

SURFACE TRANSPORTATION BOARD

Docket No. MCF 21108

APPLICATION BY ACADEMY EXPRESS LLC (A CARRIER), FRANMAR LEASING LLC (A NON-CARRIER), AND JAMES RIVER BUS LINES (A CARRIER) TO APPROVE THE SALE AND PURCHASE OF CERTAIN MOTOR COACH ASSETS OF JAMES RIVER BUS LINES BY FRANMAR LEASING LLC and the simultaneous purchase of certain JAMES RIVER BUS LINES non-motor coach assets by ACADEMY EXPRESS LLC under the terms of an asset purchase agreement among these parties.

JAMES RIVER BUS LINES (USDOT 121035, MC-89805), a corporation organized under the laws of the Commonwealth of Virginia and doing business under the name JAMES RIVER TRANSPORTATION is a carrier (hereinafter referred to as "JAMES"). ACADEMY EXPRESS LLC is a Carrier (hereinafter "EXPRESS" USDOT No. 905572, and MC-No. 413682), and FRANMAR LEASING LLC, a Non-Carrier (hereinafter "FRANMAR"), join in the submission of this Petition to the STB under 49 U.S.C. § 14303(a) and 49 C. F. R. Part 1182. EXPRESS and FRANMAR are affiliated entities under common control. JAMES, EXPRESS, and FRANMAR respectfully ask the Board for the authorization to consummate the following asset purchase transaction:

THE TRANSACTION

JAMES is engaged in motor coach passenger transportation services in and from the Commonwealth of Virginia. The asset purchase transaction (hereinafter the "APA") for which approval is sought in this application is entered into by JAMES as Seller with FRANMAR and EXPRESS as Buyers, as part of JAMES' business plan to sell all its motor coach assets and permanently withdraw from the motor coach passenger transportation business. Hereafter, the principal of JAMES will concentrate a substantial part of his business activity, efforts, and focus as an independent contractor initially

FILED

FEE RECEIVED

May 9, 2023
SURFACE
TRANSPORTATION BOARDMay 9, 2023
SURFACE
TRANSPORTATION BOARD

engaged in transportation consulting activities provided to the Buyers and other lines of business.

Under the terms of the APA, the non-carrier FRANMAR will acquire the Motor Coach Assets of JAMES, and the carrier EXPRESS will acquire the Non-Motor Coach Assets of James. The Motor Coach Assets to be sold by JAMES fall into two primary categories. 28 motorcoaches and 17 mini-motor coaches (hereinafter “The Motor Coach Assets”) are to be sold to FRANMAR (non-carrier). The motor coach assets are valued at \$3,500,000.00. JAMES shall also sell all its Non-Motor Coach Assets used in its charter business operations conducted in and from the Commonwealth of Virginia to EXPRESS. The Non-Motor Coach Assets are valued at \$500,000.00.

The Non-Motor Coach Assets of JAMES consist of motor coach passenger customer lists, motor coach telephone numbers, website and related software, pending motor coach charter customer contracts existing as of the closing date (that shall be assigned to, and performed by Express on and after the closing date), charter contract deposits associated with the pending charter contracts, parts, equipment, supplies and intangibles used by JAMES in its charter business operation. The transaction is to occur in one closing. As a result of the transaction contemplated, James will be selling substantially all its motor coach transportation assets in the asset sale transaction under the terms of the APA and will permanently withdraw from the passenger motor coach business following closing.

A condition precedent to the performance of the APA is the approval of this Petition by this Board.

The acquisition of the Motor Coach Assets of JAMES will permit EXPRESS to continue to operate the assets of JAMES as an interstate carrier in the Commonwealth of Virginia (under EXPRESS's interstate operating authority and in accordance with a Certificate of Convenience and Public Convenience issued by the Virginia State Corporation Commission (PC-475) following the closing of the proposed transaction. The sale is in the public interest because the transaction promotes the more efficient use of transportation assets in the delivery of transportation services to the public, increases operating efficiencies, reduces operating costs, and promotes greater economic use of existing transportation capital resources maintaining service options to those customers of JAMES and EXPRESS in need of such service.

EXPRESS intends to operate the Non-Motor Coach Assets of JAMES by providing charter passenger transportation services to JAMES customers and supplement EXPRESS's current transportation services to its existing customers throughout the Commonwealth of Virginia, and in interstate commerce, as demand requires by use of EXPRESS's current garage facilities locations in Maryland, Virginia, and North Carolina. EXPRESS will also operate from JAMES' current terminal locations at 915 North Allen Avenue, Richmond, Virginia, 23220, 3141 Azalea Garden Road, Norfolk, Virginia, and 3151 Azalea Gardens Road, Norfolk, Virginia, and continue to operate from EXPRESS's current garage locations in the Commonwealth of Virginia. An affiliate of JAMES owns the real property locations, and contingent on the approval of this transaction by STB, and the closing of the APA agreement, JAMES will lease the property locations to EXPRESS (or to an affiliate of EXPRESS) as part of the asset purchase transaction. The transaction is in the public interest because charter operations

will continue post-closing from the real property locations where JAMES currently operates without interruption or termination of service. Commercial operations will continue from each of the property locations so that the properties are maintained and will not fall into disrepair or be abandoned.

It is anticipated that the acquisition of JAMES by Academy and the incorporation of the James charter business operations into Academy's existing charter business will increase efficiencies, services, and profits of the Buyers, reduce operating costs, deadhead miles, and improve service to the public.

THE PARTIES

EXPRESS is a motor carrier of passengers holding USDOT No. 905572 and MC-No. 413682. EXPRESS does not own or control any other motor carrier. EXPRESS is owned by the Tedesco Family ESBT Trust (hereinafter the "ESBT Trust"). Francis Tedesco is the sole Trustee of the ESBT Trust. The lifetime beneficiaries of the ESBT Trust are Francis Tedesco and Mark Tedesco. Each of the Tedescos' has extensive experience in the motor coach passenger transportation business having engaged in that business for more than forty years through the direct management and the indirect ownership of certain motor carriers (i.e., Academy Express LLC (USDOT No. 905572, MC-No. 413682), Airport Express LLC. (USDOT No. 943547, MC-No.413631), Academy Lines LLC (USDOT No. 943538, MC-No. 41016), and Academy Bus LLC (Florida) (USDOT No. 177456, MC No. 646780).

Academy Bus LLC (Florida) is owned by a separate trust, The Tedesco (Florida) ESB Trust (hereinafter the "Florida Trust"). Francis Tedesco and Mark Tedesco are the lifetime beneficiaries of the Florida Trust, and Francis Tedesco is the sole Trustee of the

Florida Trust. Academy Bus LLC (Florida) is not a party to the transaction and is identified because it is under the common control of the Tedescos' along with the other Academy companies that are parties to the transaction.

Francis Tedesco and Mark Tedesco manage all the Academy motor carriers. The Academy Companies are one of the Nation's foremost motor carriers of passengers specializing in the rendering of charter operations, Francis Tedesco and Mark Tedesco, have extensive management and operational experience in passenger motor coach service having owned, operated, and managed the Academy Companies for more than forty years. Academy Lines LLC., of which Mr. Francis Tedesco is the sole Manager, is one of the leading commuter regular route transportation companies in the New York Metropolitan area and the East Coast of the United States. Airport Express LLC, of which Mr. Francis Tedesco is also the sole Manager, is a leading regular route commuter transportation business operating in New Jersey.

Franmar is controlled by the Tedesco ESBT Trust and is exclusively engaged in the ownership and leasing of passenger motor coaches for use by the motor carriers described above that are affiliated with Francis Tedesco and Mark Tedesco. In this transaction, Franmar is to purchase the motor coach assets of JAMES.

1 a. The names and addresses of each of the parties:

The seller under the asset purchase transaction is:

JAMES RIVER BUS LINES
d/b/a JAMES RIVER TRANSPORTATION
915 North Allen Avenue
Richmond, Virginia, 23220
Attention: Stephen W. Story, President

The Buyers under the asset purchase transaction are:

Franmar Leasing, Inc.
111 Paterson Avenue
Hoboken, NJ 07030
Attention: Francis Tedesco, Manager, and

Academy Express LLC
111 Paterson Avenue
Hoboken, New Jersey 07030
Attention: Francis Tedesco, Manager

- 2a. The operating authorities of each of the parties under the asset purchase sale are:

The Seller

JAMES RIVER BUS LINES
d/b/a JAMES RIVER TRANSPORTATION
USDOT No.121035 MC No. 89805.

The Buyers

Non-carrier FRANMAR LEASING LLC

Carrier Academy EXPRESS LLC
USDOT No. 905572, MC-No. 413682

- 2b. No operating certificates are to be sold or acquired under this transaction. JAMES RIVER's operating certificates are to be surrendered following the closing of the transaction.

3. A description of the proposed transactions:

A. The seller, JAMES, owns Twenty-eight (28) motor coaches and seventeen (17) mini motor coach vehicles. JAMES shall sell the motor coaches owned by it to FRANMAR, a non-carrier engaged in leasing motor coaches to its affiliated motor carrier companies identified above. The motor coaches acquired by FRANMAR's purchase will be added to FRANMAR's fleet of buses for lease to its affiliated Academy companies.

4. Identification of the affiliated motor carriers of passengers:

A. Mr. Stephen W. Story is a shareholder, President, and Chief Executive officer of JAMES. JAMES is a family business, and its two other shareholders are siblings of Mr. Story and passive investors. JAMES presently operates charter motor coach transportation services in interstate commerce in and from the Commonwealth of Virginia. Upon the approval of this application, JAMES' principal owner shall cease all operations as a motor coach passenger transportation carrier to devote his full time and attention to a new transportation consulting business that will initially serve the motor carrier transportation service providers and other lines of business. Exhibit A is the Seller's corporate organization chart.

B. Exhibit B, the Tedesco Family ESBT Trust owns and controls the following carriers: Academy Express L.L.C., a charter bus operator, primarily in the Northeast; Academy Lines, L.L.C., a regular-route, scheduled bus operator, primarily in the New York-New Jersey area; and Airport Express, L.L.C., a motor carrier of passengers performing a variety of functions. Exhibit B identifies the ESB Trust organizational structure. The Tedesco Family ESBT Trust controls the carriers described above. Academy Express LLC (a carrier) and Franmar Leasing LLC (a non-carrier) are the only Parties to the present asset purchase transaction and are identified in this application due to the affiliation of Francis Tedesco as sole trustee of the Tedesco Family ESBT Trust. Francis Tedesco and Mark Tedesco are lifetime beneficiaries of the Tedesco Family ESBT Trust through which said natural persons exercise ownership and control over the carriers owned and controlled by the Tedesco Family ESBT Trust.

5. The motor carriers of passengers directly or indirectly owned and controlled by the Academy Trust have gross annual operating revenues of more than \$2 million. The

motor carriers of passengers directly or indirectly owned and controlled by the Academy (Florida) ESB Trust (Academy Bus LLC (Florida) has gross annual operating revenues of more than \$2 million.

6. The sale of the assets of JAMES to Franmar and Express respectively will not affect environmental quality and the conservation of energy resources because they will continue to be operated in charter bus operations thereafter as they were before.

7. The proposed asset sale transaction is in the public interest as JAMES is permanently withdrawing from the motor coach passenger transportation business and will be selling all its motor coach vehicles which it no longer desires to operate to Franmar and Express. Such purchasers will be gaining those buses and Non-Motor Coach Assets for continued use in the delivery of passenger motor coach transportation services, and they will be able to add the assets to their fleet of buses and transportation operations. None of the operable motor vehicles will be scrapped by the purchaser [Franmar], and no new buses will need to be purchased by Franmar at this time. Vital metals and energy resources will not be expended unnecessarily. The public will lose no service for want of necessary equipment because the same number of buses will continue to be operated in bus operations. The proposed transaction is expected to be for cash and accordingly will result in no increase in fixed charges.

8. The proposed asset purchase transaction whereby Express will acquire the Non-Motor Coach Assets is also in the public interest because Mr. Francis Tedesco, the Manager of Academy, and Mark Tedesco, recognized leaders in the motorbus industry, have repeatedly demonstrated success in operating motor coach passenger service business and will similarly use and apply the acquired assets to improve service to the

public and efficiently operate such assets. Tedescos' knowledge and experience in operating motor carriers for charter bus operations are unsurpassed. Tedescos' industry connections will enable them to procure vehicles, parts, and fuel at lower prices thereby enabling the Tedesco companies to offer charter bus operations at competitive pricing to points and places in the Commonwealth of Virginia and interstate commerce, some of which may not be presently serviced by Express, which is anticipated to result in reduced rates, while at the same time maintaining an exemplary high level of service. The proposed transaction is expected to be for cash and accordingly will result in no increase in fixed charges.

9. The conveyance of the assets from JAMES to Express and Franmar, will not adversely affect qualified employees at the Locations from which JAMES coaches operate, as Express will interview and offer employment opportunities to such qualified employees, at the Locations, a necessity to permit Express to continue to operate the assets acquired as a carrier.

10.a. Safety ratings of the affiliated motor carrier of passengers

As to Seller:

Mr. Stephen W. Story

JAMES RIVER BUS LINES dba JAMES RIVER TRANSPORTATION

Satisfactory

As to Buyers:

- 10.b Francis Tedesco, Manager/Trustee
The Tedesco Family ESBT Trust, a non-carrier
Academy Express, L.L.C.: Satisfactory
Academy Lines, L.L.C.: Satisfactory
Airport Express, L.L.C.: Unrated

11. Academy presently maintains \$5 million of bodily injury and property damage insurance with the National Union Fire Insurance Company of Pittsburgh, Pa. Policy No. 480-54-03 became effective 7/1/2022. Academy also has 3 Auto Liability policies for the 7/1/2022-7/1/2023 policy period: 480-54-03 / 480-54-04 / 480-54-05. Academy Express LLC is insured under the subject policies.

12. The proposed transactions do not involve any person or entity of Mexican domicile or ownership. In any event, neither Mr. Stephen W. Story and his affiliated motor carrier, JAMES, nor The Tedesco Family ESBT Trust and its affiliated motor carrier, Academy Express LLC, are domiciled in Mexico or owned by a Mexican national.

WHEREFORE, Applicants ask the Board to authorize the purchase of certain assets of JAMES (a carrier) by the Buyers, Academy Express LLC (a carrier) and Franmar Leasing LLC (a non-carrier).

