampere hours results in about 40% more usable electric power for golf cars. This reserve capacity reduces deep cycling, adding many months to the battery life, resulting in lower battery cost per month.

ALL DIMENSIONS THE SAME EXCEPT 1⅛ INCHES HIGHER—FITS MOST GOLF CARS

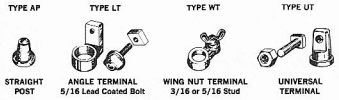
These two original "Mileage-Master" types continue to give the same dependable service that have made them outstanding as a source of power for electric golf cars.

TYPE	VOLTS	20 HOUR RATE	CAPACITY 0° F. MIN.	CAPACITY 0° F. VOLTS	OVER-ALL DIMENSIONS LENGTH	OVER-ALL DIMENSIONS WIDTH	OVER-ALL DIMENSIONS *HEIGHT	SHIP. WEIGHT
J-170W	6	170	8.1	4.65	10-3/8	7-1/16	10-1/4	57
J-190W	6	190	10.5	4.7	10-3/8	7-1/16	10-1/4	60
J-217W	6	217	14	4.8	10-3/8	7-1/16	11-3/8	69

*For Universal Terminals or Angle Terminals, increase height one quarter inch.

"MILEAGE-MASTER" TYPES FEATURE QUARTER-TURN VENT CAPS, REDUCING SERVICE TIME 75%.

Other special type batteries available to fit any golf car.



STRAIGHT POST — ANGLE TERMINAL 5/16 Lead Coated Bolt — WING NUT TERMINAL 3/16 or 5/16 Stud — UNIVERSAL TERMINAL

9440 ANN STREET • 945-1471 • SANTA FE SPRINGS, CALIF. 90670 Litho in U.S.A.