From:	Matthew King
To:	Lancellotti, Romina
Cc:	Dean Beitler
Subject:	Tropical Shipping - P2 Activity Update
Date:	Friday, February 26, 2021 9:00:15 AM
Attachments:	<u>Tropical Interim Letter.pdf</u> <u>Production Delay Letter.docx</u> <u>Tropical Shipping e4.pdf</u> <u>Tropical Shipping eLXD.pdf</u>
Importance:	High

## Romina

Thanks for speaking with me earlier this week. As part of our discussion I have supplied the status letter and accompanied documents/pictures in order to illustrate our current P2 project status. We will continue working to closure with your support. Please feel free to reach out to me if I can provide further updates or information.

# Respectfully,

**Matthew S. King, CSP, SMS |**Health, Safety & Environmental Manager | Tropical Shipping | Mailstop: MLK 01-12 | 501 Avenue P | Riviera Beach, FL 33404 | Office: (561) 882-2556 | mking@tropical.com



## CONFIDENTIAL: UNAUTHORIZED USE OR DISCLOSURE IS STRICTLY PROHIBITED.

This information is intended to provide interpretative information in regard to the subject matter covered as a service to our clients and has been answered to the best of our ability based on the information provided to us. We do not guarantee the accuracy or completeness of any such interpretation or information, nor do we warrant that compliance with any advice we provide will guarantee compliance with any legal or regulatory requirements. Our statements or opinions do not convey legal interpretation and government authorities or legal counsel should be contacted for such a response.



Tropical Shipping USA, LLC 501 Ave P Riviera Beach, Fl 33404 2/24/2021

Romina Lancellotti Florida Department of Environmental Protection Southeast District – West Palm Beach 3301 Gun Club Road, MSC 7210-1 West Palm Beach, FL 33406

Romina,

Thank you for taking the time to speak with me this week regarding the Tropical Shipping 2020 P2 Project. As discussed, we are well on our way to completing the P2 project but are experiencing delays beyond our control, therefore I am sharing our progress. Below please find our current expenses.

- 2 Leviton Level 2 dual head EV charging stations
  - Total incurred cost: \$14,081.01
- 1 GEM EV (e4)
- 1 GEM EV (eLXD)
  - Total incurred cost: \$45,564.79

Combined total incurred costs: \$59,645.88

Tropical currently has completed the installation of the two (2) - Leviton Level 2 dual head EV charging stations and have attached pictures of the completed project. Before completing the project, it was decided to make a further investment into our environmental commitment by installing expansion ports to easily allow the addition of more EV charging stations in the future.

The GEM EV e4 and eXLD vehicles have been purchased but are experiencing delays from the factory beyond our control. We are monitoring the situation and are in contact with the dealer to ensure delivery of these remaining units. I have attached a copy of the letter provided to better explain the current delay as well as the invoices. As soon as we are in possession of the two (2) EVs we will begin work on finalizing the closure report and forward to your attention.

Respectfully,

Matthew S. King, CSP, SMS Health, Safety & Environmental Manager





2/19/2021

Peter,

As discussed in several our conversations we are facing significant headwinds with the current production of our GEM vehicles. These challenges come in a wide variety, from the holiday's, Covid distancing and Covid absenteeism reducing our ability to produce vehicles on a timely basis, we also are experiencing many component shortages ranging for electronics, plastic body panels, wheels and tires, and various other components shortages that come and go.

Unfortunately, we have little control over these shortages as they arise from vendor supply side issues, shipping delays with ships waiting weeks offshore to enter the ports and offload needed components, and vendors missing target delivery dates.

I want you and your customers to know that we appreciate your support and patience through these difficult times, and that we remain committed to deliver a quality vehicle as quickly as possible as we work to resolve the issues stated above

Peter, as has been the case I will continue to keep you updated as information becomes available

Respectfully

Lenny Szabo

Lenny Szabo Polaris – Southeastern Channel Account Manager

About Us: Polaris Industries Inc. designs, manufactures and markets innovative, high-quality, off-road vehicles (ORVs), including all-terrain vehicles (ATVs) and the Polaris *RANGER®* side-by-side vehicles, snowmobiles, motorcycles and on-road electric/hybrid powered vehicles. Polaris Industries Inc. trades on the New York Stock Exchange under the symbol "PII," and the company is included in the S&P Mid-Cap 600 stock price index

#### **Gulf Atlantic Vehicles, Inc. SALES PROPOSAL - ORDER** NUMBER P.O. Box 930 Company Phone # 15934 New Smyrna Beach, FL 32170 386-427-9778 Located At: 3298 Pioneer Trail, New Smyrna Bch., FL 32168 DATE <u>REP</u> Factory Authorized E-Z-GO, Club Car, & GEM Dealer Our Family Serving The Area Since 1965 10/15/2020 JGW NAME / ADDRESS

