

BONITAS

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RESEARCH

COMPANY: Arcimoto, Inc. | Nasdaq: FUV
INDUSTRY: Electric Vehicles
URL: <https://www.arcimoto.com/>

<u>Price</u> <u>(as of 22Mar2021 close)</u>	<u>Market Capitalization (fully diluted)</u>	<u>Average Daily Value Traded (20-Day)</u>
US\$ 16.77	US\$ ~ 650 million	US\$ ~40 million

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Arcimoto, Inc.’s (NASDAQ: FUV) (“FUV”, “Arcimoto”, or the “Company”) makes electric three-wheeled street vehicles dubbed Fun Utility Vehicles (a.k.a FUV). Arcimoto’s story mimicked many other “tech 2.0” or “Tesla-lite” companies designed to benefit from increased consumer awareness and general city-wide roll-outs of docking station infrastructure for all types of electric vehicles.

In our opinion, Arcimoto lied to investors about its reported “pre-orders” from paying customers and disregarded safety concerns about its vehicles on public roads in order to execute a dubious stock promotion for self-enrichment at the expense of minority shareholders.

In March 2021 we reviewed six (6) different partnerships touted by Arcimoto since 2018. Specifically for these partnerships, we found that less than 5% of Arcimoto’s “pre-orders” were actually delivered.

As part of its fake demand promotion, Arcimoto’s largest customer, Arcimoto Key West, is secretly owned and operated by undisclosed related party insider FOD Capital, LLC (“FOD Capital”). As of July 2020, FOD Capital was FUV’s third largest shareholder. In 2H’20, FOD Capital sold 67% of its FUV shareholdings in traditional pump & dump style...

We identified another undisclosed shareholder who founded Hula Holdings, Inc. (“Hula”), a partnership that was announced in 2018 yet appears abandoned as of today. On November 10, 2020, Hula uploaded a new video of a different warehouse full of vehicles from Arcimoto’s direct competitor, Ayro Inc. (Nasdaq: AYRO, “Ayro”).

Perhaps Arcimoto’s most brazen stock promotion campaign example occurred on November 19, 2020 when it announced a 90-day trial period with the City of Orlando Mayor Buddy Dyer’s office as a potential first responder vehicle. The news fueled FUV stock price to skyrocket from US\$ 9 to over US\$ 20 within two days.

We were surprised to find that on November 18, 2020, the day before FUV’s Orlando 90-day first responder trial period was announced, Arcimoto filed a safety recall notice with the National Highway Traffic Safety Administration (“NHTSA”) in regards to possible immediate power loss on 100% of its delivered vehicles.

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By law, FUV is required to notify customers of vehicles under recall so that the vehicles can be repaired, defective parts replaced, etc.

We spoke with Arcimoto Key West and GoCar Tours whose sales representatives both confirmed neither customer had been notified of Arcimoto's November 2020 safety recall as of March 2021.

Arcimoto did not tell its investors that 100% of its vehicles were under recall the day before the City of Orlando first responder 90-day trial period announcement.

Elon Musk voiced his own concerns about Arcimoto's FUV, crashing one himself into a wall and citing it as unsafe.

Electrive reported that Elon Musk crashed an Arcimoto 3-wheel vehicle into a wall in the fall of 2019, and that in September 2020, when a twitter user asked Musk for help with some projects with a video from Arcimoto consultant Sandy Munro, Musk responded succinctly:

"Can't support three-wheeled vehicles. Not safe enough." – Elon Musk

Dec 3, 2020 - 11:43 am

Elon Musk on the crash course

ARCIMOTO BEV ELON MUSK



Mark Frohnmayer, the founder of Arcimoto, a US American manufacturer of three-wheeled electric vehicles, claims in a recently published interview that Tesla CEO Elon Musk drove one of his cars into a wall in the fall of 2019. Musk were foolhardy but not injured.

This incident, which has now become public, puts a Tweet from late September 2020 in a new light: When a Twitter user asked Musk for help with some projects with a video from Arcimoto consultant Sandy Munro, Musk responded succinctly: "Can't support three-wheeled vehicles. Not safe enough."

Source: <https://www.electrive.com/2020/12/03/elon-musk-on-the-crash-course/>

Since December 2018, Arcimoto has filed 19 separate recall notices, the majority related to the most basic elements of a vehicle such as power, steering and braking.

While its fun to make toys and sell them to your friends and family, it appears to us that Arcimoto's commercial production is a pipe-dream since it had failed to produce a safe, reliable and properly working street-legal vehicle.

We are short Arcimoto and think that its stock is going lower.

