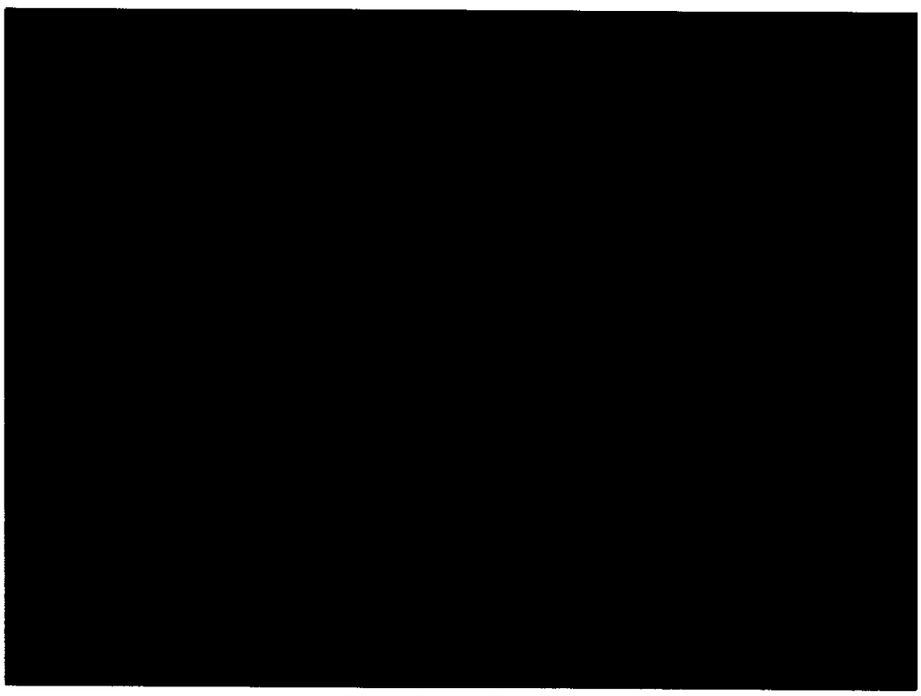
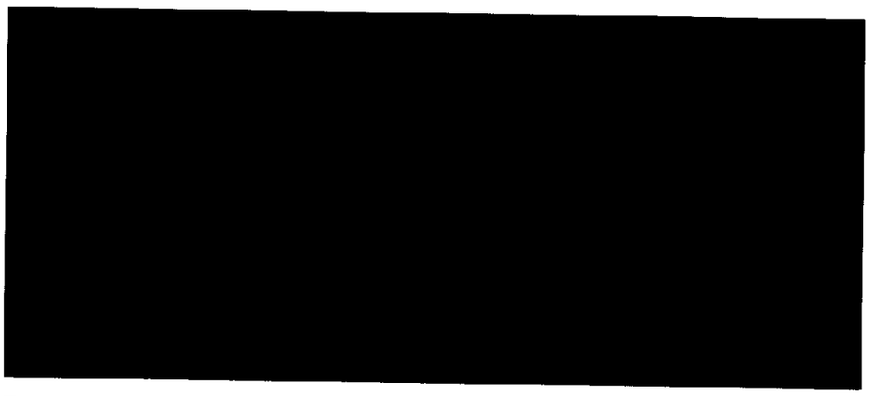
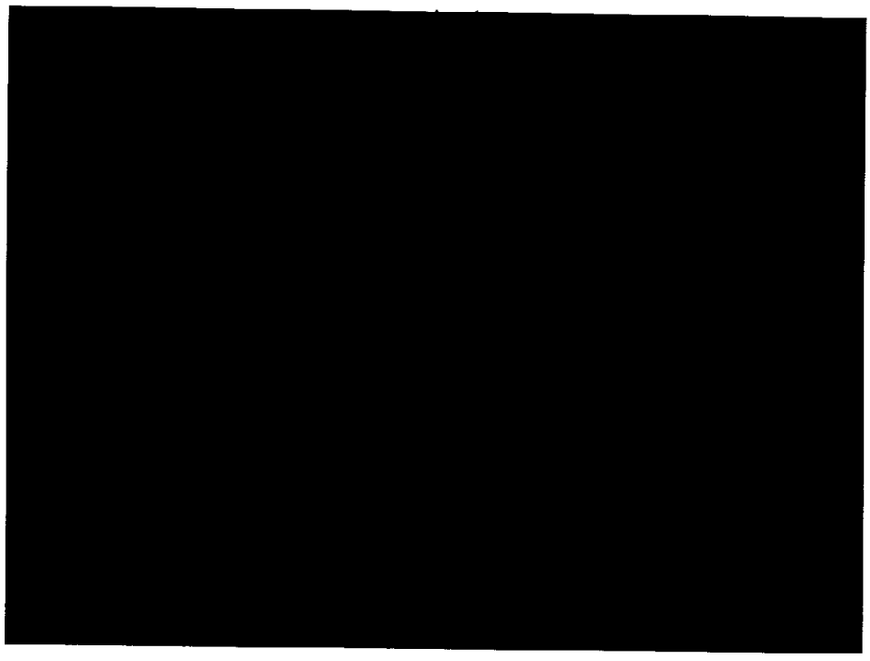
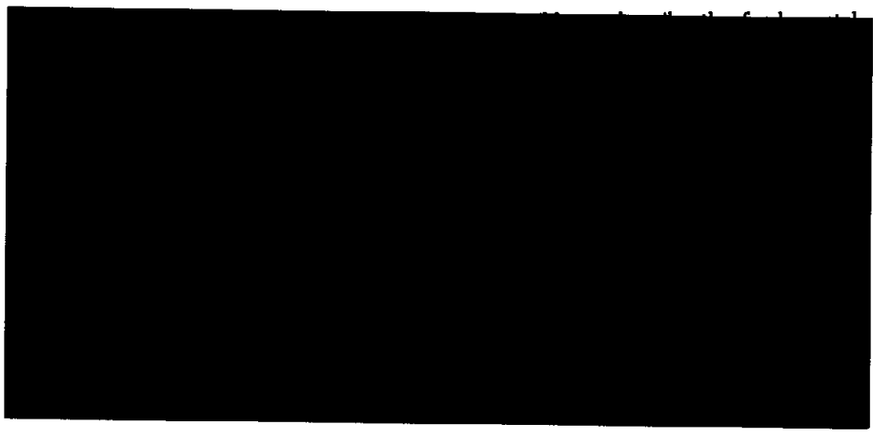


