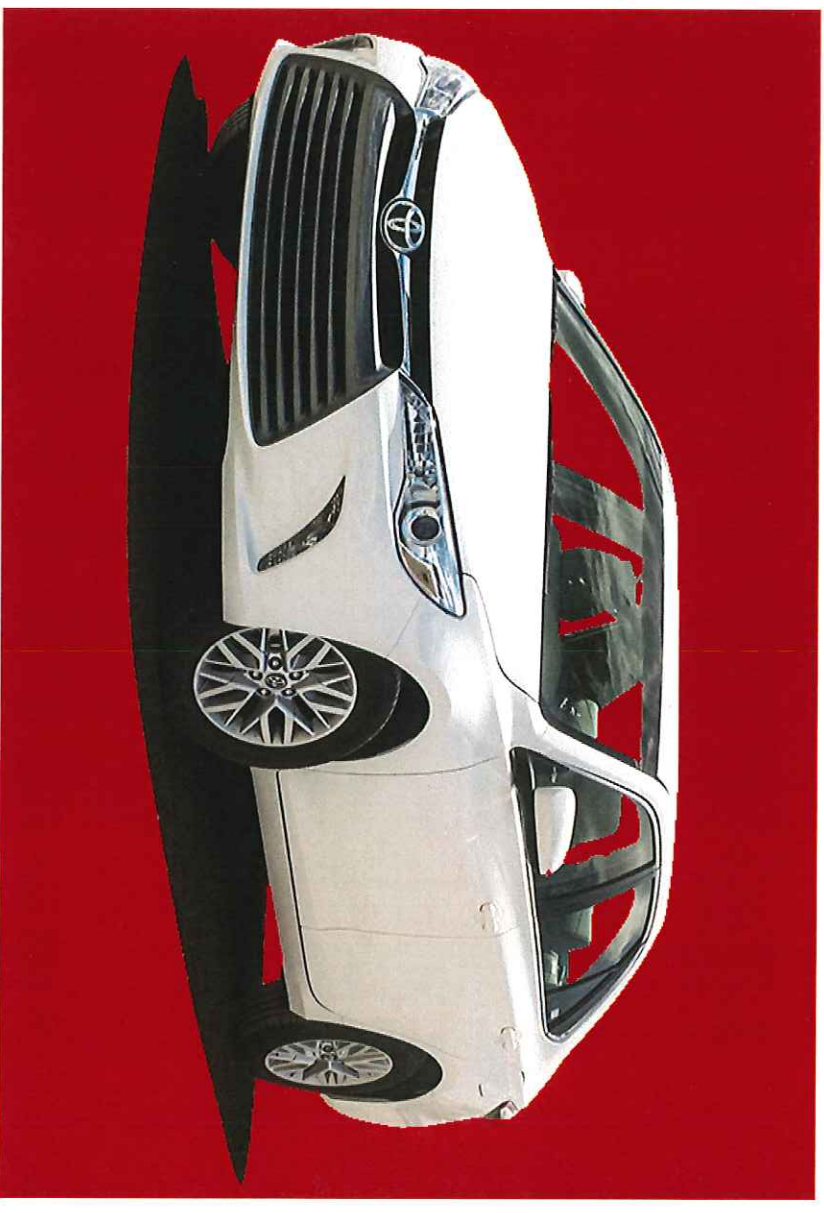


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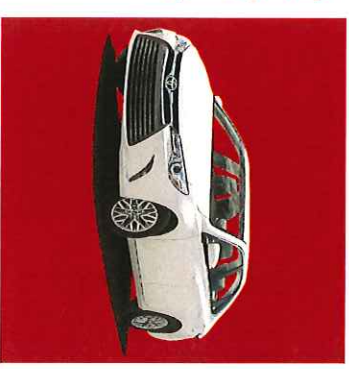


# **CarPick**

Business Overview

September 2017

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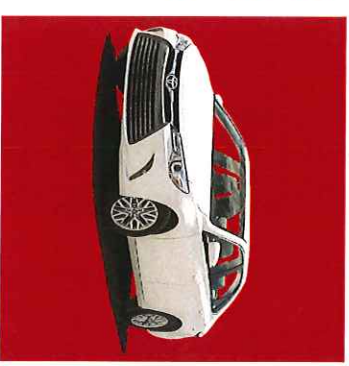