FAKE “PRE-ORDERS” GENERATED FAKE DEMAND

This “*fake it until you make it*” attitude must stop.

We encourage everyone to review Arcimoto’s disclosed partnerships and confirm for themselves how many Arcimoto FUV vehicles have actually been delivered to paying customers versus stated “*pre-orders*”.

In March 2021 we reviewed six (6) different partnerships touted by Arcimoto since 2018. Specifically for these partnerships, we found that less than 5% of Arcimoto’s “*pre-orders*” were delivered.

The below table is a summary of our findings.

Announced Partners	Claimed Pre-Order #	Delivered Unit #	Announcement Date
Arcimoto Key West	21	13	02-Oct-19
Hula	100	0	14-Feb-18
GoCar Tours (SF)	40	2	03-Oct-19
Sol Mar Vida	100	0	19-Jun-19
New Zealand distributor	160	3	30-Oct-19
Wahlburgers Key West	1	1	22-Jul-20
Total	422	19	
% Delivered		4.5%	

Source: FUV Press Releases; Bonitas Outbound Calls to Customers

Arcimoto Key West (Key West, FL): In 4Q’19, FUV announced 21-unit “*pre-orders*” from Arcimoto Key West, Florida. In March 2021, we spoke with Arcimoto Key West sales representative who informed us that its fleet size was 13 FUVs, making it Arcimoto’s largest customer.

As of the date of this report, Arcimoto Key West is the sole rental arrangement listed on Arcimoto’s website.¹

However, Arcimoto Key West is owned by an undisclosed related party and therefore is not an accurate barometer for independent partnership demand.

Please see section 3 of this report for additional details on Arcimoto Key West and FOD Capital.

HULA (San Diego, CA): In February 2018, FUV announced a 100-unit “*pre-orders*” from Hula in San Diego.

At the time Hula’s owner was an FUV shareholder, making it another transaction with an undisclosed shareholder.

In 1Q’19, Hula’s youtube channel uploaded two videos promoting Arcimoto vehicles in San Diego.

18 months later in November 2020, Hula uploaded a new video showcasing its fleet of Ayro vehicles, not Arcimoto vehicles.²

Please see section 4 of this report for additional details on Hula.

¹ Source: <https://www.arcimoto.com/rental>

² Source: <https://www.youtube.com/watch?v=G1kY0ZWkY-A>

GoCar Tours (San Diego & San Francisco): In June 2019, Arcimoto announced a 40-unit “pre-orders” from GoCar Tours. In March 2021 we spoke with GoCar Tours sales representatives who confirmed that only 2 vehicles had been delivered since June 2019 to the GoCar Tours San Francisco location.

On our call with GoCar Tours San Diego, we were informed that its fleet consisted of Ayro vehicles and zero Arcimoto vehicles.

Sol Mar Vida (Costa Rica): In June 2019, Arcimoto announced its first international deployment of 100 Arcimoto vehicles through a partnership with Sol Mar Vida in Costa Rica.³

As of March 2021, the website of Sol Mar Vida was no longer functional,⁴ the reservation for 100 Arcimoto vehicles was cancelled and reservation deposits returned.⁵

EV Distributors (New Zealand): On October 30, 2019, Arcimoto announced that it had signed a distribution agreement with New Zealand-based EV Distributors, LLC (“EV Distributors”) to deliver a minimum of 160 Arcimoto vehicles over the next four years and had delivered its first 3 vehicles at that time.⁶

Despite repeated calls in March 2021 to two separate phone numbers listed on EV Distributors website, we were unable to contact anyone about sales or rentals of Arcimoto vehicles.

LinkedIn lists only 1 profile associated with EV Distributors.⁷

We have been unable to find any evidence that any additional deliveries have been made of Arcimoto vehicles to New Zealand since October 2019.

United States Municipal First Responder Trial Periods: On March 10, 2020, Arcimoto announced a trial with the Mayor’s office of the city of Eugene, Oregon, Arcimoto’s home town.⁸

On November 19, 2020, Arcimoto announced a 90-day trial run by the City of Orlando Mayor’s Office to test Arcimoto’s FUV’s as first responder vehicles.⁹

There have been no subsequent announcements regarding any development updates in either first responder municipal office trial period.

