



FOR IMMEDIATE RELEASE: June 8, 2017

## STATEMENT FROM RACER TRUST

After a thorough review of the company's recently filed financial statements and current plans to raise the capital it needs using an experienced investment bank, and at the recommendation of Louisiana Economic Development, RACER Trust has granted Elio Motors an extension of its job-creation deadline in Caddo Parish to September 1, 2019.

The decision to extend Elio Motors' job-creation deadline has no material effect on the reuse potential of the former General Motors Shreveport Assembly Plant, imposes no risk on the citizens and taxpayers of Caddo Parish, and provides Elio Motors the best opportunity to reach its goals, fulfill its pledge to the citizens of Caddo Parish and Louisiana to bring up to 1,500 new jobs to the former GM plant, and meet its financial obligations to RACER Trust. If another prospect emerges to utilize the space currently reserved for Elio Motors, the building's primary lessee, Shreveport Business Park, has contractual flexibility to relocate Elio Motors to another facility in Caddo Parish.

Our decision is supported by Louisiana Economic Development. In a letter to Elio Motors founder, president and CEO Paul Elio, dated April 28, LED Secretary Don Pierson wrote, "LED believes it in the best interest of the efforts of Elio Motors, the RACER Trust and the potential for future facility use to extend the date for the payment of a jobs penalty provided under a purchase and sale agreement dated February 28, 2013 between the RACER Trust and Elio Motors to September 1, 2019."

RACER Trust committed in October 2016 to consult with both Caddo Parish and LED before making its decision. RACER Trust asked Mr. Elio to brief Parish officials, including members of the Caddo Parish Commission, and management of LED on the status of Elio Motors' progress toward start of production in the former General Motors Shreveport Assembly Plant, including financing, supply contracts, prototype development and other relevant milestones, as a precursor to RACER Trust's consultations.

Secretary Pierson's letter, advising RACER Trust to extend the deadline, satisfies the Trust's commitment to consult with LED.

Mr. Elio personally briefed the members of the Parish Commission who agreed to meet with him. RACER Trust subsequently followed up with Parish administrative staff to seek the Parish's views on extending the deadline. We have been advised that, because the Parish is not a party to the contract between Elio Motors and RACER Trust, it would not be appropriate for the Parish to take a position on extending the jobs-creation deadline.

Having evaluated the relevant factors — the lack of interference with prospective economic redevelopment opportunities at the Shreveport plant; no economic risk to Caddo Parish; Elio Motors' opportunity to make progress toward fulfilling its business goals and job-creation pledge; and the LED's letter of support — RACER Trust has made what it considers to be the responsible decision to extend the job-creation deadline.