# CarPick

## Introduction

- CarPick (“CP”), founded in 2017 and backed with \$20MM of equity capital provided by SRS Private Investments, a \$5B+ global investment manager, was created to put control of the used car buying process directly into the hands of the customer
- CP is a fully online used car buying experience
  - Customers select a vehicle, obtain financing, and choose ancillary protection products and complete the purchase at their own speed without the typical pressure found at a traditional car dealership
  - CP’s Customer Advisors stand at the ready to assist the shopper through the buying process and are trained to provide a safe, comfortable, trusting and no-pressure environment
  - CP has invested heavily in photography to provide full transparency of the vehicle to the customer (imperfections included) to enhance peace of mind and build trust

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# CarPick

## *Introduction (cont'd.)*

- The CP management team has extensive automotive related expertise:
  - Brian Choi, Chief Executive Officer
  - Partner, SRS Investment Management
  - Independent Director, Avis Budget Group
- Mark Zurales, Chief Operating Officer
- Vice President, Fleet Remarketing, Avis Budget Group
- AutoNation, Sonic Automotive
- Dan Miller, Chief Financial Officer
- Partner, Basin Street Partners (automotive focused family investment office)
- Investment banker, Deutsche Bank



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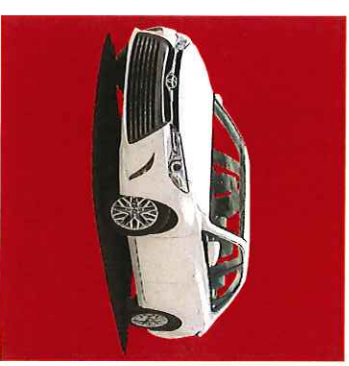


# CarPick

## *Introduction (cont'd.)*

- CP to launch its operations in the Dallas-Fort Worth-Arlington market in December 2017
  - Milestones required in DFW to launch:
    - Hire initial key employees
    - Construct photo booth
- 200 vehicles in initial inventory
  - Planned vehicle mix: 5% compact; 20% SUV; 10% mid-size; 20% full size; 25% truck; 20% other (luxury, convertible, minivan, etc.)
  - Estimated average selling price of \$18,000
  - Targeting 60 day inventory turn
  - Will accept vehicle trade-ins

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# CarPick

## Operations Overview

- Order of operations on-site:
  1. In-fleetting of vehicle purchased for sale
  2. Queue vehicle for photography
  3. Store vehicle while held for sale
  4. Deliver stored vehicles to buyer
- 10 – 15 employees to be hired
  - Employee functions:
    - Logistics management
    - Reconditioning management
    - Photography
    - Storage
  - Compliance/document management

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# CarPick

## Operations Overview (cont'd.)

- Hours of operation: 8am – 7pm CST
- Safety highlights:
  - Only certain employees permitted to move vehicles
    - Licensed, insured, safety-trained, drug/alcohol screened
  - 5 mph speed limit in truck-court; idle speed in warehouse
  - Vehicles moved only during daylight hours
  - All vehicles held for sale on site to contain less than [5] gallons of fuel
  - All vehicles delivered/prepared for shipment in truck court
- No in-person customer interaction (sales activities) on site:
  - No test-drives
  - No 'tire-kicking' to secure sale
  - No vehicle pick-up
- Street-frontage parking spaces to occupied only by CP employees

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# CarPick

## *Trinity Boulevard*

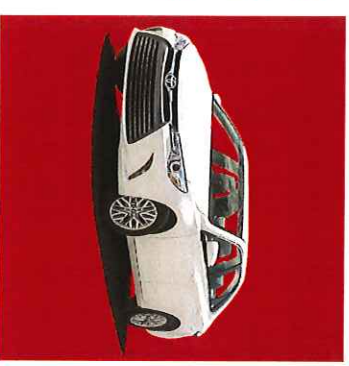
- Convenient location for company operations:
  - Rental Car Road to Manheim DFW (recon center): 6.8 miles (12 min)
  - Manheim DFW to Warehouse: 5.9 miles (13 min)
- Convenient location for customer delivery:
  - Approx. 1.0 miles to major N/S hwy; 3.5 miles to major E/W hwy
  - 18.2 miles (21 min) to Dallas city center
  - 22.5 miles (25 min) to Ft. Worth city center
- Ample interior space for 3,000 SF custom-designed photo booth
- Interior parking capacity for approx. 100 vehicles; gated, exterior, and shielded from street view exterior parking capacity of approx. 150 vehicles