³ Source: <https://www.businesswire.com/news/home/20190619005024/en/Arcimoto-and-Sol-Mar-Vida-to-Deploy-First-International-Fleet-of-FUVs-to-Costa-Rica-for-Beachside-Tourist-Rentals>

⁴ Source: <http://www.solmarvida.com/>

⁵ Source: https://www.sec.gov/Archives/edgar/data/1558583/000121390019019683/f424b5100319_arcimoto.htm - p. S-1 – October 3, 2019

⁶ Source: <https://www.nasdaq.com/press-release/arcimoto-makes-first-international-shipment-of-fuvs-as-part-of-new-zealand>

⁷ Source: <https://www.linkedin.com/in/dave-umbers-1555466b/>

⁸ <https://www.businesswire.com/news/home/20200310005222/en/Arcimoto-and-Eugene-Springfield-Fire-Department-Begin-Pilot-Program-For-Rapid-Responder>

⁹ <https://www.businesswire.com/news/home/20201119005321/en/Arcimoto-and-City-of-Orlando-Launch-Joint-Municipal-Pilot-Program-to-Test-Ultra-efficient-Electric-Vehicles-in-City-Fleets>

FAILED TO NOTIFY CUSTOMERS THAT ~100% OF VEHICLES UNDER SAFETY RECALL

FUV management concealed safety concerns from customers and investors. They will not be able to conceal these issues from seasoned first responders whose primary concerns are safety and reliability. There is clearly something wrong with their manufacturing design or process.

On November 18, 2020, Arcimoto filed a total production recall notice with the United States Government's federal agency, the National Highway Traffic Safety Administration ("NHTSA") (<https://www.nhtsa.gov/>), due to safety issues with the electronic drivers in the vehicles which can "lead to unexpected battery shutdown and immediate loss of traction-power".

Vehicle Information :

Vehicle 1 :	2019-2020 Arcimoto FUV
Vehicle Type :	MOTORCYCLES
Body Style :	OTHER
Power Train :	HYBRID ELECTRIC
Descriptive Information :	Affects all one-hundred forty-eight MY2019 & MY2020 vehicles (fifty-seven MY2019, ninety-one MY2020) produced from 09/19/2019 through to 11/18/2020.
Production Dates :	SEP 19, 2019 - NOV 18, 2020

Description of Defect :

Description of the Defect :	The electronic drivers in some HV contactors may malfunction, causing these contactors to have a higher contact resistance than intended, potentially resulting in overheating.
FMVSS 1 :	NR
FMVSS 2 :	NR

Description of the Safety Risk :	If HV contactors overheat, this can lead to either a blown fuse or opening of the contactors by the BMS, including the traction contactor opening, both of which will lead to unexpected battery shutdown and immediate loss of traction-power, which would make the vehicle more difficult to control and increase the likelihood of a crash.
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Source: <https://static.nhtsa.gov/odi/rcl/2020/RCLRPT-20V717-5446.PDF>

Instead of notifying customers and investors of the bad news, the next day on November 19, 2020 Arcimoto management promoted a 90-day trial with the City of Orlando's first responder units.

In March 2021 we spoke with sales representatives at both Arcimoto Key West and GoCar Tours and confirmed that neither customer had been notified of Arcimoto's November 2020 product safety recall.

Arcimoto's November 2020 recall was preceded by two other recalls in March & May 2020 due to non-compliant brake hoses and improper traction-power harness that can lead to, among other things, "risk of fire, and loss of traction-power".¹⁰

Since December 2018, Arcimoto has filed 19 separate recall notices, the majority related to the most basic elements of a vehicle such as power, steering and braking.

