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NATIONAL SCOOTER COMPANY RELOCATES GLOBAL HEADQUARTERS,
BRINGS MORE THAN 100 JOBS TO PFLUGERVILLE, TEXAS

*Triple Freeport exemption helps entice automotive company
to move manufacturing from China to Pflugerville*

PFLUGERVILLE, Texas—July 1, 2010—The Pflugerville Community Development Corporation (PCDC), which promotes economic development and employment in the city, today announced it has finalized an agreement with National Scooter Company Inc. to facilitate the relocation of the company’s global headquarters to Pflugerville by August 1. National Scooter Company, which designs, develops, manufactures, sells and distributes a multi-line of bikes, scooters, motorcycles and electric cars, is expected to bring more than 100 jobs to Pflugerville within three years.

“As a region, we strategically target companies in high-potential and strong-growth industries to ensure that we are building a solid, diverse base of businesses,” said Charles Simon, executive director of the PCDC. “National Scooter Company will be supplying dealerships across the country with electric and gas vehicles designed and manufactured in Pflugerville.”

The president and CEO of National Scooter Company, Greg James, is relocating the business from East Texas and Seattle, Wash. James said nine cities in Texas and one in Washington were considered for the business’ new location. According to James, the ‘ace in the hole for Pflugerville’ was the city’s ability to offer Triple Freeport exemption, which gives businesses who assemble, process, manufacture or store certain goods an exemption from paying county, school district and city taxes if the goods are shipped out of the state within 175 days.

Several market pressures have put National Scooter Company in an ideal position to meet the demands of a largely unserved market.

“National Scooter Company was formed to meet the rapidly growing demand of consumers seeking affordable, high-quality, high-mileage transportation,” James said. “We will create new jobs in the United States by bringing manufacturing that was previously sourced in China to Pflugerville, Texas. We intend to improve product quality, create design and engineering differentiators, and generate new marketing opportunities as an American-produced product.”

As part of the economic development agreement, National Scooter Company will receive a total of \$235,000 in incentives from PCDC in exchange for beginning operations in Pflugerville by August 1. The company must also employ and provide

benefits to at least 62 people within two years, and operate in Pflugerville for at least five years.

National Scooter Company's global headquarters, manufacturing, design and engineering, distribution and shipping, as well as a factory retail store will be located at Springbrook II Business Park, 1950 Picadilly Drive, in Pflugerville. The company's flagship retail store, Austin Electric Vehicles, is also expected to open in Austin in the near future.

For additional information regarding investment opportunities, employment, or to inquire about becoming a dealer, contact National Scooter Company at info@austinelectricvehicles.com.

About the Pflugerville Community Development Corporation

The Pflugerville Community Development Corporation supports the city's goals of smart growth while diversifying the city's tax base and providing support to both commerce and the community. PCDC promotes Pflugerville as a desirable place for new businesses to operate, and supports existing businesses by helping to address their needs. PCDC can provide funding for use as an incentive to businesses to begin doing business in Pflugerville. PCDC funds, which are 4B money generated from a half-cent of the city's sales tax revenue, can also be used to construct needed infrastructure such as roads, utilities and drainage projects.

Located 16 miles northeast of Austin and just south of Round Rock, Pflugerville is well-situated in a growing region. Recent transportation improvements, such as state highways 45 and 130, offer further linkage and direct access to other nearby cities and the region's main airport. For more information, visit www.pfdevelopment.com.

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QUOTE SHEET

“As a government, we can do our part to be stewards of the environment by recruiting and supporting the businesses that promote responsibility and provide renewable energy to consumers.”

—Jeff Coleman, Pflugerville Mayor

“After meeting with the executives from National Scooter Company, we are so excited about their commitment to the Pflugerville community. This expands our employment base and brings immediate jobs to our market, and we look forward to working with them and helping their business grow and thrive in Pflugerville.”

—Patricia Gervan-Brown, IOM, President & CEO, Pflugerville Chamber of Commerce

“I am so pleased by the National Scooter Company’s move to Pflugerville. With this move comes more domestic manufacturing, good jobs and green vehicles that will diversify our mobility options in one of the most livable communities in Travis County. What a win-win-win!”

—Sarah Eckhardt, precinct two commissioner, Travis County

“The Austin Chamber is keenly focused on growing the regional economy, and National Scooter Company’s headquarters consolidation from China and Seattle to Central Texas is an excellent addition to our automotive and clean energy industries. The business climate in Pflugerville will give technological, quality and cost advantages to National Scooter Company, whose fun-to-drive products will positively impact energy consumption and transportation in Central Texas and the U.S.”

—Tony Schum, economic development director, Greater Austin Chamber of Commerce

“This high-potential company found a perfect match in our community, and this is a testament to the excellent transportation access, leadership, commercial office buildings and overall quality of life we have in Pflugerville. Springbrook II Partners provided National Scooter Company the office space they needed to move in immediately, and we plan to build-to-suit for them as their business grows.”

—Ed Fleming, managing partner, Springbrook II Partners LTD