Respectfully submitted,

ACADEMY EXPRESS LLC and
FRANMAR LEASING LLC

By their attorney,

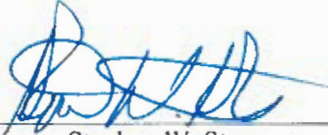
FERRARA AND ASSOCIATES
111 Paterson Avenue
Hoboken, New Jersey 07030
Attention: Joseph J. Ferrara, Esq.
Email: jferrara@academybus.com
Phone: 201-798-5010

Dated: April 27th, 2023

SELLERS VERIFICATION

I, Stephen W. Story, a shareholder, the president and chief executive officer of James River Bus Lines, a Virginia corporation doing business as James River Transportation ("James River"), declare under penalty of perjury, under the laws of the United States of America, that I have read the foregoing Application and its contents are true and correct to the best of my knowledge, information, and belief. I further declare that I am qualified and authorized to submit this verification on behalf of James River. I know that willful misstatements or omission of material fact constitute Federal criminal violations punishable under 18 U.S.C. 1001 by imprisonment up to five years and fines up to \$10,000 for each offense. Additionally, these misstatements are punishable as perjury under 18 U.S.C. 1621, which provides for fines of up to \$2,000 or imprisonment of up to five years for each offense.

Dated at Richmond, Virginia this ^{7th} day of April 2023.

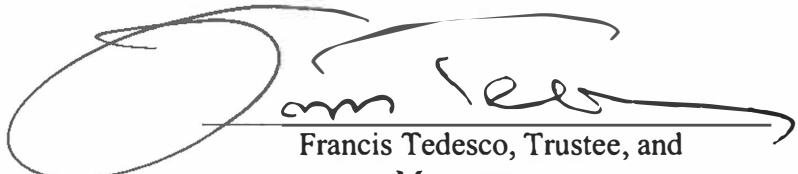


Stephen W. Story

BUYERS VERIFICATION

I, Francis Tedesco, Manager of the Academy Express LLC and Franmar Leasing LLC and the Trustee of the Tedesco Family ESBT Trust declare under penalty of perjury, under the laws of the United States of America, that I have read the foregoing Application and that its contents are true and correct to the best of my knowledge, information, and belief. I further declare that I am qualified and authorized to submit this verification on behalf of Academy Express LLC and Franmar Leasing LLC. I know that willful misstatements or omission of material fact constitute Federal criminal violations punishable under 18 U.S.C. 1001 by imprisonment up to five years and fines up to \$10,000 for each offense. Additionally, these misstatements are punishable as perjury under 18 U.S.C. 1621, which provides for fines up to \$2,000 or imprisonment up to five years for each offense.

Dated at Hoboken, NJ, this 27th day of April 2023.



Francis Tedesco, Trustee, and
Manager

Certificate of Service

49 C.F.R. § 1104.12 – Service of Pleadings

I certify that I have this day transmitted for service, copies of the Surface Transportation Board Application filed in the above matter under 49 USC 14307 upon all parties of record in this proceeding by the method identified below:

Douglas L. Sbertoli | Attorney | Williams Mullen
Williams Mullen Center,
200 South 10th Street, Suite 1600
Richmond, Virginia, 23219
Attorneys for James River Transportation

Served by: Email

Virginia Department of Motor Vehicles

P.O. Box 27412

Richmond, Virginia

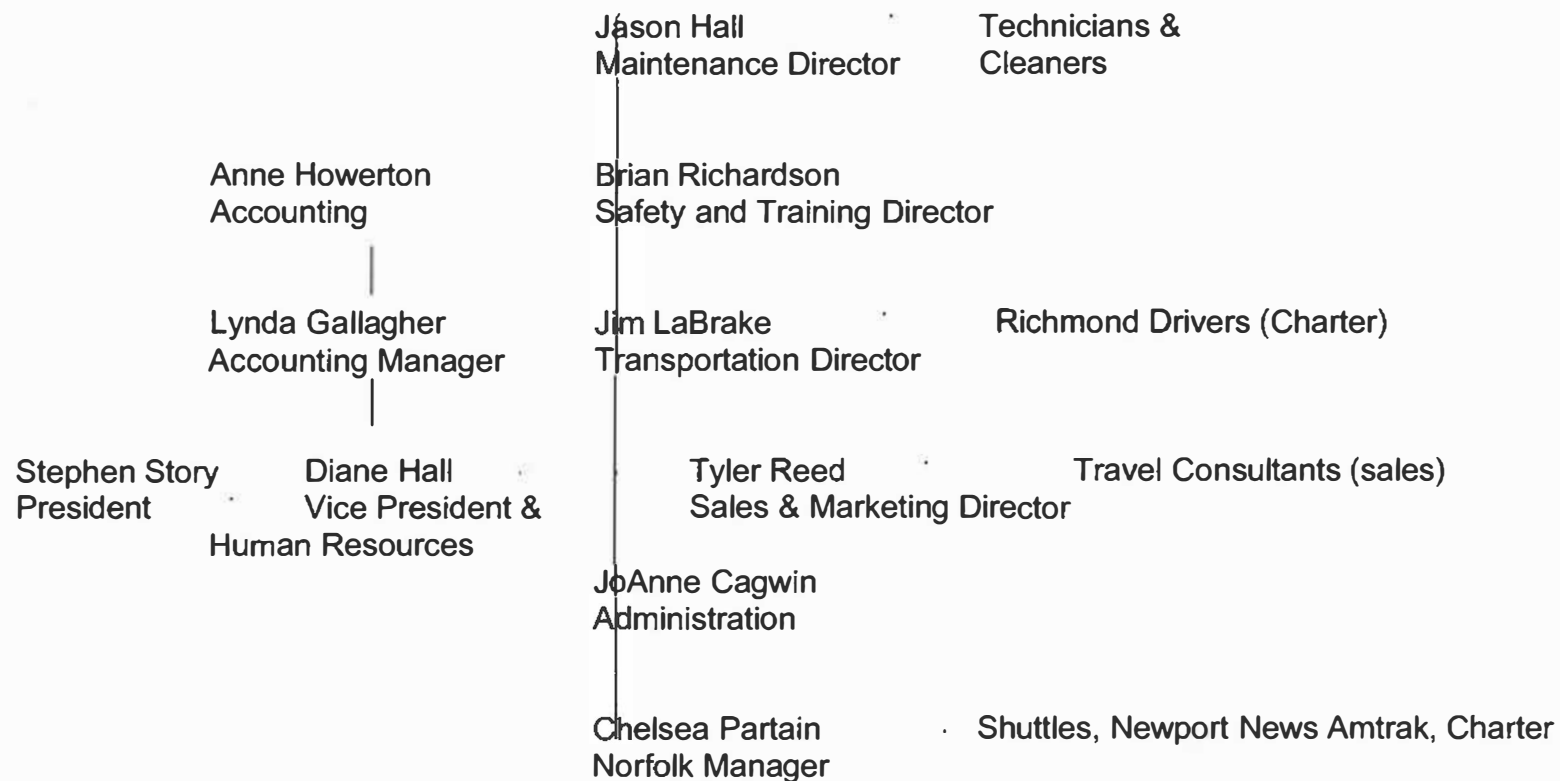
Attention: Motor Carrier Unit

Served by Mail

Date: May 9, 2023

/s/ Giselle Hasher
Giselle Hasher
Ferrara & Associates
111 Paterson Avenue
Hoboken, New Jersey, 07030

James River Transportation Organization Chart



Ownership / Shareholders

Stephen W. Story	33.3 shares
Diane Story Hall	33.3 shares
Dr. L. Woodrow Story	33.3 shares

EXHIBIT A

**ORGANIZATIONAL CHART
ACADEMY EXPRESS LLC**

TEDESCO FAMILY ESB TRUST

Francis Tedesco, Sole Trustee

FRANMAR LOGISTICS INC.

Francis Tedesco, President

ACADEMY EXPRESS LLC

Manager: Francis Tedesco

Members: 99% FRANMAR LOGISTICS INC.
1% TEDESCO FAMILY ESB TRUST

EXHIBIT B

Exhibit C

Asset Purchase Agreement

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "APA" or "Agreement") dated April 27, 2023, by and among **JAMES RIVER BUS LINES**, a corporation organized under the laws of the Commonwealth of Virginia and doing business under the name **JAMES RIVER TRANSPORTATION**, a corporation of the Commonwealth of Virginia, having a principal business office address at 915 North Allen Avenue, Richmond, Virginia, 23220, (hereinafter referred to as "JAMES", or "Seller"), and **ACADEMY EXPRESS, L.L.C. ("ACADEMY")**, a New Jersey limited liability company, authorized to do business in the Commonwealth of Virginia, having its principal business office address at 111 Paterson Avenue, Hoboken, New Jersey, 07030, or their respective assignees or designees, and **FRANMAR LEASING LLC**, A New Jersey Limited Liability company having its principal business office located at 111 Paterson Avenue, Hoboken, New Jersey 07030 (hereinafter "Franmar", together with Academy, Franmar and Academy may be collectively referred to as "Buyers"). JAMES and ACADEMY/FRANMAR are sometimes referred to herein as the "Parties" and each individually as a "Party." All capitalized terms have the meanings ascribed to such terms in Article I, or as otherwise defined herein.

RECITALS

A. **SELLER'S BUSINESS:** JAMES is engaged in the charter passenger transportation business by motor coach holding a Certificate of Public Convenience and Necessity issued by the Federal Motor Carrier Safety Administration (the "FMCSA") MC Number MC89805 and USDOT Number 121035, each of which is current and in good standing. James holds a "satisfactory" safety rating from FMSCA and is authorized by FMSCA to conduct motor coach passenger transportation services for hire in interstate and intrastate commerce. JAMES conducts its business operations primarily in the Commonwealth of Virginia and offers motor coach passenger transportation services to its charter customers in other states and locals.

B. **THE TRANSACTION:**

(1) JAMES desires to permanently withdraw from the motor coach transportation business in the Commonwealth of Virginia, and in all other states and localities in which JAMES currently transacts business. To that end, Seller desires to sell, transfer and convey to ACADEMY and FRANMAR respectively, in the

manner hereinafter provided, and under the terms of this APA, all its motor coach transportation assets and business assets of JAMES consisting of 28 motorcoaches and 17 mini-coaches (see Exhibit A attached entitled the "Motor Coach Acquired Assets"), together with the entire Motor Coach charter business operations of JAMES, including customer lists, pending contracts with deposits (which deposits shall be transferred to ACADEMY at the earlier of the Vehicle Transfer Date or the Closing, together with a complete and final list prepared by the Seller identifying all of the third party charter contracts and charter customer deposits pending as of the Closing date, if any). The FMSCA Certificate, Virginia Certificate of Public Convenience and Necessity, and the MC Number 89805 and USDOT Number 121035 held by JAMES will be surrendered by JAMES upon cessation of its business operations. The sale of all JAMES business assets shall include all shop equipment, tools, parts, supplies, all telephone numbers, logos, trade names, trademarks, directory advertising, all websites used in JAMES business operations together with the related software required to operate the same, collectively hereinafter referred to as the "Non-Motor Coach Assets." The Motor Coach Acquired Assets and the Non-Motor Coach Assets are sometimes collectively hereinafter referred to as the "Acquired Assets."

The Acquired Assets shall exclude service contracts currently in effect between JAMES and third parties that are not accepted by Academy in its sole judgment and discretion and with written notice of such determination provided to JAMES Ten (10) days prior to Closing for the transaction, as hereinafter defined.

(2) On the Closing Date, JAMES shall sell, transfer, and convey to FRANMAR good and marketable title to all or a portion of the Motor Coach Acquired Assets free and clear of all liens, interests, rights, and claims of third parties. Simultaneously with the sale and transfer of the Motor Coach Acquired Assets to Franmar, JAMES shall also sell, transfer, and convey to ACADEMY good and marketable title to all the Non-Motor Coach Assets free and clear of all third-party claims.

(3) CONDITION PRECEDENTS:

(a) The performance by each party to this Agreement is expressly made conditioned upon the performance by each other Party to this Agreement, so that no Party shall be required to perform hereunder unless all Parties perform hereunder, and the bifurcation of the transaction by either the selling Party or by the purchasing Parties of either category of the Acquired Assets

on or before the Closing shall not be permitted. It is a condition precedent to this transaction that [the Vehicle Transfer Date/Closing] shall occur simultaneously among the Parties as a single transaction.

(b) In addition, the performance of this Agreement by the Parties shall also be subject to and is expressly conditioned upon the Surface Transportation Board's ("STB") final approval of the transaction. The Closing Date (and Vehicle Transfer Date) shall occur on a mutually agreed date (that may be on the same date) but not later than thirty (30) days from the date the STB grants final approval of the transaction and the post-decision public comment period has ended.

(c) **BUSINESS OBLIGATIONS TO BE KEPT CURRENT.** JAMES shall pay, discharge, and keep current, all motor coach Loan Agreements, references to which are attached as Exhibit C (the "Loan Agreements") and other business payment obligations as and when the same become due and payable under the terms of the JAMES loan documents (hereinafter the "Loan Payments"). Between the date of this APA and the date of closing, JAMES agrees that JAMES shall take such actions as are necessary and desirable to assure that no event of default shall occur under the terms of the Loan Agreements between it and third parties, and that said Loan Agreements shall remain current and not in default from the date of this APA to the date of Closing. JAMES further covenants that it shall faithfully perform the covenants of the Borrower under the terms of the Loan Agreements so that the same remain current and are not in default up to and including the Vehicle Transfer Date and the Closing date. JAMES shall not incur any new debt or undertake any new contract, loan, purchase new assets, or undertake any new mortgage obligation with a third party from the date the APA is executed to the date of Closing without the express written consent of Academy which consent may be withheld in Academy's sole judgment and discretion.

(4) **EXCLUSION OF CERTAIN NON-ACQUIRED ASSETS:** For the avoidance of doubt, ACADEMY and FRANMAR understand, acknowledge, and agree, that the Acquired Assets specifically excludes assets owned or used by JAMES that are listed in Exhibit B to this Agreement, if any.

(5) The aggregate purchase price for the Acquired Assets (Motor Coach Acquired Assets and Non-Motor Coach Assets) is Four Million (\$4,000,000.00) Dollars, which sum shall be allocated by

the Parties in the manner hereinafter provided between the categories and subcategories of the Acquired Asset categories.

(6) At the Closing Date, Seller shall convey marketable title to all of the Acquired Assets not previously transferred to the Buyers free and clear of any and all manner of claims, rights, interests, liens, options, contracts (unless expressly assumed hereunder), levies, taxes and/or judgments of any kind or description.

(7) JAMES represents that it is a solvent business fully capable of paying and discharging its debts and obligations in the ordinary course of business as and when the debt becomes due and payable. JAMES further represents that it shall not be made insolvent by the performance of the terms of this Agreement. The aforesaid material representations in Section 3 of Recital B describing the transaction of JAMES shall survive transfer of title to the Acquired Assets or the Closing, whichever is the earliest, for a period of one (1) year.