¹⁰ Source: <https://static.nhtsa.gov/odi/rcl/2020/RCLRPT-20V136-8574.PDF>

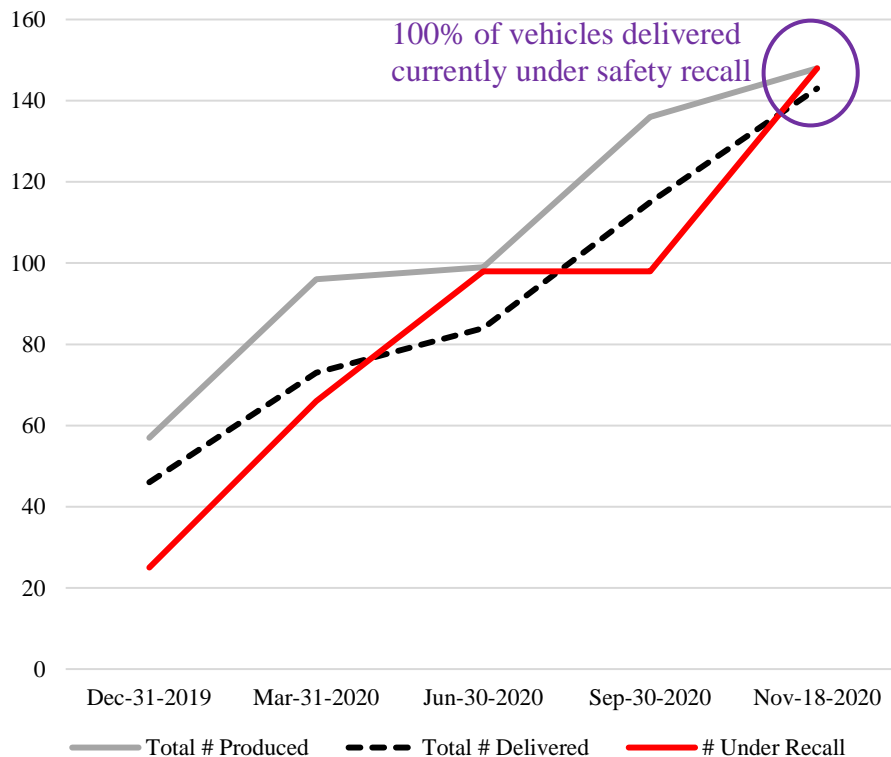
NHTSA Recalls of Arcimoto Vehicles

Date	Issue	Safety Risk
19-Nov-2020	Electronic Drivers In HV Contactors may Overheat	Immediate loss of drive power; risk of crash
27-May-2020	Non-Compliant Brake Hoses/FMVSS 106	Risk of crash
6-Mar-2020	Improper Traction-Power Harnesses	Risk of crash; risk of fire
20-Jan-2020	Lack of Brake Line/Steering Main-Link Clearance	Loss of braking ability; risk of crash
20-Nov-2019	Short Circuit May Cause Loss of Vehicle Control	Sudden loss of power; risk of crash
19-Nov-2019	Inverter Communication May Time Out	Unexpected battery shutdown; risk of crash
19-Nov-2019	Inverter Broadcast Exceeds Current Limit	Unexpected battery shutdown; risk of crash
19-Nov-2019	Ignition Switch Missing Labels	Risk of injury or crash
5-Nov-2019	High Voltage System may Short	Loss of power; risk of crash
11-Oct-2019	Tie Rods May Separate	Loss of steering; risk of crash
31-Dec-2018	Turn Signals Incorrectly Positioned/FMVSS 108	Reduced visibility; risk of crash
31-Dec-2018	Brake Warning Light Missing/FMVSS 122	Potential unknown problem in brake system; risk of crash
31-Dec-2018	Gearbox May Prematurely Fail	Immobilization of vehicle; risk of crash
31-Dec-2018	Possible Loss of Steering Control	Loss of steering; risk of crash
31-Dec-2018	Seat May Collapse In The Event of A Crash	Risk of injury in crash
31-Dec-2018	Headlamps Positioned too far Apart/FMVSS 108	Reduced recognizability in dark; risk of crash
31-Dec-2018	Reflex Reflector Not In Compliance/FMVSS 108	Reduced visibility; risk of crash
31-Dec-2018	Battery Shutdown May Occur Unexpectedly	Loss of power; risk of crash
28-Dec-2018	Certification Label Not Applied/Part 567	Risk of injury or crash

Source: <https://www.nhtsa.gov/>

NHTSA’s most recent November 2020 recall exceeded Arcimoto’s reported delivered vehicles and was nearly identical to Arcimoto’s reported production figure. Below we charted Arcimoto’s reported production volume versus delivery volume against recall population size which clearly reflect the magnitude of Arcimoto’s November 2020 recall notice.

UNDER RECALL vs. PRODUCED vs. DELIVERED



Note: FUV specifically disclosed Deliveries quarterly. Assume all 2020 deliveries took place before November 18, 2020. Quarterly Production figures were not disclosed directly by FUV. Estimated intra-year production based on finished goods inventory.

As of January 13, 2021, Arcimoto had recalled and removed 4 of its vehicles under recall. So far, there is no evidence that any additional vehicles had been removed.¹¹

By comparison, Arcimoto’s biggest competitor, Ayro, which manufactures the three-wheeled, two-seater all electric vehicle Ayro 311, does not have any recalls listed on the NHTSA website.¹²

Whether or not someone considers an FUV closer to a car than a motorcycle, the facts clearly show that Arcimoto’s recall rates vastly exceed those of its competitors.

The NHTSA website listed 10 electric motorcycles from different manufacturers that combined had accumulated only three (3) recalls as compared to Arcimoto’s nineteen (19) since 2018.

Electric Motorcycle	Recalls
Harley-Davidson LiveWire	1
Zero SR/F	1
Lightning LS-218	0
Energica Eva Ribelle	0
Lightning Strike	0
Monday Motorbikes Gen7	0
CSC City Slicker	0
Curtiss Motorcycles Zeus Radial V8	0
Evoke Urban S And Urban Classic	0
Electra Meccanica Solo	1

Source: NHTSA

We urge all owners of Arcimoto vehicles, especially first responders, to stop using these vehicles immediately and return them to Arcimoto to avoid injuring yourselves and other public road users.

