



Authorized Representatives in negotiations: Robert Beal, CEO and Corey J. Yraguen, President
Representative authorized to sign a contract: Robert Beal, CEO and Corey J. Yraguen, President
9700 SE Lawnfield Road, Clackamas, Oregon 97015
Legal Representative: David Buono, Dunn Carney Allen Higgins & Tongue LLP
Portland Business License Number: 111577
Addendums: 1 - 4

OIW will meet Portland's short and long term streetcar goals.

OIW will develop both a compatible and successful streetcar prototype and launch Portland as the nation's premier streetcar producer. OIW is looking beyond the prototype streetcar to the successful design, manufacture and production of streetcars in Portland for the entire U.S. market. To ensure the success of Portland's streetcar program, OIW is partnering with Skoda, a long-standing and reliable developer and manufacturer of streetcars. The OIW / Skoda relationship will give Portland the benefit of Skoda's vast European experience, translated to the U.S. market. With the OIW / Skoda team, Portland can be the premier streetcar producer for the entire nation.

An exclusive licensing and manufacturing agreement between OIW and Skoda has been executed to ensure a long term relationship between the companies that includes Skoda's involvement in all aspects of streetcar design, manufacture, production and testing for Portland and the entire U.S. market. Skoda will bring expertise to Portland that is not available elsewhere. As a current manufacturer of streetcars in Europe, and the original manufacturer of the current Portland streetcar, the city is guaranteed a proven and compatible design, reliable vendors and ongoing access to Skoda's valuable feedback from the European market. Skoda's experience with various streetcar designs and varying customer needs will also provide a base of knowledge to Portland to effectively serve the U.S. market. Finally, Skoda can provide direct access to new streetcar technology, software and hardware improvements, and streetcar upgrades. There will never be a struggle to find a company to provide upgrades and improvements for the streetcars; the OIW / Skoda relationship ensures these will be easily accessible to Portland and all U.S. cities.

OIW's decades of cutting-edge design and manufacturing experience will give Portland the edge in the streetcar industry. OIW has experience taking unique products from concept to design, from design to prototype, and finally from prototype to production. OIW was selected by the foreign company K-10 to take a unique marine craft from a concept design to a prototype. OIW's successful prototyping, manufacturing innovation and precision capabilities on the marine craft project led to OIW becoming the sole source producer for the craft. Before OIW built the first prototype craft, nothing like it had ever been built. OIW was also selected by Boeing to take a concept design to prototype. OIW took a 20% concept design to a successful prototype in eleven months. The prototype was completed with such a high level of quality, on time and on budget that the production was sole sourced to OIW. A common theme in all of this experience is translating new technology and ideas into products. OIW has proven the capability to do just that.

OIW's experience in transferring technology through a licensing agreement with a foreign partner means low risk for Portland. OIW has experience successfully managing these relationships. OIW partnered with the Israeli company K-10, the owner of patented marine craft technology, to negotiate a licensing agreement and take the marine craft from concept design to prototype and production. When the U.S. Navy later became interested in the technology, OIW managed the transfer of the technology from K-10 to the Navy. OIW was the single point of contact for the Navy and K-10 and successfully managed the relationship, resulting in the production of a U.S. marine craft and a continuing collaboration between Israel and the U.S. This experience translates to success for the OIW / Skoda relationship and for the streetcar prototype and production in Portland.



The benefits of the OIW / Skoda relationship are far reaching and will last beyond a proven and compatible prototype to Portland's successful production of streetcars for the entire U.S. market.

With the OIW / Skoda team, Portland will see a direct economic impact.

As an established local company, OIW will use its relationships with local subcontractors, vendors and suppliers to provide labor and parts for the prototype and future production of streetcars. The Portland streetcar program could also provide hundreds of family wage jobs to the greater Portland area, resulting in a boost in Portland's overall economy. With the OIW / Skoda team there will also be other benefits to Portland, including the involvement of local universities and the enhancement of existing manufacturing and transportation clusters that Oregon is already well-known for. This impact will not be seen with an out of area manufacturer. This extensive local economic impact means greater community support for Portland as the premier streetcar producer for the entire nation.

An OIW streetcar prototype will have a direct local economic benefit. It will create business for local companies, essential family wage jobs and community support for Portland's new streetcar industry.

An OIW manufactured streetcar means reduced costs and less hassle for Portland.


OIW already has a plan in place to ensure the city has readily available spare parts, supplies and technical support. First, spare parts and supplies will be located at OIW and the city will have a local point of contact to ensure timely delivery of spare parts and supplies for the streetcar. With this close proximity, spare parts and supplies will be available to the city within as little as 72 hours. In addition, OIW is partnering with Skoda to staff local, factory trained technicians at OIW for maintenance and technical support to meet the cities surge needs. The city will have no need to increase its public maintenance staff. OIW will train and provide additional technical support for the city in the event the city needs it. The availability of spare parts, supplies and additional technical support reduces the life-cycle costs of the streetcar for Portland. OIW truly means reduced costs and less hassle for Portland.

Portland will only have to go as far as its own backyard to find the supplies and support it needs for the proper maintenance of its streetcars.

With the OIW / Skoda team, Portland will be poised to be the leader of streetcar transportation and manufacturing for the entire U.S. market.

The OIW / Skoda team has experience, expertise and a proven and compatible streetcar design. The OIW / Skoda team also has a plan and shares Portland's streetcar goals. We are ready, willing and able to work closely with Portland to launch her successfully into the streetcar industry.

OREGON IRON WORKS, INC.


Corey J. Yraguen
President