Figure 7: Cold engine starting sequence







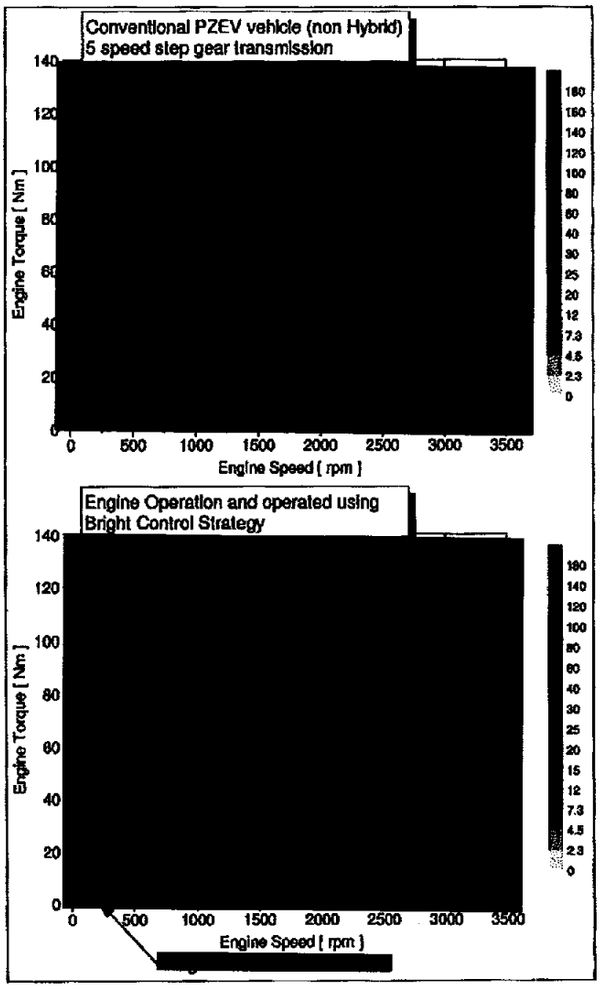
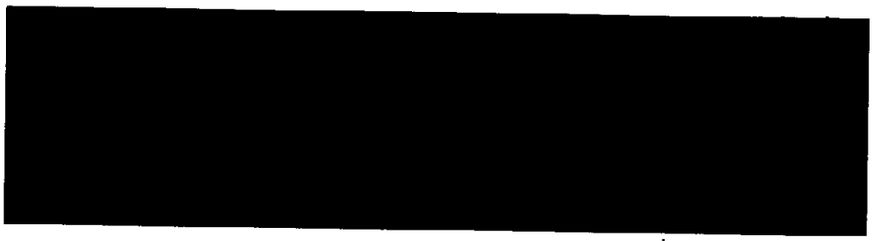
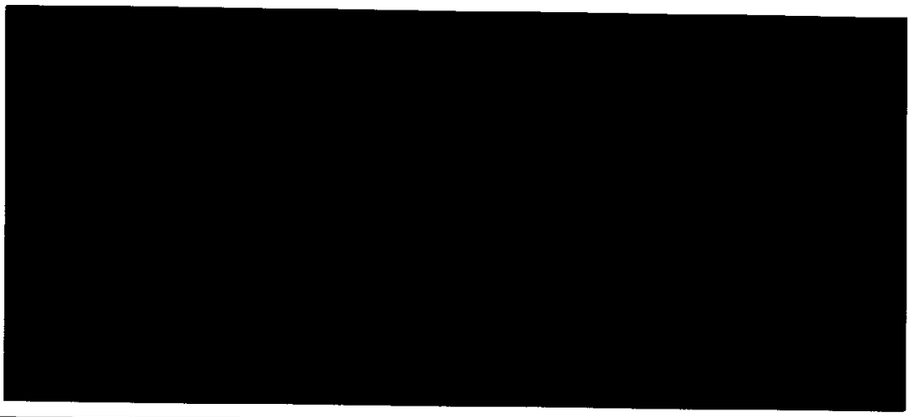
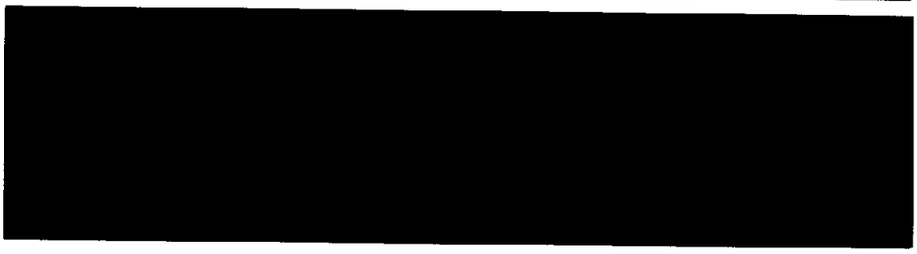


Figure 8: Engine Operation Points Distribution







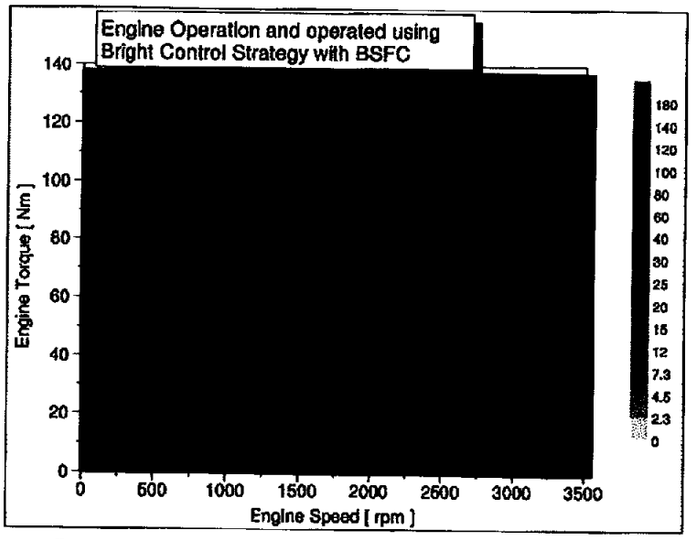
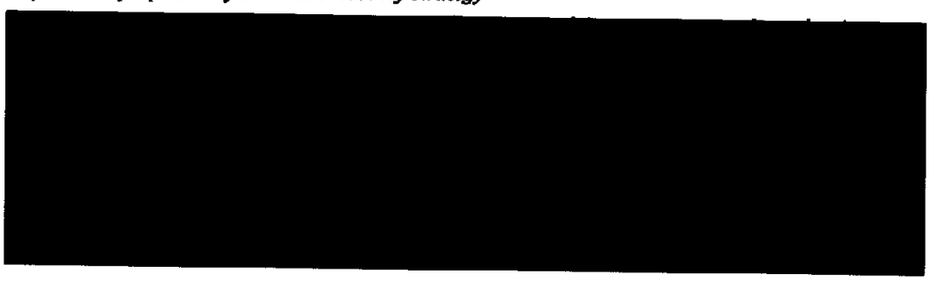