We find it unlikely that Arcimoto will be a market leader in advanced vehicle technology developments given its limited issued patent portfolio and limited history of paying customer deliveries.

Patent search in the United States Patent and Trademark Office (“USPTO”) database revealed that Arcimoto only had 10 patents, with five of them related to “three wheeled vehicle with automotive class feel”.

PAT. NO.	Title
1 10,676,148	Narrow ultra efficient three wheeled vehicle with automotive class feel
2 10,615,553	Busbar system featuring externally crimped connections for electrical contacts
3 10,513,303	Narrow ultra efficient three wheeled vehicle with automotive class feel
4 10,259,318	Vehicle powertrain with dual-independent transmissions
5 10,193,199	Battery system
6 10,164,235	Battery assembly including multi-row battery interconnection member
7 9,994,276	Narrow ultra efficient three wheeled vehicle with automotive class feel
8 9,783,257	Narrow ultra efficient three wheeled vehicle with automotive class feel and handlebar steering
9 9,592,732	Vehicle powertrain with dual-independent transmissions
10 8,985,255	Narrow body ultra efficient three wheeled electric vehicle with automotive class feel

Source: <http://patft.uspto.gov/netahtml/PTO/search-bool.html>

¹¹ Source: <https://static.nhtsa.gov/odi/rcr/2020/RCLORT-20V717-7210.PDF>

¹² Source: <https://www.nhtsa.gov/recalls>

LARGEST CUSTOMER IS UNDISCLOSED RELATED PARTY FOD CAPITAL

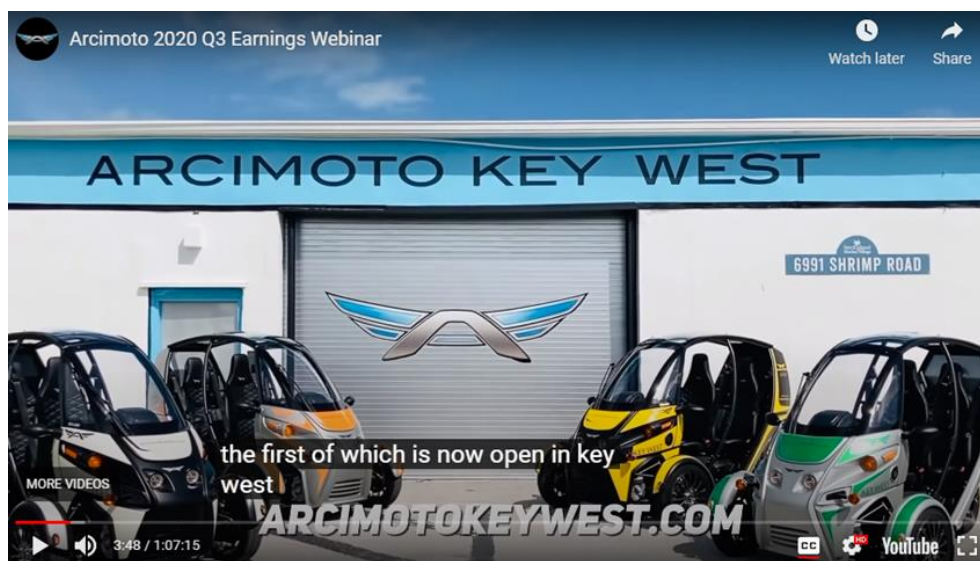
Additional evidence corroborates that there exists little demand for Arcimoto's vehicles from independent paying customers.

Our findings revealed that as of March 2021, Arcimoto Key West had 13 Arcimoto vehicles on-site, making it the single largest location of Arcimoto vehicles worldwide outside of Eugene, Oregon (Arcimoto's HQ).

In 4Q'19, Arcimoto announced its first rental franchisee customer in Key West as R-Key-Moto, LLC ("R-Key-Moto").¹³

Arcimoto Founder Mark Frohnmayer boasted on FUV's 1Q'20 earnings call that R-Key-Moto was "*almost up to their full plan of 20 vehicles.*"

In Arcimoto's 3Q'2020 earnings conference call webinar highlighted the franchisee partnership as a success.



Source: Arcimoto 3Q'20 Earnings Call

However, Arcimoto never mentioned in its investor communications via SEC filings, presentations, earnings calls or promotional videos that R-Key-Moto is an undisclosed related party owned by insider FOD Capital, LLC ("FOD Capital").