Quotes- Sales

### <u>Ship To</u>

Miguel Lourenco Tropical Shipping and Construction

MFGCODE/SN		TERMS	Customer Phone:			
			Upon Delivery	Customer Email:		
QTY	ITEM CODE	DESCRIPTION			Item Total	
	1 New GEM	New 2021 GEM e4, white in color, on board charger, 2 year limited warranty			13,049.00T	
		subtotal			13,049.00	
	1 New Gem Option	Light Bar			648.00T	
	1 New Gem Option		windows with defrost		3,989.00T 163.00T	
	1 New Gem Option		Windshield washer kit			
	1 New Gem Option	Distance AGM b	1,298.00T			
	1 New Gem Option	S Bed			757.00T	
	1 New Gem Option	Front and rear ru			757.00T	
	1 New Gem Option	Premium LED h	103.00T			
	1 New Gem Option	Rubber floor ma	98.00T 100.00T			
	1 New Gem Option	Sun Visor	Sun Visor			
		subtotal	7,913.00			
	Discount-13%	13% Discount of	-1,028.69			
	4 ET	Environmental f of FL.	4.00T			
	8 eb	Environmental f of FL	12.00T			
		Sales Tax Cap fo	50.00			
	1 Destination CC	Destination Cha	1,200.00T			
	1 prt	Delivery to Rivi	400.00T			
	1 Tag/Title Fees	Tag/title: Title o	100.00			
			-			
Customer Signature Quote good for 30 Days. We gladly accept cash or check (with proper I.D.) for all transactions. We also accept Visa, Mastercard or Discover; however, a 3% service charge will be added to any credit card				Subtotal	\$21,699.31	
			Sales Tax (6.0%)	\$1,292.96		
			Total	\$22,992.27		

<u>Fax #</u>

transaction over \$1500.00.

Web Site

www.GulfAtlanticVehicles.com

#### **Gulf Atlantic Vehicles, Inc. SALES PROPOSAL - ORDER** NUMBER P.O. Box 930 Company Phone # 15935 New Smyrna Beach, FL 32170 386-427-9778 Located At: 3298 Pioneer Trail, New Smyrna Bch., FL 32168 DATE <u>REP</u> Factory Authorized E-Z-GO, Club Car, & GEM Dealer Our Family Serving The Area Since 1965 10/15/2020 JGW NAME / ADDRESS

Quotes- Sales

### <u>Ship To</u>

Miguel Lourenco Tropical Shipping and Construction

MFGCODE/SN		TERMS	Customer Phone:				
			Upon Delivery	Customer Email:			
QTY	ITEM CODE	DESCRIPTION			Item Total		
1	New GEM	New 2021 GEM eLXD, white in color, on board charger, 2 year limited			14,049.00T		
		warranty			14.040.00		
1	New Gem Option	subtotal Light bar	14,049.00				
		White doors w/ s	648.00T 2,162.00T				
1	New Gem Option New Gem Option	Windshield wash	2,162.001 163.00T				
	New Gem Option	Distance AGM	808.00T				
1	New Gem Option	Front and rear ru			808.001 800.00T		
1	New Gem Option	Box sides	1,297.00T				
1	New Gem Option	Premium LED h	1,297.001 103.00T				
1	New Gem Option	Rubber Floor M	55.00T				
1	New Gem Option	Sun visor	100.00T				
1	New Geni Option	subtotal			6,136.00		
	Discount-13%	13% Discount on car accessories at time of car sale			-797.68		
4	ET	Environmental fee: Fl requires a \$1.00 fee for each nt sold. Fee goes to State			4.00T		
1		of FL.			4.001		
8	eb	Environmental for of FL	12.00T				
		Sales Tax Cap for Palm Beach County 1% up to \$5000 Sale			50.00		
1	Destination CC	Destination Char	1,350.00T				
1	prt	Delivery to Rivi	400.00T				
1	Tag/Title Fees	Tag and/or title Fees: title only 100.00					
Customer Signature			Subtotal	\$21,303.32			
Quote good for 30 Days. We gladly accept cash or check (with proper I.D.) for all transactions. We also accept Visa, Mastercard or Discover; however, a 3% service charge will be added to any credit card transaction over \$1500.00.			ions. We also	Sales Tax (6.0%)	\$1,269.20		
			Total	\$22,572.52			

<u>Fax #</u>

Web Site

www.GulfAtlanticVehicles.com