Figure 9: Engine Operation Distribution with Fuel Consumption

4) *Electric propulsion system heat recovery strategy*



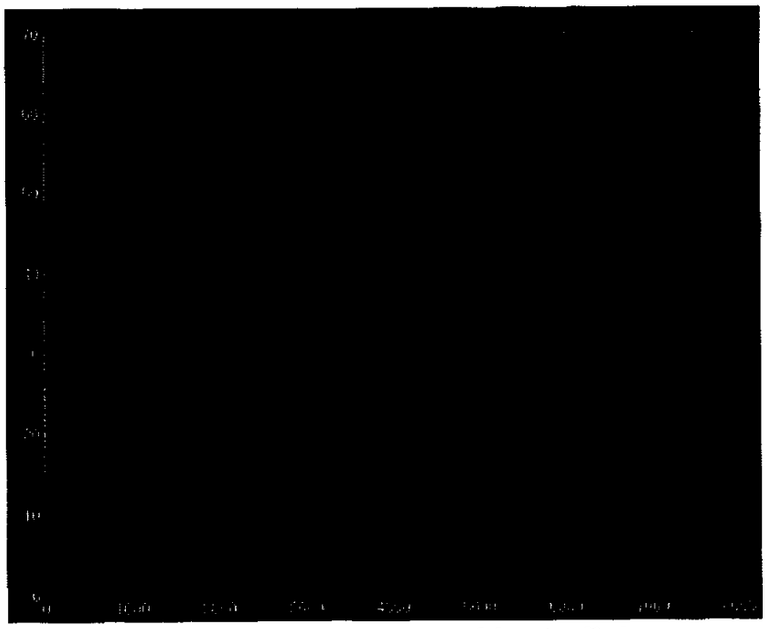


Figure 10: Engine Temperature Rise [C] vs. time [Sec]

Averages	FE	THC	THC-CH4	CO	NOx	CO2
Phase 1	[redacted]					
Phase 2						
Phase 3						
Weighted Total						

Phase 3 less Phase 1	[redacted]
% lost from cold start *	
Phase 1 replaced by 3	
Less entire test	
% lost for entire test cycle **	

Figure 11: FTP 75 C/H test data (3 different V8 cargo van vehicles)

4.0 Fuel Economy - Background and December '08 Submission Data

4.1 Description of Bright Automotive's Plug-In Hybrid System and 50 mile Drive Cycle

[redacted]

Fleet customers report daily driving cycles typically ranging from less than 50 miles to nearly 100 miles. This limited daily usage effect, combined with nightly recharging of the

battery system, allows a significant portion of total annual gasoline-enabled miles to be substituted with electric propelled miles. This greatly reduces fleet customer fuel expenditures.

[redacted]

[redacted]

4.2 Classification of the IDEA as a Cargo Van

[redacted]

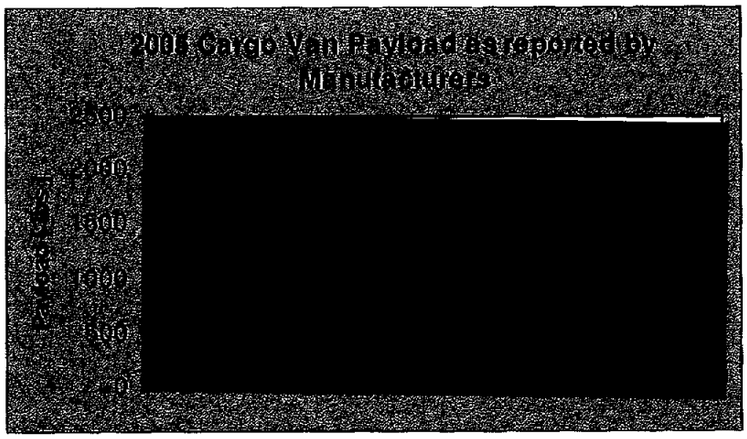


Figure 12: Cargo Van Payload

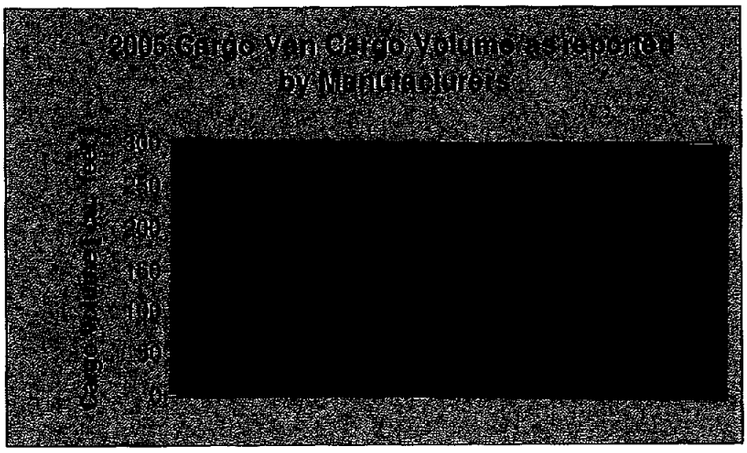


Figure 13: Cargo Van Volume

Additional details to describe the Cargo Van category selection are listed below:

[redacted]

4.3 December 2008 Fuel Economy Requirements and Results

As stated in the "Correction to the ATVMLP Interim Final Rule" published by the DOE, the average 2005 MY fuel economy in the cargo van segment is 19.9 mpg. Applying the 125% threshold for qualification results in a value of is 24.8 mpg. This is minimum improvement required to qualify for the Section 135 loan, [redacted]

[redacted]

5.0 Fuel Economy - PSAT to Simulink Correlation

5.1 Comparison of Fuel Economy Predictions

[redacted]

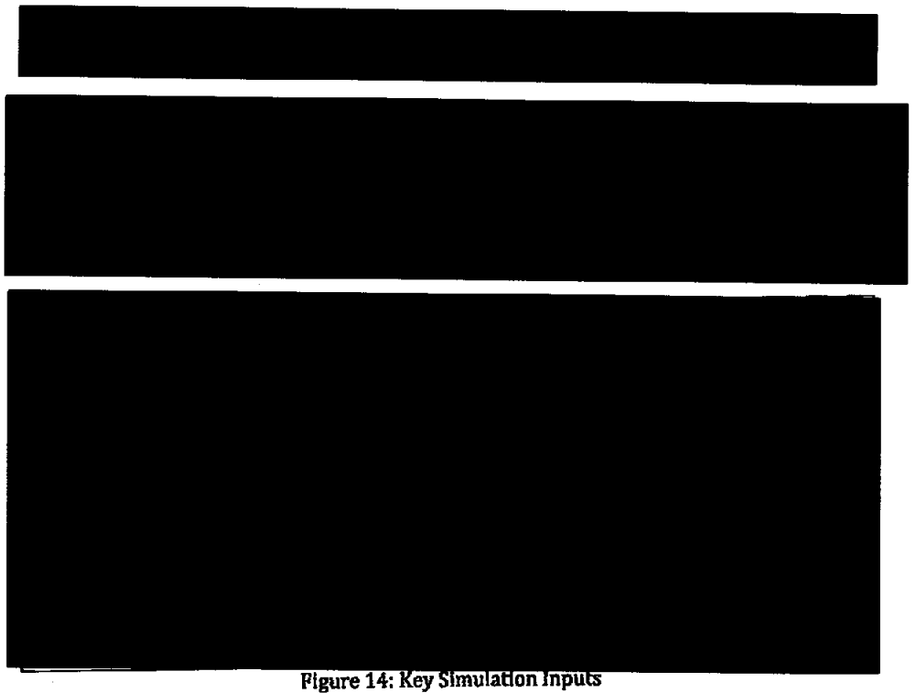
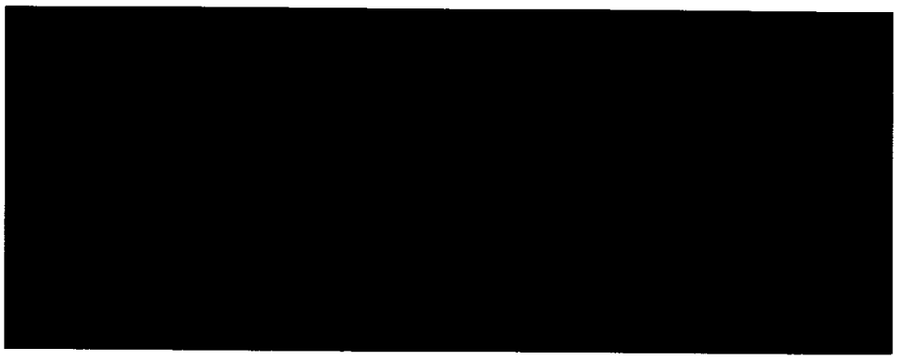