While Founder Mark Frohnmayer boasted in the 1Q'20 Earnings Call that R-Key-Moto was "*almost up to their full plan of 20 vehicles*", Arcimoto never disclosed any related party revenues from FOD Capital, which at US\$ 20,000 per vehicle would amount up to US\$ 420,000, or 29% of Arcimoto's total product revenue in 4Q'19 and 1Q'20.¹⁴

R-Key-Moto's 2020 Annual Report lists Michael Raymond and Matthew Strunk as Managers, who are respectively the Managing Director and Director of Accounting and Finance of FOD Capital.

In addition, R-Key-Moto shares the same registered address as FOD Capital.¹⁵

¹³ Source: <https://www.businesswire.com/news/home/20191002005357/en/Arcimoto-Announces-First-FUV-Rental-Franchise>

Source: Arcimoto Announcement dated November 26, 2019

<https://www.accesswire.com/568169/Arcimoto-Delivers-First-Pure-Electric-FUVs-To-R-Key-Moto-LLC-for-Tourist-Rentals-in-Beautiful-Florida-Keys>

¹⁴ Source: Arcimoto 1Q'20 Earnings Calls, Arcimoto 3Q'19 10-Q, Arcimoto 2019 10-K, Arcimoto 1Q'20 10-Q

¹⁵ <https://www.fodcapital.com/#ourLeadership>

The principal business office of FOD Capital, Inc. is located at:

7009 Shrimp Road
Suite 4
Key West, FL 33040



Michael Raymond

Mr. Raymond serves as FOD's
Managing Director. Mr.



Matt Strunk

Mr. Strunk is FOD's Director of
Accounting and Finance and,

2020 FLORIDA LIMITED LIABILITY COMPANY ANNUAL REPORT

DOCUMENT# L19000050675

Entity Name: R-KEY-MOTO LLC

Current Principal Place of Business:

7009 SHRIMP RD STE 4
KEY WEST, FL 33040

Current Mailing Address:

7009 SHRIMP RD STE 4
KEY WEST, FL 33040 US

FEI Number: 83-3765632

Certificate of Status Desired: No

Name and Address of Current Registered Agent:

RAYMOND, MICHAEL
7009 SHRIMP RD STE 4
KEY WEST, FL 33040 US

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE: _____

Electronic Signature of Registered Agent

Date

Authorized Person(s) Detail :

Title	MGR	Title	MGR
Name	RAYMOND, MICHAEL	Name	STRUNK, MATTHEW
Address	7009 SHRIMP RD STE 4	Address	7009 SHRIMP RD STE 4
City-State-Zip:	KEY WEST FL 33040	City-State-Zip:	KEY WEST FL 33040

Source: https://www.sec.gov/Archives/edgar/data/0001763315/000110465921022079/tm216322d4_sc13ga.htm

Source: <https://www.fodcapital.com/>

Source: R-Key-Moto 2020 Annual Report

In 3Q'20, Arcimoto promoted a pilot program for its Deliverator vehicle with Wahlburgers Key West, whipping up investors' hope for a nation-wide deal with the Mark Wahlberg restaurant chain.

Arcimoto once again failed to disclose that Wahlburgers Key West is actually operated as a franchisee location by Wahlkey, LLC (“Wahlkey”), which is owned by undisclosed related party shareholder FOD Capital.

Wahlkey's 2021 Annual Report lists Michael Raymond as its manager and the same address as FOD Capital.



Source: Arcimoto 2Q'20 Earnings Call

Source: <https://www.businesswire.com/news/home/20200722005689/en/>

Wahlburgers Key West
700 Front St, Key West (County)

Business Informations

Board Code: 200 **District:** 1 **Region:** 26
License Type: Permanent Food Service
Rank Code: Seating
Licensee: WAHLKEY, LLC
Business: WAHLBURGERS KEY WEST
 700 Front St, Key West (Monroe county), FL, 33040.
License Number: SEA5428354
Primary Status: Current
Secondary Status: Active
License Expiry Date: Oct. 1, 2021
Number of Seats : 181

Source: <https://data.tallahassee.com/restaurant-inspections/monroe/wahlburgers-key-west/sea5428354/7662717/>

2021 FLORIDA LIMITED LIABILITY COMPANY ANNUAL REPORT

DOCUMENT# L19000269447

Entity Name: WAHLKEY, LLC

Current Principal Place of Business:
7009 SHRIMP RD STE 4
KEY WEST, FL 33040

Current Mailing Address:
7009 SHRIMP RD STE 4
KEY WEST, FL 33040 US

FEI Number: 84-3939618

Certificate of Status Desired: No

Name and Address of Current Registered Agent:

RAYMOND, MICHAEL
7009 SHRIMP RD STE 4
KEY WEST, FL 33040 US

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE:

Electronic Signature of Registered Agent

Date

Authorized Person(s) Detail :

Title MGR
Name RAYMOND, MICHAEL
Address 7009 SHRIMP RD STE 4
City-State-Zip: KEY WEST FL 33040

FILED
Feb 12, 2021
Secretary of State
8872377010CC

Source: Wahlkey 2021 Annual Report

<http://search.sunbiz.org/Inquiry/CorporationSearch/GetDocument?aggregateId=flal-119000269447-0c246477-2250-4877-abf2-d850bd0f66e9&transactionId=119000269447-a84e5413-1c1b-4b1d-b00b-f2dedbc6baa2&formatType=PDF>

On December 27, 2018, FOD Capital invested US\$ 5 million into Arcimoto in a combination of stock, warrants, senior and convertible notes, making FOD Capital a 7.9% shareholder of Arcimoto on a fully diluted basis.¹⁶

As of July 2020, FOD Capital was FUV's third largest shareholder.¹⁷

By February 12, 2021, FOD Capital sold 67% of its FUV shareholdings.¹⁸

Using FUV's closing price of US\$ 16.77 on March 22, 2021, we calculate that FOD Capital generated over 250% returns on its US\$ 4.8 million investment in FUV stock and warrants in less than 3 years.¹⁹

Pump & Dump...

FOD Capital Investments in Arcimoto

	Common Stock	Warrant	Notes	Cash
27-Dec-18				
No. of common stock	500,000			\$ (1,500,000)
No. of warrants exercisable at \$3.50		942,857		
Note Purchase			\$ 3,000,000.00	\$ (3,000,000)
12-Sep-19				
Convertible Note			\$ 500,000.00	\$ (500,000)
15-Jun-20				
Repayment of Notes in Cash			\$ (3,500,000.00)	\$ 3,500,000
Repayment of Notes Interest				\$ 479,809
8-Jul-20				
Exercise of warrants	471,428	(471,428)		\$ (1,649,999)
Q4 2020				
Exercise of warrants	471,429	(471,429)		\$ (1,650,002)
Sale of common stock	(972,856)			\$ 9,514,532
Common Stock as at 31 Dec 2020	470,001	0	0	
Realised Profit (est. based on 4Q'20 avg. price of \$9.78/share)				\$ 5,194,340
Unrealised Profit (est. based on \$16.77/share as of March 22, 2021)				\$ 7,881,917
Estimated Total Profit				\$ 13,076,257

Source: Form 8-K dated July 9, 2020, Arcimoto Q3 2020 filings, FOD Capital SC 13G/A dated 21 Feb 2021, Bonitas Calculation

¹⁶ Source: Arcimoto 2018 10-K – p.F.15

¹⁷ Source: Arcimoto 8-K dated July 9, 2020

¹⁸ Source: Arcimoto Schedule 13G dated February 12, 2021

Source: https://www.sec.gov/Archives/edgar/data/0001763315/000114420419000600/tv510325_sc13g.htm

https://www.sec.gov/Archives/edgar/data/0001763315/000110465921022079/tm216322d4_sc13ga.htm

¹⁹ Source: Arcimoto Schedule 13G dated February 12, 2021

Source: https://www.sec.gov/Archives/edgar/data/0001763315/000114420419000600/tv510325_sc13g.htm

https://www.sec.gov/Archives/edgar/data/0001763315/000110465921022079/tm216322d4_sc13ga.htm

ARCIMOTO'S SAN DIEGO RENTAL PARTNER HULA CHOSE AYRO

On February 14, 2018, Arcimoto announced a 100-unit “pre-orders” from its partnership with Hula to launch EV Oasis, “a one-of-a-kind electric vehicle charging, education, and rental center in Southern California” (“Hula Facility”) in San Diego, California.²⁰

At the time Hula’s owner was an FUV shareholder, making it another transaction with an undisclosed shareholder.

FUV updated investors on October 30, 2018 that it planned to open and operate the Hula Facility with Hula at a 4,491 square-foot facility at 630 Tenth Avenue, San Diego.²¹

Hula’s official Youtube channel contained two videos published in 1Q’19 that showcased Arcimoto’s FUV vehicles in a retail rental location in East Village, downtown San Diego, CA.