(8) The APA shall be effective on the date the same is fully executed by the Parties hereto.

NOW, THEREFORE, in consideration of the foregoing promises, the mutual representations, warranties, covenants, obligations, and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

[A] The Preamble to this Agreement is incorporated herein and made a part hereof.

[B] This Agreement has been subject to a preliminary due diligence investigation of the motor coach transportation business operations of JAMES which has been conducted by ACADEMY. Seller has substantially responded to the Buyers' written requests for due diligence materials at this time. However, such process will be extended for an additional period of sixty (60) days from the effective date of this Agreement (the "Due Diligence Period"). Buyers shall promptly provide JAMES with a due diligence Request Checklist identifying all items needed for due diligence review purposes not otherwise already made available to Buyers. Such information shall be produced by JAMES within the earlier of 15 days following such request or May 15, 2023, whichever is later. The Purchasers will complete the evaluation of the information requested on or before June 30, 2023 (the "The Due Diligence End Date")

ARTICLE I DEFINITIONS

1.01 Preamble: The Preamble to this Agreement is incorporated herein and made a part hereof.

1.02 Definitions. Capitalized terms used in this Agreement shall have the respective meanings set forth below. Other terms have the meaning ordinarily ascribed to such terms unless otherwise indicated.

 "Accredited Investor" has the meaning outlined in Regulation D promulgated under the Securities Act.

 "Affiliate" has the meaning outlined in Rule 12b-2 of the regulations promulgated under the Securities Exchange Act.

 "Acquired Assets" means all the business assets of JAMES identified in this APA and/or used by JAMES to conduct and support JAMES'S passenger motor coach transportation business, charter business operations, and sales including the sale of the Motor Coach Assets (identified in Schedule "B") and the Non-Motor Coach Assets (identified in Schedule "C") used in any manner to support the business operations of James as described in the Schedules to this Agreement. The sale shall include the transfer of all the Acquired Assets.

 "Assets" shall mean all tangible and intangible items for which JAMES has ownership interests or rights, either in whole or in part.

 "Business" means the intrastate and/or interstate motor coach transportation of passengers for hire which is conducted from and within the Commonwealth of Virginia by JAMES.

 "Charter Contracts" shall mean written agreements between JAMES and its customers that are limited to the delivery of Transportation Services by JAMES that are limited to specifically identified travel destinations that are of a limited duration and established on a short-term basis.

 "Claims" means all actual claims, losses, damages, Liens, Taxes, assessments, penalties, fines, interest, back charges, costs, and expenses whatsoever, direct or indirect, liquidated or un-liquidated, absolute or contingent, including, without limitation, reasonable attorneys' fees and disbursements of counsel, provided, however, that "Claims" shall in no event include, and no Party or any other Person shall have any right

to, under any contract, tort, strict liability, negligence, or other legal or equitable claim or theory, any incidental, consequential, diminution in value, multiple of profit or cash flows or other premium methodology, exemplary or punitive damages, whether or not such Party or other Person was informed or was aware of the possibility of such loss or damage.

"Closing" or "Closing Date" shall mean the day 30 days or more following STB final approval of the transaction between the Seller and the Buyers to complete the purchase of substantially all of the Assets of JAMES pursuant to the APA.

"Code" means the U.S. Internal Revenue Code of 1986, as amended.

"Consideration" means the bargained-for exchange by and between the Parties and the payment of purchase money from Buyers to JAMES for the Acquired Assets as outlined in Article IV of this Agreement, together with any other amounts payable in accordance with the APA, the Consulting Agreement, and the Lease Agreements.

"Consulting Agreement" shall mean the Consulting and Sales Bonus Agreement dated as of April 27, 2023 between Academy and Stephen W. Story, and goes into effect on the Closing Date.

"Contract" means, with respect to any Person, all agreements, contracts, obligations, and commitments to which such Person is a party, including all amendments, modifications, and supplements thereto.

"Customer Contracts" shall mean relatively long term written agreements that provide for the delivery of Transportation Services on a periodic and more long-term basis than Charter Contracts. Subject to the Academy's acceptance the same shall be assigned by James to Academy at closing per the terms of the APA.

"Customer Contract Deposits" means the pre-payment, in whole or in part, by a third party, who contracts with JAMES to obtain charter passenger transportation services from James, which shall be assigned to Academy on the Closing Date.

"Definitive Agreement" means, the final written agreement of the APA negotiated and signed by each of the respective Parties hereto as their final binding contract.

"*Deposit*" shall mean the payment by the Buyers of \$3,500,000 on or before the Vehicle Transfer Date in accordance with the Escrow Agreement.

"*Designated Inspector*" shall mean the individual or individuals or organization engaged at the expense of the Buyers to conduct inspections of the mechanical and engine operational conditions of the Motor Coach Acquired Assets, in connection with the Inspection. This role would be separate from and will not include safety inspections of the Motor Coach Acquired Assets. The Designated Inspector shall be reasonably satisfactory to JAMES and the Buyers.

"*Due Diligence Checklist*" shall mean the written list of items previously requested in writing by the Buyers and subsequently during the first half of the Due Diligence Period.

"*Due Diligence Period*" shall mean the previous time period during which JAMES provided information to the Buyers prior to the execution of this Agreement, and the sixty (60) day period afterwards. JAMES shall promptly provide responses to the information requested on the Due Diligence Checklist by the Buyers and the Buyers shall respond with questions or additional requests within the earlier of thirty (30) days following receipt of all material requested or the end of the Due Diligence Period.

"*Employee Benefit Plan*" means any "employee benefit plan" (as such term is defined in ERISA Section 3(3)) and any other material employee benefit plan, program, or arrangement.

"*ERISA*" means the Employee Retirement Income Security Act of 1974, as amended and the regulations promulgated thereunder.

"*Escrow Agreement*" shall mean the contract prepared by JAMES pursuant to which the Buyers will deposit \$3,500,000 into an account established by JAMES that will go into effect on or before the Vehicle Transfer Date.

"*GAAP*" means United States generally accepted accounting principles as in effect from time to time, consistently applied by JAMES in the preparation of its audited or unaudited, interim, year-end, and projected financial statements.

"*Governmental Entity*" means the Surface Transportation Board, the Federal Motor Carrier Safety Administration, the Virginia State Corporation Commission and any other (i)

multinational, federal, provincial, state, regional, municipal or other government, governmental or public department, central bank, court, tribunal, arbitrator, commission, board, bureau or agency, whether U.S., foreign or multinational, (ii) any subdivision, agent, commission, board or authority of any of the foregoing, or (iii) any regulatory authority, agency, commission or board of any domestic or foreign government.

"*Income Tax*" means any federal, state, local, or foreign tax measured by or imposed on net income or net profits (including branch profit taxes, minimum taxes, and taxes computed under alternative methods at least one of which is based on net income, gross receipt of income and property taxes), including any interest, penalty, or addition thereto, whether disputed or not.

"*Inspection*" shall have the meaning set forth and described in Article 4, Section 4.01 (B) of this Agreement and shall incorporate both safety inspections of the Motor Coach Acquired Assets and the actions for which the Designated Inspector will be responsible regarding the mechanical and operational condition of the Motor Coach Acquired Assets.

"*Knowledge of JAMES*" means the actual knowledge of JAMES, its officers, directors, or shareholders.

"*Knowledge of ACADEMY*" means the actual knowledge of Buyer, its principals, officers, directors, shareholder, partners, or members.

"*Law*" and "*Laws*" means any domestic or foreign federal, state, provincial, municipal, or local statute, law (including common law), ordinance, rule, regulation, order (including the determination or award of any arbitrator to the extent enforceable by any Governmental Entity), or other directives, pronouncement, or requirement of any Governmental Entity.

"*Lease Agreements*" shall mean the two lease arrangements established between Storyland Properties, LLC as landlord, and Academy and/or Franmar as tenants, with respect to property in Richmond and Norfolk, Virginia.

"*Lien*" means any mortgage, pledge, lien, encumbrance, charge, whether secured or unsecured, and any security interest created in and against any Acquired Asset of JAMES.

"*Loan Agreements*" shall mean the seven (7) outstanding loan

agreements identified in Exhibit ___ whereby the JAMES Motor Coach Acquired Assets have been financed and are secured by. Among other items, such Assets, as evidenced by the title to such Assets held by such lenders as collateral.

"Material Adverse Effect" or "Material Adverse Change" means any effect or change that would be materially adverse to the business of JAMES in the sole, reasonable judgment and discretion of ACADEMY, taken as a whole, but does not include any adverse effect or change resulting from or relating to (i) the economy or financial, banking or securities markets in general, (ii) the transportation industry in which JAMES operates, (iii) national or international political, regulatory or social conditions, including acts of terrorism and the engagement by the United States in hostilities, (iv) any change in Law, or accounting rules, or principles, including any change in GAAP, or (v) the execution and delivery of this Agreement, or the announcement and performance hereunder (including any cancellations or delays in contract awards and any impact on relationships with customers, prime contractors, subcontractors, suppliers or employees), *provided that* none of the events set forth in items (i) or (ii) shall have had a disproportionate effect on the financial condition of JAMES (taken as a whole).

"Motor Coach Standards" shall mean the conditions described in Section 3.01, subparagraph (B) (1) of this Agreement.

"Ordinary Course of Business" means the ordinary course of business consistent with past customs and practices of the Parties.

"Pending Customer Contracts," means every contract between JAMES and a third party for motor coach passenger transportation services, the performance of which is to occur on a date after the Closing Date.

"Permits" means all licenses, permits, franchises, approvals, authorizations, consents, or orders of, or filings or registrations with, any Governmental Entity, whether foreign, federal, state, or local, or any other person, necessary for the operation of the Business.

"Person" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, any other business entity, or a Governmental Entity (or any department, agency, or political subdivision

thereof).

"SCC" shall mean the Virginia State Corporation Commission.

"Securities Act" means the Securities Act of 1933, as amended.

"Securities Exchange Act" means the Securities Exchange Act of 1934, as amended.

"STB" shall mean the United States Surface Transportation Board.

"STB Event" shall mean the delay beyond September 30, 2023, of final approval of the transaction by STB or a determination not to approve the acquisition of substantially all of the Assets of JAMES by the Buyers.

"Tax" or "Taxes" means all taxes, assessments, charges, duties, fees, levies, or other governmental charges of any kind, including Income Tax as defined herein.

"Tax Return" means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and any amendment thereof.

"Title" shall mean the documents evidencing the ownership interest of the holder thereof in any vehicle transferred by JAMES to the Buyers on the Vehicle Transfer Date.

"Transactional Documents" shall mean the APA and the Consulting Agreement and associated documents.

"Vehicle Inspection Date" shall mean that date on which the completion of the evaluation of the Motor Coach Acquired Assets determines compliance with the Motor Coach Standards as determined by the Designated Inspector.

"Vehicle Lease Agreement" shall mean the Vehicle Lease Agreement dated as of ____, ____, between the Buyers and JAMES whereby following the payment by JAMES of the outstanding balance of the Loan Agreements secured by each Motor Coach Acquired Asset participating in the leasehold arrangement, JAMES shall transfer the Title, registration and ownership rights to such Assets to Buyers in exchange for the Deposit of \$3,500,000 into the Escrow Agreement and the right of JAMES to use such Motor Coach Acquired Assets for a nominal one time rental payment of \$10 to conduct business operations prior to the

Closing Date.

"Vehicle Transfer Date" shall mean the mutually agreed upon date or dates by the Parties either before or after the satisfactory Inspection and upon acceptance of the Motor Coach Acquired Assets to be sold by JAMES to FRANMAR.

1.03. Defined Terms Generally. The definitions outlined in this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine, and neuter forms. The words "hereof," "herein" and "hereunder" and words of similar import, when used in this Agreement, refer to this Agreement as a whole and not to any particular provision of this Agreement. All references herein to Articles, Sections, Exhibits, and Schedules shall be deemed to be references to Articles and Sections of, and Exhibits and Schedules to, this Agreement unless the context shall otherwise state. The headings for this Agreement are for reference purposes only and do not affect in any way the meaning or interpretation of this Agreement. Unless the context shall otherwise require, any reference to any contract, instrument, statute, rule, or regulation is a reference to it as amended and supplemented from time to time (and in the case of a statute, rule, or regulation, to any successor provision). Any reference in this Agreement to a "day" or a number of "days" (without the explicit qualification of "Business") shall be interpreted as a reference to a calendar day or a number of calendar days. If any action is to be taken by any Party hereto under this Agreement on a day that is not a Business Day, such action shall be taken on the next Business Day following such day. All acts and proceedings to be taken and all documents to be executed and delivered by the Parties at the Closing shall be deemed to have been taken and executed simultaneously.

ARTICLE II **SALE OF ASSETS**

2.01 ACQUIRED ASSETS. Upon the terms and subject to the conditions of this Agreement, ACADEMY/FANMAR shall acquire from JAMES, and JAMES shall sell, transfer, assign, and convey to ACADEMY/FANMAR, or cause to be sold, transferred, assigned, and conveyed, good and marketable title to all of the **Acquired Assets** of JAMES outlined in Sections 2.01(a)-2.01(g) which,

except as expressly provided herein, shall be free and clear of any and all manner of lien, claim, restriction, taxes, options, warrants, purchase rights, commitments, equities, demands, judgments, orders, agreements, levies and interests of third parties, as of any Vehicle Transfer Date, or if applicable with respect to the Non-Motor Coach Assets, the Closing.

2.02 LOGISTICAL DETAILS REGARDING THE SALE OF THE ACQUIRED ASSETS. Both JAMES and Buyers agree to the following items described in the subsections identified by roman numerals below:

(i) It is anticipated by the Parties hereto that not less than ten days before the Closing, at a time and location within the Commonwealth of Virginia designated by Franmar, James shall deliver the motor coaches sold hereinunder for the Inspection by Franmar's Designated Inspector (hereinafter the "Vehicle Inspection Date"). The Buyers shall provide a written report of such Inspection to JAMES within five (5) days of the initiation and completion of such process. In no event shall the Inspection Date occur after the Closing or any Vehicle Transfer Date. The Inspection shall confirm that the motor coaches delivered and to be sold by JAMES to FRANMAR conform in all material respects with the Motor Coach Standard set forth in Section 4.1 herein, regarding the condition and operational capability of the motor coaches. All delivered Motor Coach Acquired Assets that meet the Motor Coach Standard shall be deemed conforming and acceptable to FRANMAR.