Figure 14: Key Simulation Inputs



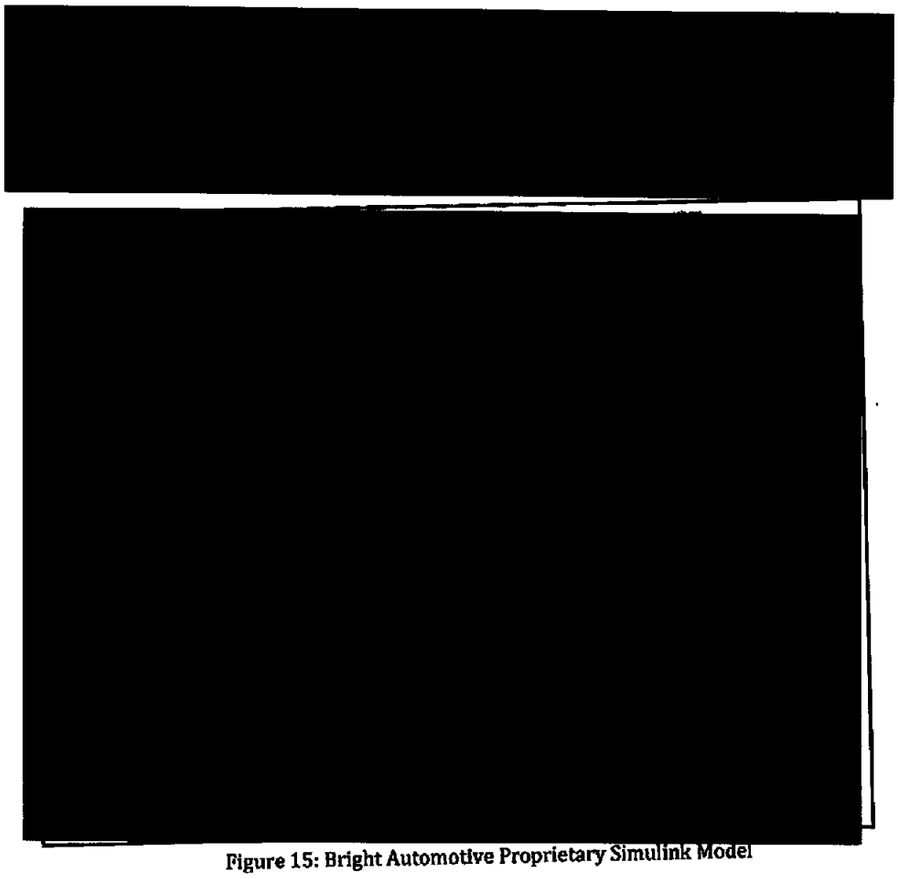


Figure 15: Bright Automotive Proprietary Simulink Model

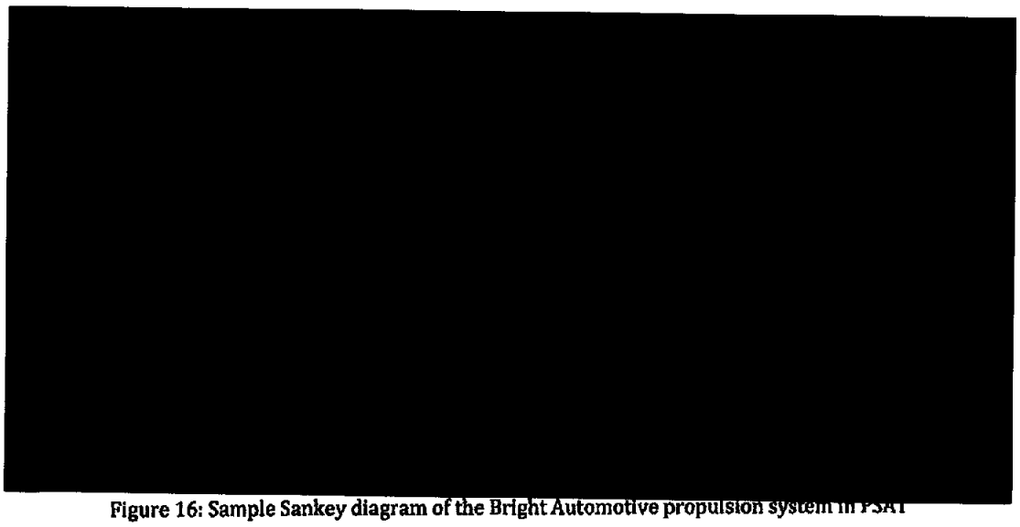


Figure 16: Sample Sankey diagram of the Bright Automotive propulsion system in PSAT