Arcimoto Founder Mark Frohnmayer claimed on Arcimoto’s 3Q’19 earnings call that the Hula Facility would open in 1Q’20. Arcimoto’s SEC filings Arcimoto reported that it had co-leased the Hula Facility whereby Hula would pay 65% of the rent for the Hula facility.²²

Arcimoto’s 2019 10-K filed on April 14, 2020 disclosed that Hula had yet to make the promised rental payments.²³

On November 10, 2020, Hula uploaded a new video from a different warehouse in National City that was full of Ayro 311 vehicles from Arcimoto’s direct competitor.



Hula National City
14 views · Nov 10, 2020



Source: <https://www.youtube.com/watch?v=G1kY0ZWkY-A>

Source: <https://ayro.com/ayro-311/>

Source: <https://www.eliowners.com/threads/ayro-311.9345/>

²⁰ Source: <https://www.businesswire.com/news/home/20180214005550/en/HULA-Holdings-and-Arcimoto-Partner-to-Create-EV-Oasis-the-%E2%80%9CGas-Station%E2%80%9D-of-the-Future>

²¹ Source: <https://www.businesswire.com/news/home/20181030005809/en/Arcimoto-Announces-Second-FUV-Hub-Rental-Location-To-Open-In-San-Diego>

²² Source: Arcimoto 3Q’18 10-Q – p.13

²³ Source: Arcimoto 2019 10-K – p.F-20

Arcimoto's relationship with Hula clearly highlights the inherent issues when dealing with undisclosed shareholders.

Hula was co-founded by Peder Norby and Angus Clark.²⁴ Peder Norby disclosed in the fuvowners.com forum 5 days after the partnership announcement that he had been a proud shareholder of Arcimoto since its IPO.

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Peder Norby
★ ★

Posts: 8
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02-19-2018, 06:25 AM (This post was last modified: 02-19-2018, 06:43 AM by pedernorby@gmail.com.) **Go To Post #1** #20

Just wanted to introduce myself here.
Hello and thanks to the admins for a great forum.

I've been a reservation holder with Arcimoto for over two years now and a "small" individual investor since the RegA. As background, I've also served as a San Diego County (the fifth largest county in the nation) Planning Commissioner for eight years along with being a BMW Mini-E & BMW ActiveE prototype pilot for five years starting in 2008, preparing for the 2014 launch of the BMW i3 & BMW i8. In 2008, we were all kinda wondering if this electric vehicle thing would really stick this time around and there were just a few of us and a few Tesla Roadsters on the road at that time. (much respect to the decade earlier GM EV1 and Rav-4 drivers) I was wondering can I really drive on sunshine? Well you can and this time it stuck.

As was written previously in this thread this deal has been in the works for a long time and has been accurately represented.

The EV Oasis Hub in Encinitas, CA received a sizable California Energy Commission grant a few years ago and it has taken a few years to work out the complicated land use permission and then the lease of a vacant city property adjacent to the mass transit Amtrak and Coaster station. That's done and construction is underway.

We're operational in early summer 2018 and look forward to putting the Arcimoto FUV's into service throughout the region as they arrive in a staggered manor during the following year or so. We look forward to bringing in the "gas" stations of the future (I can say "gas" as long as we still use legacy terms like Horsepower) with Arcimoto. I'll chime in here now and then with status updates of our progress.

San Diego County is proud to be a national leader in the Solar PV and EV space, we have worked very hard in the last decade to accomplish that. We're also proud to host three of the 10 national sites picked by the Federal DOT for autonomous vehicle testing.

It's a solid testament to the Arcimoto Team, that we are willing to venture forward into this space as a cornerstone of our San Diego area efforts. I join you as a huge fan of the vehicle architecture and company DNA.
I must admit at a hard gulp or two as the endeavor (the FUV's and the EV Oasis Hub) is not without risk, we look forward to a great future and being a center for all interested in the Arcimoto FUV, local Arcimoto drivers and those visiting the region.

Cheers for now. Wish us well
Peder Norby

Source: <https://fuvowners.com/showthread.php?tid=333&page=2>

As of the date of this report, Arcimoto's official website disclosed that its "San Diego rental locations [were] coming soon".²⁵

Hula's website has only 1 page with no contact or address information.²⁶

The website of EV Oasis currently leads to a Google AdWords Management Firm.²⁷

To us, this appears as yet another over-hyped and under-delivered failed partnership.

²⁴ Source: <https://www.businesswire.com/news/home/20180214005550/en/HULA-Holdings-and-Arcimoto-Partner-to-Create-EV-Oasis-the-%E2%80%9CGas-Station%E2%80%9D-of-the-Future>

²⁵ Source: Arcimoto 3Q'19 Earnings Conference Call

²⁶ Source: <https://hihula.com/>

²⁷ Source: <http://evoasis.com/>

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