(ii) On the earlier of the "Vehicle Transfer Date" or the "Closing Date", FRANMAR and A. EMY shall pay the consideration due to JAMES hereunder for the sale of any such Motor Coach Acquired Assets and any Non-Motor Coach Assets, and JAMES shall simultaneously deliver the legal and equitable title to such assets in the manner required hereunder and according to law to FRANMAR and ACADEMY, together with such other "Deliverables" as are required to be provided by the Seller to the Buyers under the terms of this Agreement. Such Deliverables shall include unencumbered original motor coach vehicle titles to the Motor Coach Acquired Assets sold to FRANMAR hereunder, in proper form for recording/transfer of such titles by the appropriate Governmental Entity, free of third-party liens. (In the event, such Consideration is not paid by Buyers when due, JAMES in its sole discretion, may terminate this Agreement after providing a written five (5) day notice to Academy/Franmar and Academy/Franmar's failure to cure) including, all contracts ancillary thereto upon written notice to ACADEMY and FRANMAR and all title instruments, license plates and other related items

shall be promptly returned to JAMES.

(iii) James agrees that, in accordance with the terms of the Vehicle Lease Agreement, not less than twenty (20) days in advance of the Vehicle Transfer Date, it will deliver to Franmar true and complete copies of all motor coach title instruments to assist Franmar in the transfer of title and to identify motor vehicle lienholders of record, if any.

(iv) The Acquired Assets sold by JAMES to ACADEMY, subject to any required third-party approvals including but not limited to STB, are identified by category below. Except for the Motor Coach Acquired Assets to be purchased by the non-carrier FRANMAR, the effective date of the transfer of the remaining Acquired Assets shall take place on or before the Closing Date. JAMES shall be authorized by the Buyers to continue its Virginia charter motor bus operations up to and including the Closing Date. Following the Closing Date, JAMES will have no right to utilize the motor coaches and other vehicles sold to the Buyers and shall therefore cease all its business operations.

(v) On and after 12:01 a.m. on the Closing Date, ACADEMY shall assume all former Virginia motor coach transportation service operations of JAMES. From the Closing, JAMES shall cease all motor coach passenger transportation operations and shall have no obligation to continue the employment of any person to support the motor coach transportation business and operations sold to ACADEMY/FANMAR hereunder and ACADEMY/FANMAR shall have no obligation to employ any employees of JAMES because of this transaction.

(vi) The Parties also agree that it is in the Parties' interest to jointly undertake all that is necessary to preserve and maintain JAMES Virginia charter motor coach passenger service levels from any Vehicle Transfer Date through the transition period and date of Closing, as contemplated by the Vehicle Lease Agreement and otherwise, so that JAMES'S withdrawal from such charter and contract passenger motor coach business operations is orderly and not disruptive and otherwise inimical to the public interests.

(vii) To protect the public interest and JAMES'S Virginia charter customers who are subject to Charter Contracts, ACADEMY agrees to perform JAMES'S Pending Customer Contracts and booked Virginia customer contracts work assigned by JAMES (the "Transportation Services") to such Buyer. Such Transportation Services shall be identified by the Pending Customer Contracts,

or Charter Contract order forms prepared on similar form contracts or instruments marked as Charter Contracts as are currently used by JAMES to book Charter Contract sales in the ordinary course of its charter business, and such work, including payment terms and final contract payment, shall be subject to the terms and conditions printed on such Charter Contract forms, as may be modified in writing from time to time by the respective parties. The Parties shall jointly prepare a schedule of all such booked charter work and adjust for payment to be made outside of the Vehicle Transfer Date of this Agreement, in the regular course of their businesses, at such times, and upon such terms, as the parties may mutually agree.

2.03 PRE-CLOSING MOTOR VEHICLE TITLE TRANSFER ACTIVITIES.

The parties acknowledge that on or before the Closing, Franmar shall initiate the process of transferring motor coach Titles to all the Motor Coach Acquired Assets identified in Exhibit A(attached hereto) from JAMES to FRANMAR and simultaneously apply to the appropriate Governmental Entity for motor coach registration papers, plates/tags to replace the JAMES plates/tags on the Motor Coach Acquired Assets. For that purpose James shall deliver the original motor coach title instruments to Academy unencumbered no later than twenty (20) days prior to the Vehicle Transfer Date, and Academy/Franmar shall simultaneously deposit in escrow with the Escrow Agent hereinafter named, the sum of \$3,500,000.00 representing the consideration to be paid JAMES for the Motor Coach Acquired Assets sold hereunder. The Parties acknowledge that the process to complete the transfer of motor coach titles and obtain new plates/tags/motor coach inspections, is not fully under the control of the Parties and may take up to twenty-days prior to the Closing. During the time period that Buyers hold Title to the Motor Coach Acquired Assets, but the transaction has not closed, JAMES shall be secured by the payment by Buyers of \$3,500,000 held in the escrow account established in accordance with an Escrow Agreement as security for Buyer's possession of Title to such Motor Coach Acquired Assets. Such deposit by the Buyers shall be paid and treated as a credit to the Consideration payable at Closing to JAMES for such Motor Coach Acquired Assets. JAMES will provide whatever reasonable assistance is requested by Buyers to facilitate the process described above on an expedited basis in Virginia and/or Illinois at Buyers' expense. Insurance considerations are addressed in Section 6.14 of this Agreement.

2.04 DELIVERY OF INFORMATION AND CONTRACT TERMS. James hereby agrees to provide the Buyers with the information

described below:

(a) CHARTER/CONTRACT BUSINESS: JAMES hereby sells its entire motor coach charter and contract business operations, customer contracts (both with and without deposits), and customer lists over the past five years to ACADEMY (See Schedule "2.01(a)" attached).

(b) TELEPHONE/MEDIA: JAMES hereby sells to ACADEMY all its telephone numbers (the "Telephone Numbers" Schedule 2.01 (b)), web sites, software and telephone-related services, directory advertising, used and controlled by JAMES in its motor coach transportation business in respect to the Acquired Assets, and/or made available to the general public by JAMES to clients and customers in connection with motor coach charter and contract Transportation Services advertising. Unless an asset or contract is expressly declined by ACADEMY in writing, all such assets within the categories described above as Acquired Assets are included in this sale.

(c) ADDITIONAL TELEPHONE/MEDIA RESPONSIBILITIES: JAMES shall execute and deliver to ACADEMY on and after the Closing Date, such writings, forms, documents, and instruments requested and provided by ACADEMY, and/or ACADEMY shall make the application, as may be required by the local telephone utility company (the "Phone Company"), to transfer ownership title and control of the JAMES telephone numbers and telephone lines formerly paid for and used by JAMES under its name and that JAMES uses to service and advertise its motor coach charter and contract operations to the public, to enable ACADEMY to cause the Phone Company to transfer ownership, title and control of the phone numbers and lines, together with any and all rights incident thereto, to ACADEMY. This Agreement shall also evidence JAMES' written consent to each such phone title transfer, and its written authorization to the Phone Company to transfer the subject assets to ACADEMY. Cell phones not paid for by JAMES that are held under the name of individual employees shall not be transferred.

(d) CHARTER RESERVATIONS/CONTRACT PREPAYMENTS: All Charter Contract reservations and contract prepayments (if any) between JAMES and third parties that exist on and up to the Closing Date, which relates to JAMES's motor coach Transportation Services to be performed on the Closing Date or thereafter (the "Pending Customer Contracts and Deposits") shall be described in the listing of Charter Contracts with complete contract deposit information (including copies of contracts) which is to be

prepared by JAMES and furnished to ACADEMY during the Due Diligence Period (See Schedule 2.01(d) attached).

(e) CONTRACTS TO BE LISTED: The charter and contract customer lists are set forth in Schedule 2.01(a) to this Agreement and are part of the Agreement.

(f) PENDING CUSTOMER CONTRACTS: If JAMES receives payment from a third party under a Pending Customer Contract, where the services are to be performed on, or after the Closing Date ("Pending Customer Contracts and Deposits" Schedule 2.01 (d)), JAMES shall deliver to ACADEMY on the Closing Date a check equal to the aggregate amount of the Pending Customer Contracts deposits, take on offset against amounts payable by ACADEMY to JAMES, or a combination of both, together with a schedule identifying each customer contract and the amount of the contract deposit/pre-payment posted by each such customer (Customer Contract Deposits"). JAMES shall also simultaneously execute and deliver to ACADEMY a general assignment of such Pending Customer Contracts for the motor coach services with the contract deposits/pre-payments on the Vehicle Transfer Date. ACADEMY agrees to fulfil such Pending Customer Contracts in accordance with the terms of such agreements.

(g) PENDING CUSTOMER CONTRACT RESPONSIBILITIES: On and after the Closing Date, JAMES shall have no interest in, or any liability with respect to, the assigned Pending Customer Contracts. ACADEMY shall acknowledge in writing receipt of the Pending Customer Contract Deposits delivered by JAMES to ACADEMY upon receipt of such funds. Any Pending Customer Contract Deposit amount not paid by JAMES to ACADEMY hereunder, shall eliminate ACADEMY's responsibility to operate or provide Transportation Services for the customer at ACADEMY's election. JAMES hereby covenants that it shall assign all Pending Customer Contracts and Deposits, if any, for all pending motor coach services existing as of the Vehicle Transfer Date to ACADEMY and ACADEMY hereby covenants that it will honor and comply with all Pending Customer Contracts.

(h) PERMITS/LICENSES: JAMES shall identify all permits, licenses, franchises, approvals, certificates, consents, waivers, concessions, exemptions, orders, registrations, notices, or other authorizations of any Governmental Entity issued to JAMES and used in connection with its motor coach charter and motor coach contract business to ACADEMY (collectively the "Business Permits"). If required by any Governmental Entity, ACADEMY shall use its best efforts to make

any applications for the issuance of all Business Permits and pay all reasonable fees and costs associated with obtaining newly issued Business Permits. (See. Schedule 2.01(e) attached) ACADEMY agrees that ACADEMY's obtaining newly issued permits shall not be a condition precedent to ACADEMY's or FRANMAR's respective obligation to perform under this APA.

(i) MOTOR VEHICLES: JAMES shall make available to the Buyer copies of the original motor vehicle titles for each vehicle identified in the Bill of Sale attached as Exhibit "D" to this Agreement properly endorsed for transfer at least Twenty (20) days before the Vehicle Transfer Date or the Closing. The original titles shall be delivered by JAMES to the Buyers prior to the Closing in accordance with the Vehicle Lease Agreement. Seller shall also deliver to Franmar the vehicle registrations to the motor coaches on any Vehicle Transfer Date and the FMCSA safety records required to be maintained by the Seller for each motor coach.

(j) REJECTION OF MOTOR VEHICLE TRANSFER: All Motor Coach Acquired Assets identified in Schedule "A" shall, on the Vehicle Transfer Date for such Asset, be in full compliance with the Motor Vehicle Standard identified under "Recitals" Paragraph C above and hereinafter described in more detail in Section 4.2. If Buyer rejects any Motor Coach Acquired Asset, JAMES shall have the opportunity to repair the rejected Motor Coach Acquired Asset to bring the same into compliance with the Motor Coach Standard for the delivery identified herein, in which event Closing shall be postponed for a reasonable period to permit JAMES to expeditiously complete the required repairs before Closing. If the motor coach is not repaired, the value attributed to the rejected motor coach shall be determined based upon the retail value of such vehicle as reasonably agreed upon by the Parties for purposes of any adjustment made to the Consideration payable to the aggregate purchase price payable to JAMES hereunder.

(k) OPERATING AUTHORITY: Any Certificates of Public Convenience and Necessity issued by the Virginia State Corporation Commission, similar applicable authorizations issued by other states or localities, and all other operating authority requirements established by any Governmental Entity for ACADEMY to conduct the Transportation Services sold to ACADEMY hereunder shall be obtained by ACADEMY at its sole cost and expense (Schedule 2.01 (h)). The failure of any Governmental Entity to issue a consent to the transaction, license or operating authority certificate to ACADEMY shall not constitute a

condition precedent to the performance of this Agreement and neither Party shall be relieved of its obligations hereunder including the payment of Consideration without offset. ACADEMY and FRANMAR acknowledge and agree that any existing operating authority and Certificates of Public Convenience and Necessity presently issued to JAMES shall be surrendered by JAMES within thirty days of the Closing date unless Academy elects to request the transfer of the same.

(1) REASONABLE ASSISTANCE PROVIDED BY JAMES: When reasonably requested and at ACADEMY's expense, JAMES shall execute and deliver such documents and instruments, in substance and form reasonably acceptable to the Parties' respective attorneys, as may be reasonably requested by ACADEMY, and/or required by any Governmental Entity, to effectuate the legal transfer of all the Acquired Assets from JAMES to ACADEMY.

3.01 Excluded Assets. Buyers and JAMES understand and agree that Buyers shall not be granted an interest in, nor assume, any obligation with respect to the following (hereinafter the "Excluded Assets" Schedule 2.01(L)), which are excluded from this sale and shall not be transferred to ACADEMY:

(a) Seller's employee benefit, retirement obligations, if any, and similar plans and assets of such plans. ACADEMY shall have no ERISA liability and/or contract liability related to the same. Such liability shall remain that of JAMES.

(b) All claims or causes of action in favor of, or for the benefit of JAMES, which do not relate to Charter and Contract sales to third parties occurring on and after the Vehicle Transfer Date.

(c) All prepaid taxes and refunds of taxes with respect to the Motor Coach Acquired Assets or Non-Motor Coach Assets to which JAMES is entitled related to any period or portion thereof ending on or before the Vehicle Transfer Date or the Closing Date, whichever is later.

(d) All accounts receivable of JAMES existing before the Closing excluding unearned Charter Contract services and deposits and the unearned amounts in the Assumed Contracts assigned to Academy.

(e) All cash, cash equivalents, and securities, other than the unearned Pending Customer Contract Deposits held by JAMES.

(f) All bank and other depository accounts of JAMES.

(g) All health, motor vehicle, life and other insurance policies and the proceeds and cash value therein and therefrom; and

(h) All Assets not expressly described as Acquired Assets under this Agreement.

(i) ACADEMY shall not assume any contracts, other than the Pending Motor Coach Customer Contracts, all of which ACADEMY hereby fully assumes, identified in Schedule 2.01(i) (along with all supporting written documents related to any of such contracts collectively referred to as the "Assigned Contracts" or the "Assumed Contracts"). ACADEMY agrees to assume all obligations under and perform all duties concerning the Assigned Contracts and to indemnify, defend, and hold harmless JAMES and its officers, directors, owners, and employees for any claims, damages, and/or liabilities arising therefrom, including reasonable attorneys' fees.