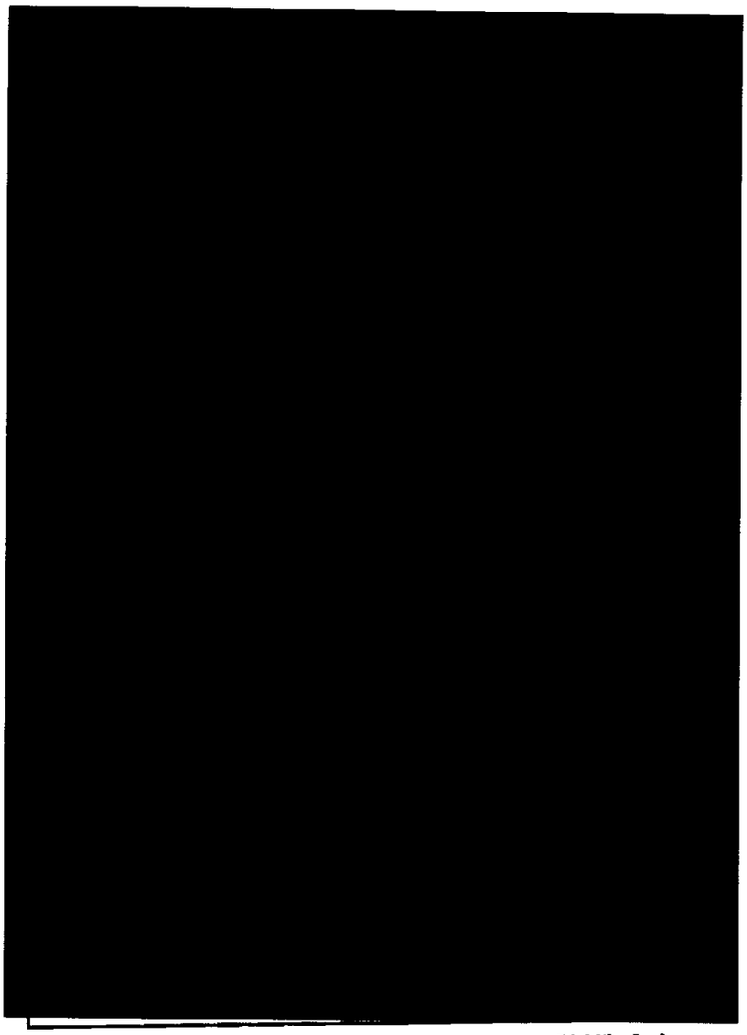
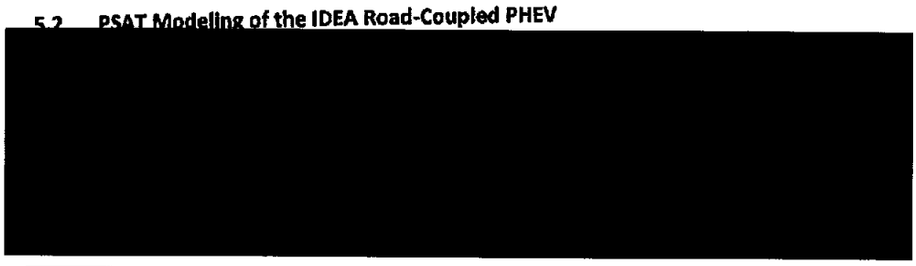
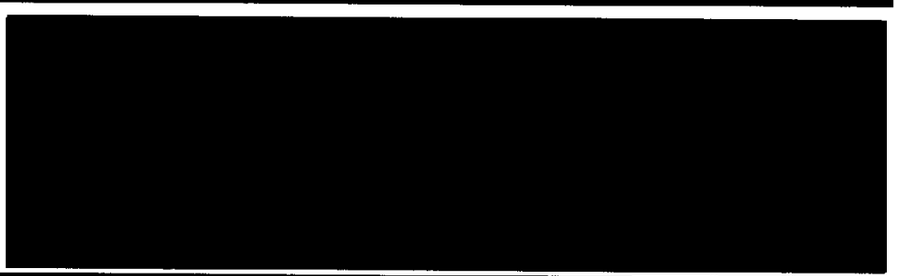
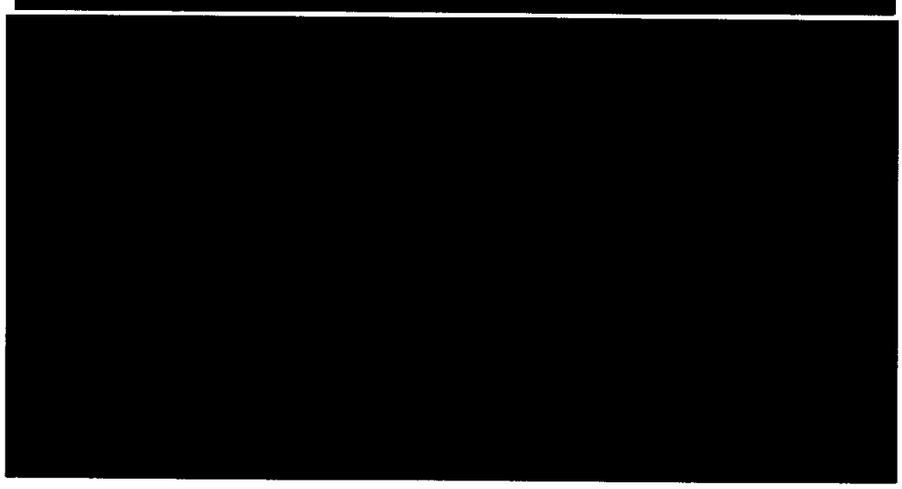


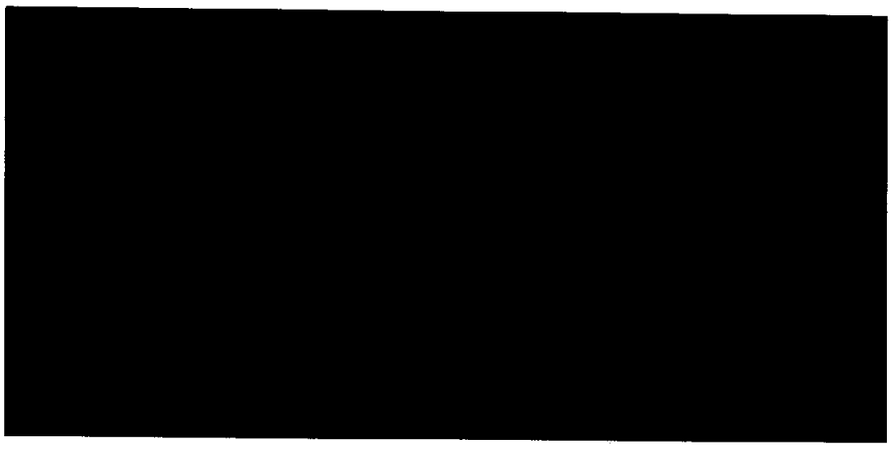
Figure 17: Primary PSAT Results Table for Bright PHEV on 50 Mile Cycle