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# CarPick

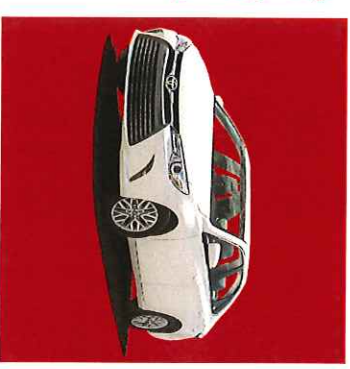
## *Value Proposition*



- **CP will be a low-price leader**
  - A significant portion of CP's inventory will be acquired directly from Avis Budget Group ("ABG")
    - CP will supplement its ABG purchases with opportunistic purchases determined by a data-driven analysis of market supply/demand
- **CP will retail the highest quality vehicles**
  - All vehicles acquired will contain a clear CarFax, be accident-free, and will have undergone a 151-point inspection
  - CP will offer buyers no-questions-asked 7-day return policy
- **CP will create a stress-free purchasing process**
  - Customer Advisor (not salesperson) to work with the buyer throughout process



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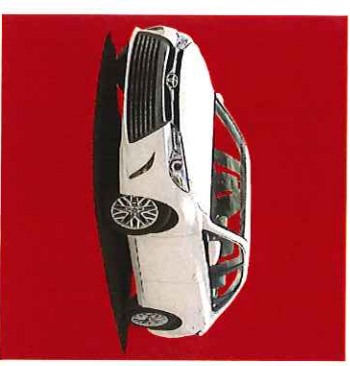


# CarPick

## *Customer Journey*

- **Third-party lead providers will be primary customer acquisition channel**
  - A highly-targeted social media, content, and paid digital advertising presence will be maintained as well
- **Vehicles will be merchandised in a screen-dominant and fully transparent fashion**
  - CP has made a significant investment in vehicle photography and imperfection tagging
- **Customers will be able to compare vehicles and payments prior to beginning transaction process**
  - Exact monthly payment including taxes presented

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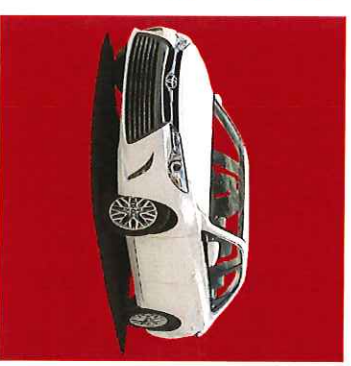


# CarPick

## *Customer Journey (cont'd.)*

- **Transaction process is entirely online**
  - A Customer Advisor (not salesperson) is dedicated to buyer throughout process to answer questions and engender trust/confidence
- **CP will competitively bid for customer trade ins**
  - Proprietary, real-time pricing decisions to offer to customer
- **Application for financing and selection of ancillary products is controlled by buyer**
  - Three primary lenders on platform covering the full credit spectrum
  - JM&A offering ancillary products
  - Auto-decision approval results in actual monthly payment including taxes

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Drive**



# CarPick

## *Customer Journey (cont'd.)*

- **CP will deliver the car to the location of the customer's choosing provided it is within 200 miles of DFW airport**
  - Transaction documents can be signed electronically if permitted by state
  - If wet signatures are required, they will be obtained in-person at delivery
  - CP will leverage ABG's 30+ Dallas Fort-Worth area locations as delivery/pick-up locations
- **Customers will be provided a 7-day, no questions asked return policy**
- **Transaction closing process to be completed through a combination of electronic and 'wet' signatures for registration, title and loan documents**
  - Extensive customer verification process (e.g. ID, proof of address, etc.)