(j) All other Assets not expressly included in the Acquired Assets as outlined in Section 2.01.

(k) Any capital stock or equity interests in JAMES and its commonly owned affiliates.

(l) The Consideration payable by ACADEMY and FRANMAR under this APA.

(m) All litigation and/or claims and interests of any kind, whether known or unknown, pending or filed or unfiled against JAMES, arising out of a Claim, conduct, or interest that occurred or exists before the Vehicle Transfer Date or the Closing, whichever is earlier, shall remain the sole responsibility of JAMES.

(n) The Parties agree and acknowledge that all Excluded Assets shall be retained by, and at all times shall remain the sole property of, JAMES.

3.02 Assumed Liabilities. JAMES acknowledges that Buyers assume no liabilities of JAMES whatsoever in connection with the Acquired Assets unless identified below (the "Assumed Liabilities").

(a) All liabilities and obligations of JAMES are Excluded Assets other than (i) liabilities and obligations expressly assumed in writing by ACADEMY with respect to the Pending Customer Contracts, and/or the Assumed Contracts, and (ii) all obligations and liabilities related in any way to the operation of the Acquired Assets and based on events or circumstances arising following the Vehicle Transfer Date for which Buyers shall be responsible.

(b) All Pre-Vehicle Transfer Date transportation contract obligations booked by JAMES in the ordinary course of its business, excluding contracts assigned and accepted by ACADEMY for performance as outlined in Section 2.01.

(c) ACADEMY shall have no responsibility to pay or discharge any of the following categories of JAMES obligations.

1. Except as otherwise provided in Section 6.10 of this Agreement, any and all liabilities for income taxes, franchise taxes, employment taxes, use taxes, or any other kind of taxes imposed upon JAMES because of its business operations, ownership interest, possession of Assets, sales, distributions, and the like based by way of example, and not by way of limitation, on income, revenue, gross receipts, sales, capital or net worth related to the Acquired Assets which accrue before the Vehicle Transfer Date; but not including personal property or tangible taxes, all of which are addressed in Section 3.02(c).

2. Any and all of the accounts payable incurred by JAMES prior to the Closing. JAMES does not expect to incur any accounts payable after the Closing Date but will pay any such obligations for which it is responsible.

3. Any and all liabilities under Employee Benefit Plan programs maintained by JAMES and employee agreements, medical plans, unfunded retirement, and other benefit plans, including, but not limited to withdrawal liability, and WARN ACT liability.

4. All liabilities accruing or arising from any dispute resolution proceeding to the extent it is based on the operation of the Acquired Assets before the Vehicle Transfer Date, or the ownership of JAMES if not assumed by ACADEMY.

5. All liabilities accruing or arising from JAMES' failure to comply with applicable laws with respect to its

business or the Acquired Assets.

6. Any liability for, or in respect of, any loan or other indebtedness for money borrowed (including capital leases and guarantees) of JAMES or any affiliate whose performance JAMES has guaranteed unless assumed by ACADEMY under the terms of this Agreement.

7. Unless agreed to the contrary herein, any liability arising out of, or relating to, JAMES' failure to comply with environmental laws in connection with JAMES' use and occupation of any facility from which JAMES operated its business before the Closing. The Parties agree and acknowledge that no real estate assets or leased assets are sold, assigned, or transferred to ACADEMY under the terms of this Agreement, but it is acknowledged by Buyers that certain leases will be established with respect to three parcels formerly rented by JAMES from Storyland Properties, LLC.

8. Any liability for actual or alleged infringement of any intellectual property that arose before the Closing.

9. All liabilities accruing from, arising out of, or relating to, the Excluded Assets that will continue to be owned by JAMES or its assignee.

10. All and any liabilities not assumed by ACADEMY under the terms of this Agreement or elsewhere.

11. Any liability existing under any employment agreement of JAMES before the Vehicle Transfer Date unless assumed by ACADEMY; provided, however, that ACADEMY shall be solely responsible for any and all obligations, wages, and other liabilities respecting any JAMES employees that ACADEMY elects to hire from and after ACADEMY hires any such individuals effective on the Vehicle Transfer Date or any time thereafter. It is acknowledged and agreed by the Parties that Stephen W. Story shall be subject to the Consulting Agreement, which will go into effect on the Closing Date.

12. ACADEMY shall purchase insurance to cover its operations with its policies of insurance effective from and after the Vehicle Transfer Date to include coverage of its ownership interest in the Motor Coach Acquired Assets and shall provide copies of such insurance certificates to JAMES on the Vehicle Transfer Date of the Motor Coach Acquired Assets.

13. Unless a liability of JAMES is specifically assumed by ACADEMY under this Agreement, the same shall be deemed an Excluded Liability and the sole responsibility of JAMES.

3.03 Motor Coach Assets on Order by JAMES. Buyers acknowledge that JAMES has two Motor Coach Vehicle Assets on order from the manufacturer of such buses, one of which is targeted for delivery in July of 2023 and the other in December of 2023 (the "Bus Orders"). The Buyers and JAMES hereby acknowledge and agree that the purchase contracts for both such Bus Orders shall be canceled. With respect to the July 2023 delivery date Bus Order, JAMES will forfeit its \$10,000 deposit with the manufacturer and Academy shall reimburse JAMES for the loss of the \$10,000 deposit at Closing. The contract for the December 2023 Bus Order will be canceled and the manufacturer will refund the deposit to JAMES.

ARTICLE IV
CONSIDERATION/PAYMENT/CLOSING

4.01 CONSIDERATION AND ALLOCATION OF PURCHASE PRICE:

(A) **Non-Motor Coach Assets:** In exchange for the delivery of the Non-Motor Coach Assets, on or before the Closing Date, ACADEMY agrees to pay to JAMES as full consideration for the purchase of the Non-Motor Coach Assets, the sum of FIVE HUNDRED THOUSAND (\$500,000.00) DOLLARS allocated as follows:

a) Non-motor coach assets:	\$ 300,000.00
b) Good Will:	\$ 100,000.00
c) Restrictive covenant:	\$ 100,000.00

Total:	\$ 500,000.00
--------	---------------

For tax purposes (including ACADEMY's and JAMES' compliance with the reporting requirements of Section 1060 of the Internal Revenue Code of 1986, as amended (the "Code")), the Parties hereby agree to use said allocation and to cooperate in good faith with each other in connection with the preparation and filing of any information required to be furnished to the Internal Revenue Service ("IRS") under said Section 1060 of the Code and any applicable regulations thereunder and shall file IRS Form 8594 with the information outlined in said document.

(B) **THE MOTOR COACH ASSETS:** On the Closing Date, ACADEMY's affiliate FRANMAR ("FRANMAR"), a non-carrier engaged in the

purchase and lease of motor coaches shall purchase the Motor Coach Acquired Assets identified in Exhibit "A."

(C) **THE INSPECTION:** The sale of the Motor Coach Assets shall be made subject to satisfaction of each of the following conditions: (a) a mandatory motor coach inspection and acceptance of all Motor Coach Acquired Assets by FRANMAR's Designated Inspector which Designated Inspector shall determine and confirm in writing (with a copy provided to JAMES) that all of the Motor Coach Acquired Assets meet the Motor Coach Standards for sale identified in Section (C) of this paragraph; (b) on or before the Vehicle Transfer Date or Closing Date, each motor coach shall be deemed by the Designated Inspector to meet the Motor Coach Standard for sale by: (i) carrying a current FMCSA (CVSA) safety decal (or a Commonwealth of Virginia State Inspection Decal) performed in the 90 day period prior to the Vehicle Inspection Date and effective to or beyond such date; and (ii) determined to be capable of being driven with all major systems normally operable , and (iii) not materially deviating in exterior body condition on any prior inspection by an authorized agent for the Buyers through the applicable Vehicle Transfer Date, as documented by Purchaser's inspection and photographs taken of the motor coaches on such pre-closing Vehicle Inspection Date. Buyers acknowledge and agree that the Virginia State Inspection process is recognized by FMCSA as meeting its annual inspection requirements, and that JAMES maintains a Virginia State Inspection Station at its facility and is authorized by the Virginia State Police to perform state inspections of its motor coach vehicles.

The Designated Inspector shall be selected by the Buyers and reasonably determined by JAMES to be acceptable. Any Designated Inspector shall deliver a report and determination as to the satisfaction of the Motor Coach Standards within three (3) days of the availability of such vehicle for evaluation and any reports related to such Motor Coach Acquired Assets for inspection. Material deviations shall not include scratches, dents, dings, scrapes, or other exterior body blemishes caused in the normal and ordinary course of the use of the vehicles. The Designated Inspector shall confirm to FRANMAR that the motor coaches do not require major engine and/or systems repair, or overhaul (the aforesaid description above of the condition of the motor coaches is hereinafter referred to as the "Motor Coach Standard" for acceptance and delivery of each motor coach on any Vehicle Transfer Date; (c) each party shall comply with the terms of the APA with regard to the sale of the Acquired Assets. The sale of the Acquired Assets shall be free and clear of any

and all debts, claims, restrictions, tax claims, liens, options, warrants, purchase rights, commitments, equities, demands, and third-party interests as of the Vehicle Transfer Date.

Any inspection undertaken by the Virginia State Police within ninety (90) days (the "Safety Inspection Period") of the Vehicle Transfer Date as evidenced by the attachment of an inspection decal shall satisfy the inspection requirement referenced in 4.01 C (1)(a) only and is effective until the end of the Safety Inspection Period and shall be deemed by the Buyers to have satisfied the FMCSA Motor Coach Standard set forth in the APA, and no NCSA, CVSA or FMCSA decal shall otherwise be required. In the ordinary course of business without significant disruption to the Transportation Services provided by JAMES, the entire fleet of Motor Vehicle Assets can be inspected both internally by JAMES and by representatives of the Virginia State Police Department in sixty (60) to ninety (90) days of time. Buyers hereby agree to use their best efforts to facilitate a process satisfactory to the Buyers within such a time period immediately preceding the Closing Date, and to provide commercially reasonable accommodations and consents to Motor Vehicle inspections that are not materially outside the Inspection Sticker Period.

(D) DELIVERY OF ACQUIRED ASSETS: The Parties intend that FRANMAR shall purchase the Motor Coach Acquired Assets identified in Exhibit "A" at closing for the sum of Three Million Five Hundred Thousand (\$3,500,000.00) Dollars, payment to be made to the Seller from funds previously deposited in by the Buyers into the Escrow Agreement in the manner hereinafter set forth, Said Motor Coach Acquired Assets shall be sold, transferred, and conveyed by JAMES to FRANMAR free and clear of any and all manner of liability, interest, option, right, title, license, Claim, lien, judgment, and security interest. It shall be a condition precedent to the Buyers' performance of this APA and Closing hereunder, that JAMES shall pay, discharge, and keep current all motor coach loan payments under the Loan Agreements (the "Loan Payments") as and when the same become due and payable on the Motor Coach Acquired Assets. The Loan Agreements are identified in Exhibit "C_." Between the date of this APA and the date of Closing, JAMES agrees that it shall take such actions as are necessary and desirable to assure that no event of default shall occur under the terms of the Loan Agreements, and that said Loan Agreements shall remain current and not in default from the date of this APA to the date of Closing.

(E) PERFORMANCE OF LOAN AGREEMENT COVENANTS BY JAMES: JAMES

represents to ACADEMY and FRANMAR that JAMES shall faithfully perform its covenants under the terms of the Loan Agreements, if any, so that the same remain current and not in default through the Closing. JAMES further represents that it is solvent and able to pay and discharge its debts and obligations in the ordinary course of business as and when said debts and obligations become due and payable. The aforesaid material representations of the JAMES shall survive Closing as set forth and the transfer of Title under the terms of this APA for a period of one-year post-closing.

The liens secured by the motor coaches held by third party creditors, if any, may be paid and discharged by JAMES on or before the Vehicle Transfer Date from the Buyer's funds and/or purchase proceeds paid as part of the Consideration by Buyers for the Acquired Assets on the Vehicle Transfer Date prior to the Closing and with the delivery of the current motor coach Title to FRANMAR. If said proceeds are insufficient to discharge the secured third-party liens JAMES shall pay the Loan Agreement lenders or other third-party creditors the difference required to obtain proper discharges of such liens and terminate any UCC filing statements.

(F) BUYER VEHICLE TRANSFER DATE/CLOSING PAYMENT: Subject to adjustment under the terms of this Agreement, the total Consideration to be paid by the Buyers to the Seller hereunder is FOUR MILLION (\$4,000,000.00) DOLLARS allocated in the manner previously set forth (or if all or part of the purchase money is deposited by the Buyers in escrow, Buyers will authorize the release of the escrow fund to James to be applied as a credit toward the payment of the purchase price at Closing. Otherwise, ACADEMY and FRANMAR shall make a cash payment equal to the balance of the purchase money due hereunder to JAMES on the Closing/Vehicle Transfer Date by wire transfer of immediately available funds to an account confidentially designated by JAMES as follows:

(1) A cash payment in the amount of FOUR MILLION (\$4,000,000.00) Dollars in accordance with confidential and secure wire transfer instructions provided by JAMES.

(2) JAMES' sale of the Acquired Assets under the terms hereof is expressly made subject to and conditioned upon the purchase of the Acquired Assets on or prior to the Closing by ACADEMY and FRANMAR respectively from JAMES under the terms of this APA. Should either ACADEMY or FRANMAR refuse or fail to provide the Consideration set forth hereunder to JAMES under the

terms of this APA, JAMES shall not be required to transfer Title to the Acquired Assets at the Vehicle Transfer Date to the Buyers and if such Titles have previously been delivered to Buyers, then such Titles will be promptly returned.

ARTICLE V **DELIVERABLES**

5.01 Deliveries by JAMES: JAMES shall deliver to ACADEMY, and/or perform, and/or complete the performance of, each of the following on or before the Closing:

(i) Unconditional Bill(s) of Sale covering each category of the Acquired Assets sold hereunder to be held in escrow by ACADEMY's counsel pending escrow release on the relevant Vehicle Transfer Date or Closing.

(ii) The assignments of the Pending Customer Contracts and the Assigned Contracts in accordance with a model contract substantially in the form outlined in Exhibit "D" (the "Assignment Agreement").

(iii) Appropriate corporate resolutions authorizing such sale, and, through its officers, agents, and employees, JAMES will put ACADEMY into possession of all of the Acquired Assets in the manner outlined in this Agreement as applicable.

(iv) Motor Vehicle Title instruments and registrations covering all motor vehicles sold hereunder.