5.2 PSAT Modeling of the IDEA Road-Coupled PHEV

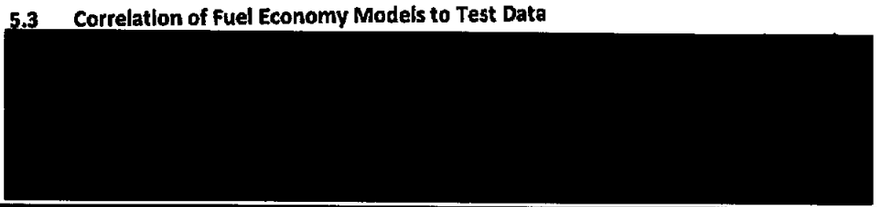








5.3 Correlation of Fuel Economy Models to Test Data



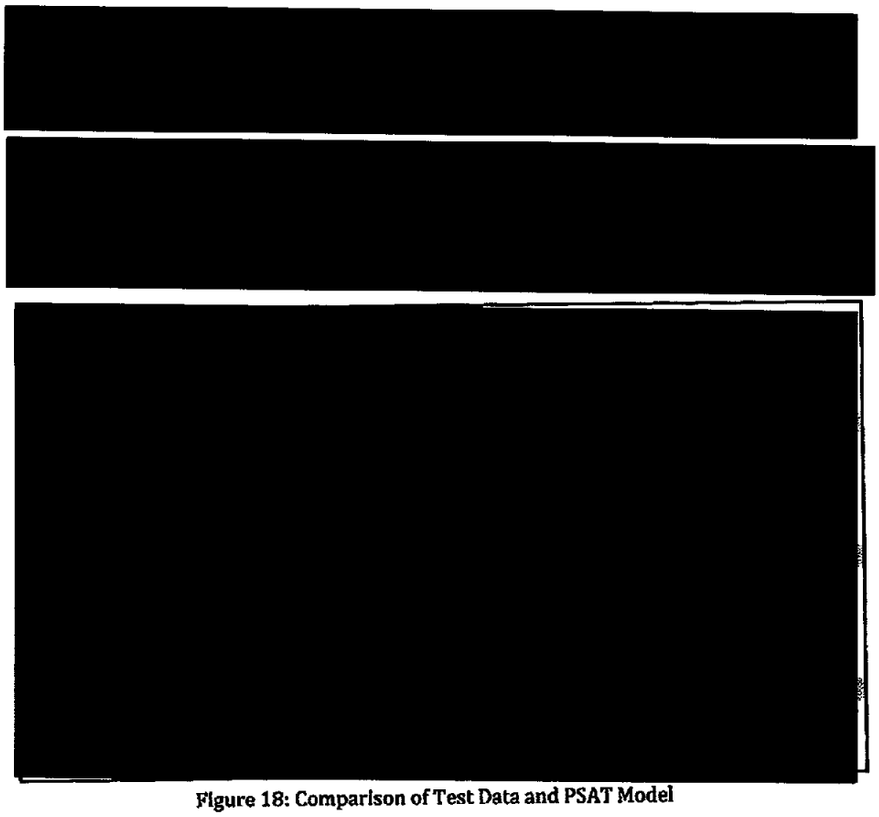
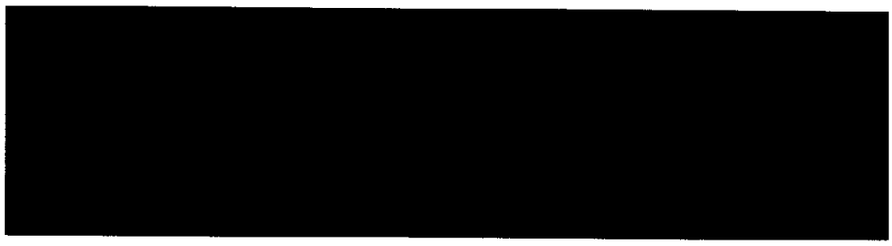


Figure 18: Comparison of Test Data and PSAT Model



6.0 Change in Program Content – 13 kWh Battery Pack

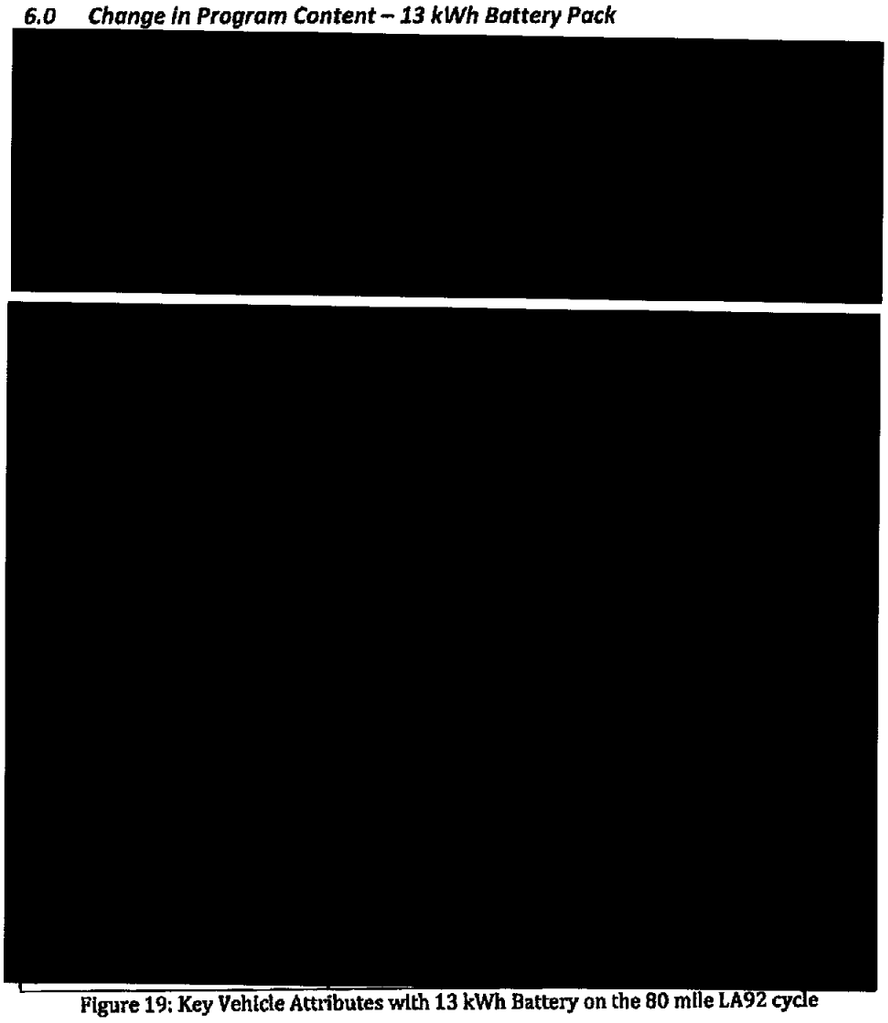


Figure 19: Key Vehicle Attributes with 13 kWh Battery on the 80 mile LA92 cycle

[redacted]

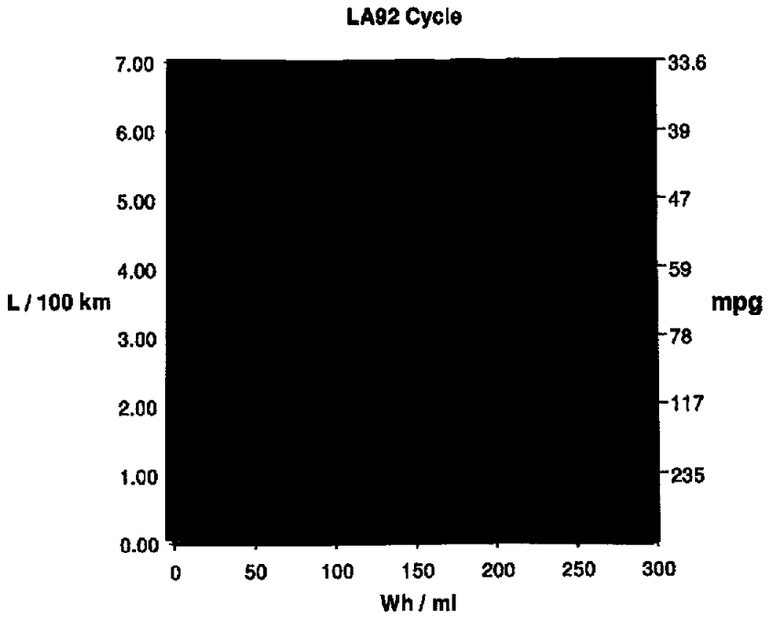


Figure 20: IDEA Energy Consumption on LA92 Cycle (13 kWh Battery)

Figure 20 illustrates the energy consumption in both electricity and gasoline for the IDEA vehicle with the 13 kWh battery system on the LA92 cycle.