(v) JAMES shall deliver (i) the resolutions of its Board of Directors or shareholders, as applicable, delegating authority to certain authorized officers to approve the transactions contemplated hereby; (ii) an Officer's Certificate from Stephen W. Story, the President of JAMES, stating that JAMES is a solvent business entity and capable of meeting its debts and liabilities in the ordinary course of its business operation. JAMES also represents that its performance of this transaction and the covenants of JAMES to be performed hereunder shall not render JAMES insolvent.

(vi) Assignments in substance and form reasonably acceptable to the Parties' respective attorneys, and subject to all limitations on the right to assign, transferring the Charter Contracts currently operated by JAMES, and such other contracts, and agreements necessary to the operation of any of the Acquired

Assets. If any such assignment instrument does not become effective, the Parties shall meet to determine an alternate procedure to permit the continued operation of the Acquired Assets that are not assignable by JAMES to ACADEMY, with the reasonable assistance of JAMES. The failure to consummate any such assignment, shall not constitute a breach of this Agreement, or be considered a condition precedent to the payment of Consideration by the Buyers to JAMES.

(vii) The Pending Customer Contracts and Contract Deposits shall be identified and delivered by JAMES to the Buyers.

(viii) The execution and delivery of such documents and instruments as the Parties' respective attorneys shall reasonably require to transfer title of the Acquired Assets from JAMES to ACADEMY and/or FRANMAR, free and clear of any and all liabilities of any nature, kind or description unless assumed hereunder; JAMES covenants to reasonably cooperate with the ACADEMY in this regard.

5.02 Deliveries by the Buyers: On or before the Closing Date, the Buyers shall deliver or perform the following in addition to the delivery of Consideration payable to the JAMES hereunder on the Vehicle Transfer Date.

(1) A certificate of the secretary or an assistant secretary of ACADEMY and FRANMAR certifying (i) the certificate of formation and Operating Agreement of ACADEMY\FRANMAR then in effect; (ii) an incumbency certificate and the resolutions of the Members of ACADEMY\FRANMAR delegating authority to certain authorized officers to approve the transactions contemplated hereby, (iii) Good Standing or Status Certificates issued by the Virginia State Corporation Commission and New Jersey Secretary of State respectively or other appropriate authority; and (iv) such other documents as JAMES or JAMES's legal counsel may reasonably request to evidence and document the transactions contemplated hereunder;

(2) Appropriate resolutions of ACADEMY\FRANMAR authorizing the purchase of the Acquired Assets and the other obligations of ACADEMY\FRANMAR hereunder and with respect to the transactions contemplated hereunder.

(3) Executed copies of the APA, the Consulting Agreement, and the Lease Agreements.

5.03 Additional Deliveries by the Parties; Further Assurances.

The Parties shall cooperate in carrying out the intent and purpose of this Agreement, both before and after the Closing, without further Consideration paid following the Closing (other than the obligations set forth in Section 6.10 of this APA), including the execution and delivery of such additional instruments, documents, and certificates as may be reasonably requested by the other Party that are necessary, appropriate, or desirable for the consummation of the transactions contemplated by this Agreement, and such obligation shall survive the Closing for the period of time described in Section 11.01 of this Agreement.

ARTICLE VI **REPRESENTATIONS AND WARRANTIES OF JAMES**

JAMES hereby represents and warrants to the Buyers that, to the best of its knowledge, and as of the date of this Agreement:

6.01 **Existence and Good Standing.** JAMES is a corporation duly organized, validly existing and in good standing under the laws of Virginia and is qualified to conduct business in the Commonwealth of Virginia and in such other states where it conducts business operations and is required by law to qualify to do business in such jurisdictions as a foreign corporation.

6.02 **Authorization and Enforceability.** JAMES has the corporate power and authority to execute, deliver, and effect the transactions contemplated under this Agreement. The execution, delivery, and performance by JAMES of this Agreement and the consummation of the transactions contemplated hereby, are duly authorized by all necessary corporate action of JAMES. This Agreement, when executed and delivered, shall be duly and validly executed by JAMES and, assuming the due execution and delivery of this Agreement and the other documents to which it is a party with ACADEMY, will constitute a legal, valid and binding obligation of JAMES, enforceable against it in accordance with its terms, subject to any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws now or hereafter in effect relating to creditors' rights generally or to general principles of equity.

6.03 **Governmental or Other Authorization.** The Parties acknowledge that this transaction is subject to the jurisdiction of the United States Surface Transportation Board (the "STB").

The Parties agree to cooperate with each other to obtain approval of the transaction from the STB. ACADEMY will file the STB application seeking such approval at its expense. Notwithstanding the foregoing, the payment of the Deposit against the purchase price payable to JAMES on the Vehicle Transfer Date is not contingent upon the Parties receiving final STB approval before Closing. However, the Closing can only occur after final STB approval is obtained and the 30-day public comment period with respect to the decision has run without further action by STB. The Parties reasonably expect that final STB approval will be provided on or about July 31, 2023.

6.04 **Delay or Denial of Approval of Transaction by STB.** In the event the final approval of the acquisition by the Buyers of substantially all the Assets of JAMES does not occur on or before August 31, 2023, or at any time before or thereafter such approval is denied by STB (an "STB Event"), The Parties shall meet and discuss in good faith reasonable alternatives to the acquisition plan as outlined herein, including addressing the basis for the STB declination. In such event, upon the occurrence of an STB Event, notwithstanding any indication to the contrary elsewhere in this Agreement, Buyers and JAMES shall mutually agree upon the path forward.

6.05 **non-Contravention.** The execution, delivery, and performance by JAMES of this Agreement, and the consummation of the transactions contemplated hereby and thereby, do not and will not contravene or conflict with the certificate of incorporation or bylaws of JAMES.

6.06 **Personal Property.** Wherever an Acquired Asset identified hereunder for sale to the Buyers is owned by JAMES. JAMES represents that it has good and marketable title to, or a valid and subsisting leasehold interest in, the Acquired Assets. None of such Acquired Assets are subject to any lien (except as otherwise disclosed herein) other than those imperfections of title encumbrances, if any, which (i) are not substantial in character, amount, or extent and do not materially detract from the value of the property subject thereto, (ii) do not interfere with either the present and continued use of such property or the conduct of the normal business operations of JAMES and (iii) have arisen only in the ordinary course of business (including those of public record). Except as otherwise expressly stated herein, JAMES makes no warranties as to the condition or operation of the Acquired Assets, and all of the Acquired Assets owned, leased, or used by JAMES are accepted by ACADEMY in their present condition and "as is," "where is," and "with all faults"

subject to the Motor Coach Standard set forth herein. JAMES disclaims any warranty, express or implied, with respect to design, condition, capacity, performance, or any other aspect of the motor coaches or their material or workmanship. JAMES also disclaims any warranty of merchantability or fitness for use or purpose whether arising by operation of law or otherwise. JAMES further disclaims any liability for loss, damage, or injury to ACADEMY or third parties as a result of any defects, latent or otherwise, in the motor coaches whether arising from the application of the laws of strict liability or otherwise. To enable JAMES to make conveyance as provided in this Agreement, JAMES may, at the time of the delivery of the Bill of Sale and other related transfer documents, use the Purchase Price or any portion thereof to clear any or all encumbrances or interests currently existing on the Acquired Assets. Any lien discharge from an institutional lender may be recorded after the execution and transfer of the Purchased Assets.

6.07 **Litigation.** To JAMES's actual knowledge, there are no orders, judgments, suits, decrees, proceedings, complaints, writings, and/or investigations, pending or threatened, against JAMES, and/or the Acquired Assets, that exist and have not been disclosed in Schedule 2.01(k) to this Agreement, nor is there any actual or threatened action, proceeding, Claim, cause of action, (a) by or against JAMES relating to any of the Acquired Assets that would reasonably be expected to have a material adverse effect upon the quality of JAMES's title and interest in any such Acquired Asset, or, (b) that seeks to prevent, enjoin, alter or delay the transactions contemplated by this Agreement. To JAMES's actual knowledge, there are no material existing orders, judgments, or decrees of any Governmental Entity against JAMES relating to the Acquired Assets that would be binding on ACADEMY on and after the Vehicle Transfer Date or the Closing. JAMES covenants to save, hold harmless, defend, and indemnify the ACADEMY from and against all such claims.

6.08 **Assigned Contracts.** Each Assigned Contract, if any, is a valid and binding obligation of JAMES and, to the actual knowledge of JAMES, is a valid and binding obligation of each other person who is a party thereto (except those Assigned Contracts which have expired in the normal course), enforceable against it in accordance with its material terms, subject to any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws now or hereafter in effect relating to creditors' rights generally or to general principles of equity, and to the actual knowledge of JAMES, any other party thereto is not, as of the date hereof, in material breach under any Assigned Contract.

6.09 Compliance with Applicable Laws. JAMES has complied or will comply before Closing, in all material respects with all applicable laws relating to the Acquired Assets except in instances where non-compliance will not have a material adverse effect on the Acquired Assets. To the actual knowledge of JAMES, it has not received written notice from any third party regarding any unresolved actual, alleged, or potential material violation of any applicable law with respect to the Acquired Assets.

6.10 Tax Matters. The Parties agree as follows:

(a) Personal Property Tax on Motor Coach Assets. Since JAMES is a qualified Public Service Company subject to the jurisdiction and oversight of the SCC, JAMES pays its personal property tax to the SCC on an annual basis in accordance with an Annual Report of Certificated Motor Vehicle Carriers to the SCC for the Assessment of Rolling Stock ("Tax Assessment Report"). Such Tax Assessment Report is filed each year on or before March 1. The personal property tax payable on the Motor Coach Acquired Assets owned by JAMES is determined for the calendar year immediately preceding the submission of the Tax Assessment Report.

(b) Tax Assessment Report Filing. Since JAMES has paid the personal property tax on the Motor Coach Acquired Assets in full for calendar year 2022, the Buyers agree to file a Tax Assessment Report with the SCC for calendar year 2023 on March 1, 2024 and Buyers shall be responsible for all personal property taxes payable with respect to calendar year 2023 for the Acquired Assets. ACADEMY hereby further acknowledges and agrees that they too either have already, or intend to, and Franmar, to the extent applicable, qualify as a Public Service Company in Virginia to be eligible for the same rolling stock personal property tax rate discount available to JAMES.

(c) Special Tax Matters. JAMES represents and warrants that all information provided to the Buyers regarding the personal property tax made pursuant to the Tax Assessment Reports over the past three (3) years, together with information with respect to the Regulatory Revenue Tax on Common Carriers by Motor Vehicle, which is due on April 15 and reports all gross revenue earned by transporting passengers or freight from one location in Virginia to another is true and accurate. The annual tax on gross revenue is administered in accordance with Title 58.1-2660 of the Code of Virginia (the "Special Tax"). The Special Tax is

determined in accordance with business done in the Commonwealth of Virginia during the preceding calendar year. The Buyers represent and warrant that they will file a Regulatory Revenue Tax on Common Carriers by Motor Vehicles for calendar year 2023 on or before April 15, 2024 reporting gross revenue provided to them and certified by JAMES for its operations in 2023 and shall be responsible for the payment of the Special Tax that would otherwise be due and payable by James.

(d) Taxes Paid by JAMES. JAMES has paid all taxes relating to the Acquired Assets that are due and payable through the Closing Date that Buyers have otherwise agreed to be responsible for in this Agreement.

(e) Taxation in Jurisdictions Outside Virginia. Other than as outlined in this paragraph, to the actual knowledge of JAMES, no Governmental Entity has claimed that the Acquired Assets or the business of JAMES is subject to tax in a jurisdiction in which the required tax returns have not been filed by JAMES. JAMES agrees to indemnify, save, defend, and hold ACADEMY harmless from and against claims asserted against ACADEMY and/or the Acquired Assets related to the above that arise or are incurred before the Vehicle Transfer Date.

6.11 Employee Matters. It is acknowledged by the Parties hereto that this transaction is a sale of Acquired Assets, free and clear of any and all liabilities of JAMES except as provided herein, and that ACADEMY is not a successor in interest to JAMES. This provision is included to address any ERISA and employee successorship issues, and is intended to confirm that ACADEMY is not assuming any obligation under any employment contract between JAMES and/or an employee of JAMES, nor shall ACADEMY assume any liability or responsibility under any existing employee benefit plan of JAMES as a consequence of this transaction, nor shall ACADEMY be required to offer employment to any JAMES employees because of this transaction.

(a) Union. JAMES represents that no employees of JAMES are represented by a labor organization. ACADEMY shall not be regarded as a successor employer by JAMES. JAMES shall provide its employees with such notices as to the termination of its business operations which are required by federal and state labor law and shall fully cooperate with Academy to schedule a meeting to present Academy to its employees in advance of Closing.

(b) **Nature of Representations and Warranties.** The representations and warranties contained in this Section 6.11 are the only representations and warranties being made by JAMES with respect to employee and employment matters.

6.12 **Absence of Certain Changes.** From the date of the most recent financial disclosures in the JAMES due diligence data room, which consist of the year to date March 31, 2023 Income Statement and Balance Sheet made available by JAMES to ACADEMY, through the date of this Agreement, other than with respect to the transactions contemplated by this Agreement, JAMES's business has been conducted in the ordinary course of business, and there has not been:

(a) any creation, assumption, or sufferance of (whether by action or omission) the existence of any lien on any of the Acquired Assets, except, in each case, in the ordinary course of business; provided further that JAMES shall discharge any such lien on or before the Vehicle Transfer Date assumed by ACADEMY. JAMES intends to pay off all remaining vehicle loans/notes as provided herein.

(b) Any waiver, amendment, termination (other than in the normal course), or cancellation of any material Assigned Contract or any relinquishment of any material rights thereunder by JAMES, or to the actual knowledge of JAMES, any other party, other than, in each such case, in the ordinary course of business or that are not material with respect to JAMES' business;

(c) Any material change by JAMES in its accounting principles, methods, or practices as they relate to how JAMES keeps its accounting books and records relating to the business.

(d) Any damage, destruction, or other casualty loss that is material to the Acquired Assets, taken as a whole.

(e) Any event, occurrence, development, or state of circumstances or facts that has had or would reasonably be expected to have a material adverse effect on the Acquired Assets, taken as a whole; or

(f) Any agreement for JAMES to take any of the actions specified in paragraphs (a) through (d) above.

All financial, revenue, projections and contract information given to ACADEMY by JAMES was prepared by JAMES from

its financial records, accounts, books, records, and ledgers, each of which was maintained by JAMES in the ordinary course of its business under GAAP standards, which standards were maintained by JAMES throughout each of the reporting periods in which such financial information was maintained.

6.13 **NO INSOLVENCY:** JAMES represents that it is not insolvent, and it is fully capable of paying all of its debts and obligations, as the same become due and payable, in the ordinary course of its respective business operations.

6.14 **Insurance and Risk Management Matters.** All insurance coverage currently maintained by JAMES will cease with respect to the Motor Coach Acquired Assets on the Closing Date. In addition to the payment of the Consideration for the Acquired Assets on or before such date, Buyers will provide JAMES with Insurance Certificates evidencing, to the reasonable satisfaction of JAMES, that Academy or Franmar has insurance coverage on all such Motor Vehicle Acquired Assets that will go into effect contemporaneously with the transfer of such Assets from JAMES to Buyers.

6.15 **NO OTHER REPRESENTATIONS OR WARRANTIES.** EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS ARTICLE VI NEITHER JAMES NOR ANY OTHER PERSON ASSOCIATED WITH JAMES MAKES ANY OTHER EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY ON BEHALF OF JAMES REGARDING THE BUSINESS OR THE ASSETS AND LIABILITIES OF THE BUSINESS, EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS ARTICLE VI, NEITHER JAMES NOR ANY OTHER PERSON MAKES ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY WITH RESPECT TO ANY INFORMATION PROVIDED TO THE BUYERS, OR THEIR AFFILIATES, OR THEIR REPRESENTATIVES, OR ANY PROJECTIONS, FORECASTS OR FORWARD-LOOKING INFORMATION OTHERWISE PROVIDED TO THEM.

6.16 **TITLE DELIVERY DEPOSIT.** Upon delivery of the Title information to the Buyers by JAMES in connection with any activities associated with the transfer of Title and registration of the motor vehicles prior to the Closing Date on the Vehicle Transfer Date, Buyers shall make a deposit in the amount of \$3,500,000 pursuant to the Escrow Agreement to secure for the benefit of JAMES the return of the Title, registration, and license plates by the Buyers if the transaction does not close for whatever reason.

ARTICLE VII
REPRESENTATIONS AND WARRANTIES OF BUYERS

Buyers hereby represent and warrant to JAMES, as of the date of this Agreement, as follows:

7.01 Existence and Good Standing. Each of ACADEMY and FRANMAR is a limited liability company formed under the laws of the State of New Jersey. Each is duly organized, validly existing, and in good standing under the laws of New Jersey and each has all corporate power and authority required to carry on its business. ACADEMY and FRANMAR are qualified to conduct business in, and are in good standing, in each jurisdiction in which each conducts business other than such jurisdictions where the failure to be so qualified is not required by law and would not reasonably be expected to have a material adverse effect on ACADEMY/FRANMAR.

7.02 Authorization and Enforceability. Buyers have the corporate power and authority to execute, deliver and perform all of their respective obligations under this Agreement, appropriate votes have been taken and duly recorded by the members of such limited liability companies, and no consents are required of other parties for Buyers to effect the transactions contemplated hereby, and Buyers have the legal power and authority to execute, deliver and perform all of their respective obligations under this Agreement and the Consulting Agreement to which either is a party and to effect the transactions contemplated thereby. The execution, delivery, and performance by Buyers of this Agreement and the Consulting Agreement, and the consummation of the transactions contemplated hereby and thereby, have been duly authorized by all necessary corporate action as evidenced by the execution, delivery of this Agreement and the Consulting Agreement, the performance by Buyers of the Agreement, and the consummation of the transactions contemplated thereby. This Agreement has been and, when executed, and at the Closing, duly and validly executed by Buyers, and, assuming the due execution and delivery of this Agreement and the Consulting Agreement by JAMES, will constitute the legal, valid and binding agreements of Buyers, enforceable against them in accordance with their respective terms, subject to any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws now or hereafter in effect relating to creditors' rights generally or to general principles of equity.

7.03 non-Contravention. The execution, delivery, and performance by Buyers of this Agreement and the APA and the Consulting Agreement, and the consummation of the transactions contemplated hereby and thereby, do not and will not contravene or conflict with the certificate of formation or operating agreement of Buyers, nor contravene or conflict with or constitute a violation of, any provision of any applicable law, agreement, or obligation binding upon or applicable to Buyers. Buyers shall provide JAMES with appropriate resolutions authorizing Buyers to enter into this asset purchase agreement by the delivery of all reasonably necessary instruments to effectuate the transaction contemplated under the asset purchase agreement.

ARTICLE VIII
GENERAL CONDITIONS TO CLOSING.

8.01. The sale, transfer, and conveyance of full legal title to the Acquired Assets, is true and confirmed free of any lines, Claims interest liens penalties provided, however, the approval of any third parties or Governmental Entity to this transaction or the transfer of any Acquired Asset including, Assumed Contracts is not a condition to Closing or a condition precedent to the transfer of Acquired Assets including, Assumed Contracts, or the payment of Consideration.

8.02. **Filings; Further Assurances**

(a) Each Party agrees to execute and deliver such other documents, certificates, agreements, and other writings and to take such other commercially reasonable actions as may be reasonably necessary or desirable to (a) consummate or implement expeditiously the transactions contemplated by this Agreement and the APA, the Consulting Agreement, and the Lease Agreements. Each Party agrees to execute and deliver such other documents, certificates, agreements, and other writings and to take such other commercially reasonable actions as may be reasonably necessary or desirable to obtain all consents, approvals, authorizations, qualifications, and orders as are reasonably necessary for the consummation of the transactions contemplated by this Agreement, and, if required, promptly make all reasonably necessary filings. JAMES and ACADEMY shall keep each other timely apprised of the status of any communications with and/or received from any Governmental Entity with respect hereto.

8.03 Operation of the Business Before the Closing
Date.

1. Between the date of this Agreement and the Vehicle Transfer Date, except as otherwise provided for herein, JAMES shall use commercially reasonable efforts to:

(a) operate in the ordinary course of business in all material respects including keeping current and not defaulting on the payment of third-party creditors' obligations which shall be paid when and as the said obligations become due and payable. To the extent that any Asset of JAMES is subject to a lease payment such as the copier machines, such payments shall be pro-rated to the date of the Vehicle Transfer Date if such lease arrangement is assumed by the Buyers.

(b) maintain the tangible Acquired Assets as a whole in all material respects in at least as good a condition as they are being maintained on the date hereof, subject to normal wear and tear.

(c) not sell, assign, license, or transfer any of the Acquired Assets, other than in the ordinary course of business.

(d) not fail to pay or discharge when due any liability of which the failure to pay or discharge would cause any material damage or loss to the Acquired Assets, taken as a whole.

(e) not amend any material term of or terminate any material Assigned Contract, other than in the ordinary course of business.

(f) not initiate any proceeding that relates exclusively to the Acquired Assets, except JAMES may pursue and file claims pertaining to accounts receivable or breaches by the Buyers of the APA, the Consulting Agreement, or the Lease Agreements.

(g) not make any material change in its accounting principles, methods, or practices as they relate to how JAMES keeps its accounting books and records, except for (i) any such change required by a change in GAAP or (ii) any change resulting from the preparation or audit of JAMES financial statements; and

(h) not grant to any employee any increase in compensation or enter into any employment deferred compensation

agreement or any similar agreement with any such employee, except as may be (i) required under applicable law, by JAMES termination policy (whether existing as of the date hereof or adopted hereafter) or by any employment or termination agreement in effect on the date hereof or (ii) in the ordinary course of business; and not enter into any agreement to take any action that would violate in any material respect any of the foregoing without the written consent of Buyers.

ARTICLE IX **VEHICLE LEASE AGREEMENT**

9.01 Buyers Pre-Closing Vehicle Registration Activity. On the Vehicle Transfer Date prior to the Closing Date, Buyers shall provide JAMES with the Deposit following the delivery of evidence satisfactory to the Buyers that the Loan Agreements to which such Asset is subject has been paid by JAMES in order to release the Lien and allow JAMES to transfer unencumbered title of the transferred vehicles. The Parties acknowledge and agree that such Motor Coach Acquired Assets are being transferred to the Buyers prior to the Closing for the sole purpose of facilitating the ability of the Buyers to register and obtain motor coach vehicle license plates in the state of Illinois or such other jurisdiction where the Buyers determine such actions will take place.

9.02 Mechanics of Vehicle Lease Agreement. Within thirty (30) days of the date identified in writing by the Buyers as the reasonably anticipated date upon which the STB regulatory approval process will be complete and Closing can occur. JAMES will have previously retired the Loan Agreements secured by the Title pledged to such lender as collateral for such loan with respect to the Motor Coach Acquired Assets that the Buyers have asked JAMES to transfer to prior to Closing. The request for the transfer of the Motor Coach Acquired Assets shall be in writing, identifying such Asset and the date upon which the transfer shall occur with specificity.

9.03 Purpose of Vehicle Lease Agreement. The Vehicle Lease Agreement is expected to be a short-term bridge arrangement to facilitate a smooth and efficient business transfer transition on the Closing Date. The structure of the Vehicle Lease Agreement shall consist of a single umbrella contract, the terms of which shall be applicable to, one time, all Motor Coach Acquired Assets transferred by JAMES to Buyers at the request of Buyers on the Vehicle Transfer Date.

9.04 Form of Vehicle Lease Agreement and Schedule. The form of the Vehicle Lease Agreement and the accompanying schedule for each transfer (or batch of transfers) of Motor Coach Acquired Assets shall be reasonably satisfactory to both JAMES and Buyers. The Parties hereby acknowledge that the Vehicle Lease Agreement may not be finished prior to the execution of the APA and agree to work in good faith to finalize this arrangement.

9.05 Usage of Motor Coach Acquired Assets Contemplated. Upon the occurrence of a Vehicle Transfer Date, JAMES shall have the continuing right to the full use and enjoyment of the Motor Coach Acquired Assets transferred to the Buyers to conduct its business operations through the Closing Date. Such activities will include the operation of such vehicles by JAMES' employees in the ordinary course of business. The existing insurance coverage on the Motor Coach Acquired Assets maintained by JAMES shall remain in place at all times until the Closing occurs.

9.06 Vehicle Lease Agreement Termination at Closing. The Vehicle Lease Agreement shall terminate on the Closing Date upon the receipt by JAMES of all outstanding and unpaid Consideration payable by the Buyers to JAMES in addition to the Deposit on such Motor Coach Acquired Assets. To the extent Closing does not occur as contemplated, JAMES has the right to continue the usage rights of the Motor Coach Acquired Assets.

9.07 Unwinding the Vehicle Lease Agreement Upon the Occurrence of an STB Event. If an STB Event as described in Section 6.04 of this Agreement occurs, in addition to the Break Up Fee, if JAMES elects, in its sole discretion, to have Motor Coach Acquired Assets transferred to the Buyers returned to JAMES, the Buyers agree to compensate JAMES for: (i) any diminishment in the value of such vehicle related to any damages to such Motor Coach Acquired Assets, (ii) the spread between the borrowing costs of the Loan Agreements retired to satisfy the Lien in order to transfer title to the Assets to the Buyers and the increased interest rates incurred for the new borrowing arrangements established to finance the vehicles at the same principal amounts in place before such Motor Coach Acquired Assets became subject to the Vehicle Lease Agreement (the "Margin Adjustment"), and (iii) all other costs incurred by JAMES to put such financing arrangements in place.

9.08 Vehicle Lease Establishment Expense. Since the Vehicle Lease Program is being established by JAMES as an accommodation to the Buyers to facilitate the registration of the Motor Coach Acquired Assets and the procurement of license plates and safety decals needed to operate the vehicles, immediately upon the Closing

of the transaction, Academy shall reimburse JAMES for all the expenses including legal fees, in an amount not to exceed \$7,500 in connection with the establishment of the arrangement. In addition, the Buyers will indemnify JAMES for all costs and expenses JAMES may incur in connection with the transfer of the Title and registration papers to the Motor Coach Acquired Assets prior to the Closing.

ARTICLE X

RESTRICTIVE COVENANT

10.01 Non-Compete Agreement.

(a) JAMES agrees that for a period of five (5) years from the Closing hereunder, JAMES, is subject to Restrictive Covenants reflecting the terms contained in this Section 10.01, JAMES will be subject to the Restrictive Covenants in this Article X and Stephen W. Story will be subject to the non-compete provisions in the Consulting Agreement. Such provisions shall be applicable to their respective successors, administrators and assigns in interest. JAMES shall not solicit the customers identified in the customer list sold to ACADEMY (Schedule 2.01_(d), nor directly or indirectly engage in any motor coach transportation business in competition with ACADEMY in the Commonwealth of Virginia and in each state in which JAMES currently conducts business operations. JAMES and its affiliates, including the officers, directors and shareholders (the "Non-Compete Parties") (except for Stephen W. Story whose non-compete arrangement is governed by the Consulting Agreement and Storyland Properties, LLC) agree and acknowledge that the time restriction and geographical restrictions described herein are fair and reasonable as Academy is purchasing the motor coach transportation business of the Seller. The Non-Compete Parties hereby consent to be bound to this covenant, knowing that Buyers will not enter into this Agreement unless the Non-Compete Parties executed and delivered this covenant to Buyers.

(b) The restrictive covenant shall apply to the corporate Non-Compete Party. Notwithstanding any indication in this Article X to the contrary, Stephen W. Story shall be subject only to the restrictive non-compete covenants set forth in the Consulting Agreement, and the provision of this Article X shall be of no force and effect as it relates to him.

(c) If, in any judicial proceeding, a court refuses to enforce the covenant (or any part thereof), then such unenforceable covenant (or such part) shall be eliminated from

this Agreement to the extent necessary to permit the remaining provisions of this Agreement and/or the covenant to be enforced.

(d) No Non-Compete Party shall be deemed to be in breach of Section 10.01(a) unless and until the Party provides written notice to the other Party of the specific operations that said Party believes constitute a violation of Section 1.01(a). Such notice shall specify in reasonable detail the basis for such alleged breach. Unless otherwise agreed, the senior management of the Non-Compete Parties shall meet within a period of fifteen (15) days following receipt of the notice by the receiving party and attempt in good faith to negotiate a resolution of such dispute. If the Non-Compete Parties resolve their dispute, or the objectionable conduct ceases, or the defaulting Party divests itself of the allegedly competitive business activity within 15 days, the Non-Compete Party engaging in the conduct shall not be deemed to have violated Section 10.01(a).

(e) Notwithstanding any other clause of this Agreement to the contrary, the Non-Compete Parties agree that in the event of a breach of Section 10.01(a) hereof, monetary damages are inadequate and shall not be the exclusive remedy and the aggrieved party shall be entitled to seek injunctive relief to prevent breaches of this Section 10.01.