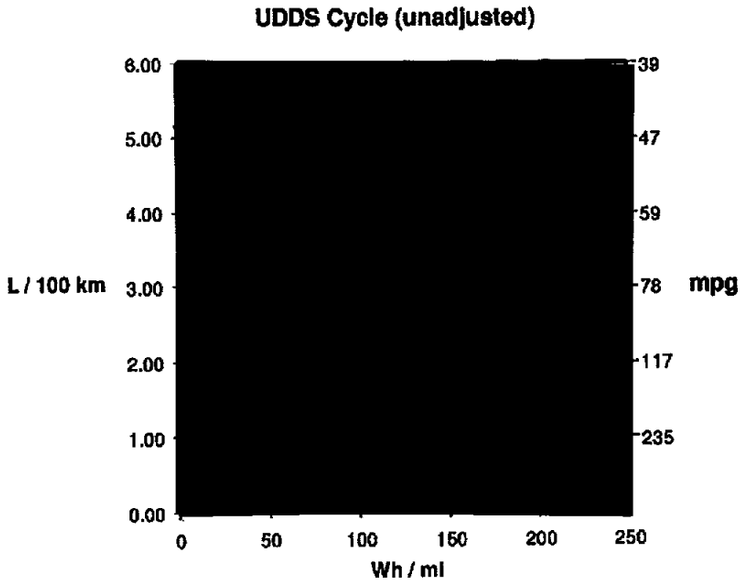


Figure 21: IDEA Energy Consumption on UDDS Cycle (13 kWh Battery)

[redacted]

In both of these plots, the y-intercept represents the charge-sustaining fuel economy for this cycle. The x-intercept represents the battery energy consumption if no fuel were

consumed, akin to an all-electric energy consumption figure. The electrical energy consumed during charge depleting operation in excess of 40 miles is 11.05 kWh, or 85% DOD.

Fuel economy can vary substantially in cases where daily travel distance is only marginally beyond the charge depletion range. For this reason, it remains a difficult task to define fuel economy for all users.

[redacted]

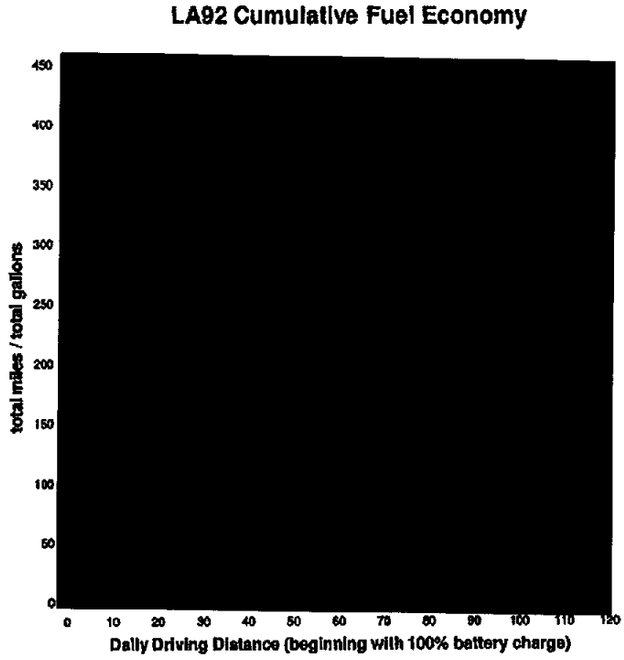


Figure 22: Miles per gallon vs. daily driving distance with the LA92 drive cycle

7.0 Market Implications

[redacted]

[redacted] This number does not include passenger cars (e.g., sedans, coupes, wagons); specialized vehicles like the U.S. Postal fleet or emergency vehicles; taxis; sales or vehicles outside of the U.S. Growing at the market growth rate assumed by the DOE and its consultants, [redacted]

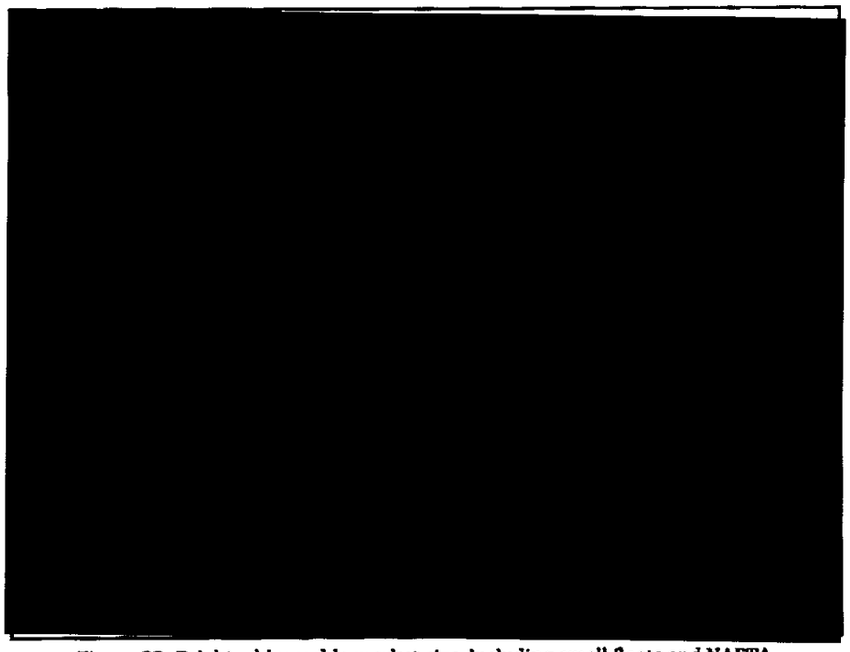


Figure 23: Bright addressable market size, including small fleets and NAFTA

The DOE has stated one of their key evaluation metrics is the percentage of overachievement of the proposed vehicle with respect to the "threshold" requirement for each segment (where the threshold achievement is defined as 125% of the segment average). The threshold number listed in the Section 136 documentation is derived from a cycle that uses 55% of the UDDS city cycle and 45% of the HWFED cycle. A

Segment	Threshold mpg	Bright "over threshold"
Full-size vans	[redacted]	
Minivans		
SUV's		
Pickup Trucks		

Figure 24: Overachievement of the fuel economy thresholds on LA92, 80 mile daily travel [redacted]

The resulting TCO advantage of the IDEA compared to the variety of addressable segments is shown in Figure 25. [redacted]

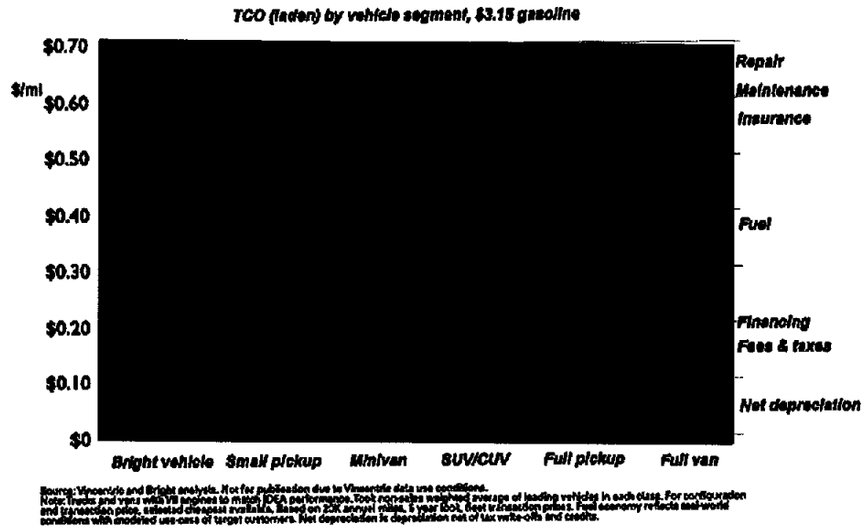


Figure 25: Bright IDEA TCO compared with addressable vehicle segments

8.0 Summary and Conclusions

This document was compiled to address the concerns from the August 18, 2009 letter from Mr. Lachlan Seward stating:

[redacted]

Emissions Certification

[redacted]

Fuel Economy Predictions

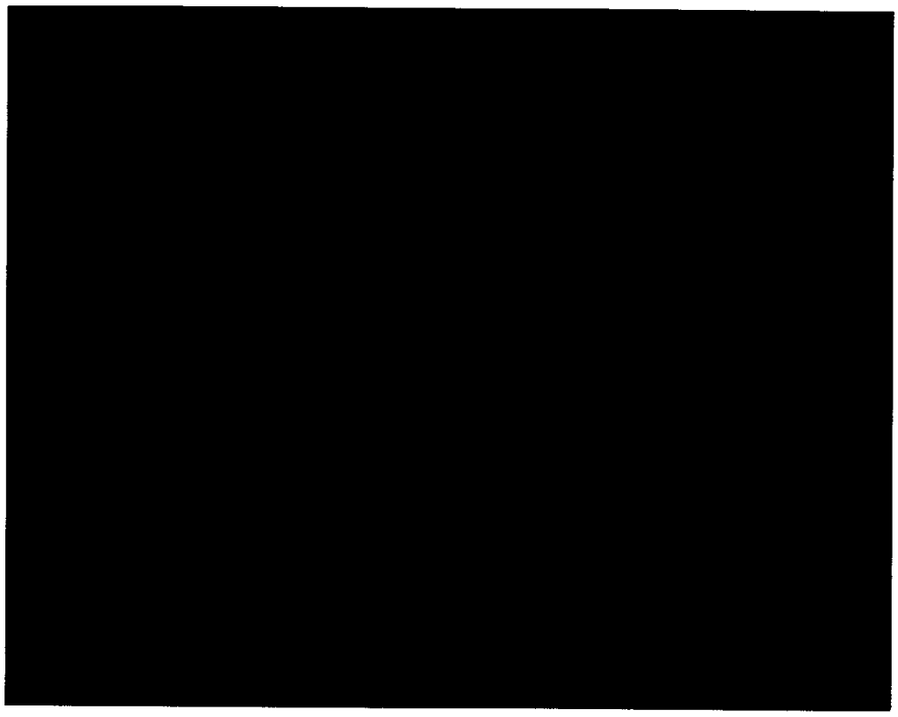
In Section 5 Bright Automotive re-established the validity of the original fuel economy predictions through the following actions:

[redacted]

To further alleviate any concerns over the validity of the Bright Automotive PSAT models, Bright Automotive has reviewed the PSAT models and assumptions with industry experts to ensure they are consistent with industry best practices.

In addition to responding to the specific DOE concerns, Bright Automotive announced the program change from a [redacted] to a [redacted] This change significantly increases the value proposition of the Bright IDEA by providing:

[redacted]



Bright Automotive
Investor FAQ
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CONFIDENTIAL

Contacts:
Reuben Munger, Chairman, rmunger@brightautomotive.com
John Waters, CEO, jwaters@brightautomotive.com
Michael Brylawski, Vice President, mbrylawski@brightautomotive.com

List of Frequently Asked Questions

A. Market

Why choose the fleet market?

[redacted]

1) The fleet market is underserved with older products. [redacted]

[redacted]

[redacted]

[redacted]

2) Fleets buy on rational criteria that favor electrification. [redacted]

[redacted]

[redacted]

Figure 1 highlights how Bright has designed its vehicle to be best-in-class in both cost and functionality criteria.

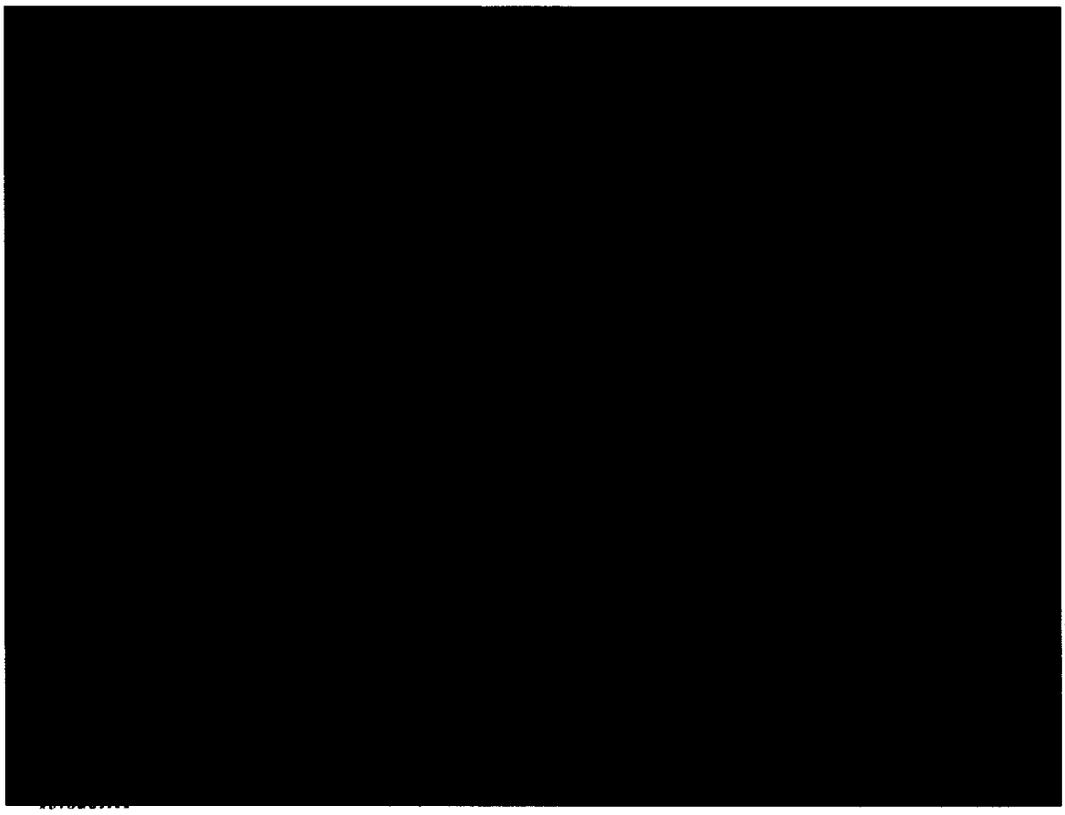

Figure 1: Buying criteria for fleets