ARTICLE XI

Confidentiality

11.01 The information contained herein, in any exhibits, and schedules to this Agreement, and/or in any proprietary writing or other information exchanged by the Parties hereto, together with the Parties' trade secrets, marketing information, customer pricing schedules, and lists, sales projections, mark-up structures, sales plans, bid information, job quotes, operating costs, overhead costs, fuel costs and the like (hereinafter "Confidential Information"), shall not be "Disclosed" by either Party for the term of three years commencing on the Closing. In addition, the business operations of either party disclosed to the other under any ongoing business relationship regarding any matter identified by a party as confidential and/or regarding contracts, operating costs, pricing, business plans, and the like, are to remain Confidential by and between the Parties for such time period. It is the intention of the Parties hereto to include as Confidential Information under this provision for the benefit of ACADEMY, all information provided by JAMES to the extent such

information relates, in whole or in part, to JAMES motor coach charter business operations.

11.02 For purposes of this Agreement, Confidential Information shall also be defined as any and all non-public information regarding JAMES' and ACADEMY's charter operations, to the extent that the same are unknown or not readily available in the public domain or known publicly). Each Party agrees not to disclose or use for its benefit any Confidential Information provided to such Party by the other Party without the consent of the disclosing Party.

11.03 Notwithstanding the foregoing, nothing herein shall restrict JAMES or ACADEMY, any of their respective affiliates, or any of their respective representatives, as applicable, from using or disclosing any Confidential Information (i) to the extent that such disclosure is required by applicable law, *provided, however,* that JAMES, ACADEMY, or any of their respective representatives, as applicable, promptly notifies the disclosing party of such requirement so that the disclosing party may seek an appropriate protective or similar order or (ii) in connection with any proceeding before or filed with, or other disclosure made to, a court, arbitration tribunal or mediation service to enforce any of a Party's rights arising in connection with the termination of this Agreement or (iii) was already in the possession of the Party before the date of execution hereof.

ARTICLE XII
INDEMNIFICATION

12.01 General Survival. The Parties agree that regardless of any independent investigation made by any Party, the express representations and warranties made herein, the restrictive covenants, the Confidentiality provisions herein contained, and the indemnification obligations concerning the representations and warranties of the Parties contained in this Agreement, shall survive closing and transfer of title for a period of One (1) year from the date of this Agreement (excluding issues of title to the Acquired Assets), and except as otherwise provided herein. In the event a Party provides written notice to the other Party of an allegation of a breach of the representation and warranties, the Party asserting such Claim shall be permitted to promptly prosecute such Claim until such Claim has been resolved provided that this Agreement does not extend any applicable Statute of Limitation, absent the signed agreement of both Parties. All covenants and agreements of the Parties outlined in Articles XI of this Agreement shall survive for a three (3) year period following the execution of this Agreement and all other representations and warranties shall survive for one year from the date of this Agreement as described above.

12.02 Indemnification Provisions for ACADEMY.

Subject to the provisions of Section 12.01, from and after the date of this Agreement, ACADEMY, its officers, directors, members, employees, representatives, and agents (collectively the "ACADEMY Indemnities") shall be indemnified and held harmless by JAMES from and against and in respect of any and all losses incurred by any ACADEMY Indemnities arising out of or resulting from Claims that survive the date of this Agreement, as described in Section 12.01 above related to:

(1) Any material inaccuracy in or breach of any of JAMES' representations or warranties contained in this Agreement.

(2) Any material misrepresentation contained in this Agreement and any representation made in any certificate furnished to ACADEMY by JAMES under this Agreement.

(3) Any breach of any covenant made or to be performed by JAMES under this Agreement.

(4) Any failure of JAMES to satisfy any Excluded Liabilities; and

(5) Any taxes that are paid by ACADEMY which were otherwise required to be paid by JAMES under the provisions of this Agreement.

B. Indemnification Provisions for JAMES.

Subject to the provisions of Section 12.01, from and after the date of this Agreement, JAMES, its affiliates, and their respective officers, directors, members, stockholders, employees, representatives, and agents (collectively the "JAMES Indemnities") shall be indemnified and held harmless by ACADEMY from and against and in respect of any and all losses incurred by any JAMES Indemnities arising out of or resulting from Claims that survive the date of this Agreement as described above in Section 12.01 above related to:

(1) Any material inaccuracy in or breach of any of ACADEMY's representations or warranties contained in this Agreement.

(2) Any misrepresentation contained in this Agreement and any representation made in any certificate furnished to JAMES by ACADEMY.

(3) Any breach of any covenant made or to be performed by ACADEMY under this Agreement.

(4) Any failure of ACADEMY to satisfy any Assumed Liabilities; and

(5) Any debt, claim, lien, cost, or charge resulting from ACADEMY's operation of the business or use of the Acquired Assets, which accrued after the closing date.

(6) Failure of ACADEMY to pay amounts due and payable under this Agreement.

Article XIII
Breach and Default

13.1 Dispute Resolution.

(a) An event of default shall be deemed to have occurred under this Agreement if any of the Parties breaches any term or obligation of this Agreement and fails to resolve or cure the breach for fifteen (15) days after receipt of written notice specifying the breach. In such event, the Parties may elect to submit the dispute to non-binding mediation to avoid civil litigation where the amount in dispute is less than Fifty Thousand Dollars (\$50,000).

13.2 Specific Performance. The Parties hereby acknowledge and agree that the breach of or failure of any Party to perform its agreements and covenants hereunder, including its failure to take all actions as are necessary on its part to the consummation of the transactions contemplated herein, may cause irreparable injury to the other Party, for which damages, even if available, may not be an adequate remedy or easily ascertainable. Accordingly, except as otherwise provided herein, each Party hereby consents to the other Party seeking the issuance of injunctive relief by any court of competent jurisdiction to compel the performance of such Party's obligations and to the granting by any court of the remedy of specific performance of its obligations hereunder. Nothing herein shall be construed as prohibiting any Party hereto from pursuing any other remedies that may be available to it for such breach or threatened breach, including the recovery of damages, costs, expenses, and reasonable attorneys' fees.

ARTICLE XIV
MISCELLANEOUS

14.01 Notices. All notices and other communications under this Agreement shall be in writing and shall be deemed given if delivered personally, sent by email, facsimile, or sent by nationally-recognized overnight courier, to the Parties at the addresses set forth below or to such other address as the Party to whom notice is to be given may have previously furnished to the other Party in writing in accordance herewith. Any such notice or communication shall be deemed to have been delivered and received (a) in the case of personal delivery, on the date of such delivery, (b) in the case of facsimile transmission, on the date sent if confirmation of receipt is received and such notice is also promptly mailed by registered

or certified mail (return receipt requested), and (c) in the case of a nationally-recognized overnight courier in circumstances under which such courier guarantees next business day delivery, on the next business day after the date when sent. Any Party hereto may give any notice, request, demand, claim, or other communication hereunder using any other means (including ordinary mail or electronic mail), but no such notice, request, demand, claim, or other communication shall be deemed to have been duly given unless and until it is received by the individual for whom it is intended. A copy of any notice or other communication contemplated under this section shall also be sent to the following:

For James:

James River Transportation
915 North Allen Avenue
Richmond, Virginia, 23220
Attention: Stephen W. Story

With copy to:

Douglas L. Sbertoli
Williams Mullen
200 South 10th Street, Suite 1600
Richmond, Virginia 23219
Tel: (804) 420-6450
Email: dsbertoli@williamsmullen.com

As to ACADEMY and FRANMAR:

ACADEMY EXPRESS LLC
111 Paterson Avenue
Hoboken, New Jersey 07030
Attention: Francis Tedesco. Manager
Tel: (201) 420-7000 ext. 2285

With copy to:

Joseph J. Ferrara, Esq.
111 Paterson Avenue
Hoboken, New Jersey 07030
Tel: (201) 420-7000 ext. 2296
Email: jferrara@ACADEMYbus.com

14.02 Amendments; Waivers. Any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and signed, in the case of an

amendment, by all Parties, or in the case of a waiver, by the Party against whom the waiver is to be effective.

14.03 No Waiver. No waiver by a Party of any default, misrepresentation, or breach of a warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of a warranty or covenant hereunder or affect in any way any rights arising under any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder. No failure or delay by a Party hereto in exercising any right, power, or privilege hereunder, whether express or implied, shall operate as a waiver thereof nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise thereof or the exercise of any other right, power, or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided under applicable law.

14.04 Expenses. All costs and expenses incurred in connection with this Agreement, the Vehicle Transfer Date and in Closing and carrying out the transactions contemplated hereby and thereby shall be paid by the Party incurring such cost or expense, whether or not such transactions are consummated. In the event of termination of this Agreement, the obligation of each Party to pay its expenses will be subject to any rights of such Party arising from a breach of this Agreement by the other.

14.05 Successors and Assigns. This Agreement shall be binding upon and insure to the benefit of the Parties and their respective successors, heirs, personal representatives, and permitted assigns. No Party hereto may transfer or assign either the Agreement or any of its rights, interests, or obligations hereunder, whether directly or indirectly, by operation of law, merger, or otherwise, without the prior written approval of each other Party. No such transfer or assignment shall relieve the transferring or assigning Party of its obligations hereunder if such transferee or assignee does not perform such obligations. If any party hereto shall assign such party's rights or obligations hereunder, such assignment shall also bind any such assignee and any such assignee's successors and assigns. The closing or other consummation of a transaction constituting a change of control, including a change of control under which the contracting Parties to this Agreement remain unchanged, shall be deemed to be an assignment of this Agreement.

14.06 Counterparts; Effectiveness. This Agreement may

be signed in any number of counterparts, and the signatures delivered by facsimile transmission, each of which shall be an original, with the same effect as if the signatures were upon the same instrument and delivered in person. This Agreement shall become effective when each Party hereto shall have received a counterpart hereof signed by the other Party.

14.07 Entire Agreement. This Agreement (including the schedules and exhibits referred to herein, which are hereby incorporated by reference) and the Consulting Agreement, constitute the entire agreement between the Parties concerning the subject matter hereof and thereof and supersede all prior and contemporaneous agreements, understandings, and negotiations, both written and oral, between and among the Parties concerning the subject matter of this Agreement and sets forth the entire understanding and agreement of the Parties concerning the transactions contemplated hereunder. No representation, warranty, promise, inducement, or statement of intention has been made by either Party that is not embodied in this Agreement, and neither party shall be bound by, or be liable for, any alleged representation, warranty, promise, inducement, or statement of intention not embodied herein.

14.08 Captions. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. All references to an article, section, exhibit, or schedule are references to an article, section, exhibit, or schedule of this Agreement unless otherwise specified, and include all subparts thereof.

14.09 Severability. If any provision of this Agreement, or the application thereof to any Person, place, or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable, or void, the remainder of this Agreement and such provisions as applied to other Persons, places, and circumstances shall remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms shall provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally outlined in this Agreement, including any amendments made hereto. The Parties further agree to replace such invalid, unenforceable, or void provision with a valid and enforceable provision that will achieve, in a mutually acceptable and commercially reasonable manner, the economic, business, and other purposes of such invalid, unenforceable or void provision.

14.10 Knowledge of Breach; Disclosure. No fact, event, misrepresentation, or occurrence that, in the absence of this Section 14.10, would constitute a breach or breaches of any representation or warranty of JAMES or ACADEMY, as the case may be, under this Agreement shall be deemed to constitute a breach or breaches by JAMES or ACADEMY, as the case may be, of its representations or warranties under this Agreement if JAMES or ACADEMY, as the case may be, has actual knowledge of such breach or breaches on or before the date hereof.

14.11 Third-Party Beneficiaries. No provision of this Agreement shall create any third-party beneficiary rights in any Person, including any employee or former employee of JAMES.

14.12 No Presumption against Drafting Party. Each of ACADEMY and JAMES acknowledges that it has been represented by counsel in connection with the negotiation and execution of this Agreement. Accordingly, any rule of law or any legal decision that would require interpretation of any claimed ambiguities in this Agreement against the drafting party has no application and is waived.

14.13 No Publicity and Disclosures. Before the Vehicle Transfer Date and the Closing, no press releases, or public disclosures, either written or oral, of the transaction contemplated by this Agreement shall be made by either Party without the prior written consent of the other Party.

14.14 Good Faith and Fair Dealing.

The Parties agree that they shall negotiate the terms of this transaction and any agreements to be prepared hereunder in good faith and with fair dealing.

14.15 Brokers; Finders.

JAMES and ACADEMY warrant and represent that no broker or finder was involved in the sale hereunder and that no brokerage commission or finder's fees are payable to any person or entity in connection with the transactions contemplated hereby which are or may become the obligation of the other Party.

14.16 CHOICE OF LAW. This Agreement shall be interpreted under the laws of the Commonwealth of Virginia without giving effect to its choice of law provisions. Venue in any action commenced under this Agreement must be brought in the Richmond metropolitan area in federal or state court, or through

a binding arbitration proceeding conducted by the American Arbitration Association.

IN WITNESS WHEREOF, the Parties here caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

AS TO JAMES RIVER BUS LINES,
dba JAMES RIVER TRANSPORTATION

By 
Stephen W. Story, President

AS TO ACADEMY EXPRESS LLC

By 
Francis Tedesco, Manager

AS TO FRANMAR LEASING LLC

BY 
Francis Tedesco, Manager

SCHEDULES AND EXHIBITS

Schedule A - Motor Coach Assets

Schedule B - Non-Motor Coach Assets

Schedule 2.01 (a) Charter Customer List.

Schedule 2.01 (b) Telephone Numbers, Web Site and Directory
Advertisements

Schedule 2.01(d) - Pending Motor Coach Customer
Contracts/Contract Prepayments

Schedule 2.01 (e) Permits and Licenses

Schedule 2.01 (f) Motor Coach Vehicle Titles

Schedule 2.01 (g) Motor Coach Vehicle List

Schedule 2.01(h) - JAMES Certificate of Authority and Other
Operating Authority Transferred to ACADEMY and/or surrendered to
FMCSA.

Schedule 2.01(i) - Assumed Contracts (Other Than Pending
Customer Contracts) to be assigned to ACADEMY.

Schedule 2.01 (j) Schedule of Liabilities

Schedule 2.01 (k) Schedule of Pending or Threatened Litigation
within JAMES's actual knowledge.

Exhibits

Exhibit A - Motor Coach Acquired Assets

Exhibit B - Excluded Assets

Exhibit C - Loan Agreements

Exhibit D - Form of Bill of Sale

Exhibit E - Form of Assignment Agreement

Exhibit F - Restrictive Covenants