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ENTERED

Office of Proceedings August 8, 2024

August 8, 2024

Part of

Public Record

Via Electronic Filing

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street SW
Room 1034
Washington, DC 20423-0001

RE: Docket FD 36796

Nathan Evans Acquisition of Control
Notice of Exemption

Dear Ms. Brown:

This firm represents the applicant Nathan Evans in the above captioned matter.

This letter contains revisions to the Continuation of Control filed on July 26, 2024.

The revisions are as follows:

1. This filing is an Acquisition of Control and the caption has been revised to reflect this.
2. The first paragraph on page 1 of this filing shall be revised to read as follows:

Pursuant to 49 C.F.R. 1180.4(g) (1) Nathan Evans, a non-carrier hereby files this notice of exemption under 49 C.F.R. §1180.2(d) (2) for an exemption

from the prior approval requirements of 49 U.S.C. § 11323 for his Acquisition in Control of the Columbia & Reading Railway Co. LLC (hereinafter CORY) a carrier for which he has an agreement to purchase 51% of the LLC membership interest. Mr. Evans, the applicant has an office at 169 East 99th Street Apt 7, New York, NY 10029 (646) 423-5795, Email nate@ezrailroad.com . Mr. Evans submits the following information required by Board Regulations.

3. On page two the last line shall read:

As such, the Acquisition of Control qualifies for the class exemption under 49 C.F.R. 1180.2(d)(2).

4. The material in Section 6 on page three shall be deleted. Instead, the applicant shall attach a redacted copy of the Sale of LLC Membership Interest from Freedom Rail Management LLC and the applicant Nathan. Evans. This redacted copy only redacts the purchase price and related numbers and nothing else.

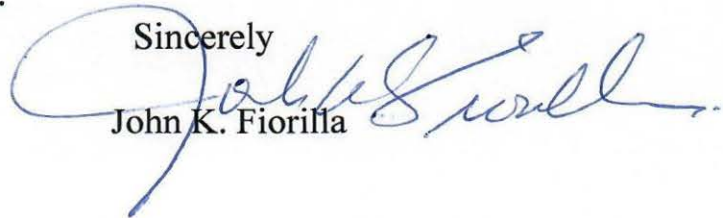
If the Board wants an unredacted copy of the agreement to also be filed please advise.

If you have any questions regarding this filing, you can reach me at 609-792-6851 or at jfiorilla@dyerpeter.com

Thank you for your time and attention.

Sincerely

John K. Fiorilla



SALE OF LLC MEMBERSHIP INTEREST

THIS AGREEMENT to purchase 51% of the LLC Membership interest in Columbia & Reading Railway Co., LLC a Pennsylvania LLC (hereinafter the "Railroad" or CORY) which is held by Freedom Rail Management, LLC, a Pennsylvania LLC (hereinafter "FRM" or "Seller") and Nathan Evans, an individual proprietor (hereinafter the "Purchaser"). Seller will also convey to Railroad at the closing FRM's current interest in the operating agreement it has to operate the Railroad which is dated May 7, 2019. Another party to this agreement is BPB Rail Services LLC whose consent to this agreement is required. BPB Rail Services, Inc ("BPB") the 49% owner of the LLC Membership interest of the Railroad by signing this agreement gives its written consent to the sale of FRM's interest to the Purchaser as required by the Amended and Restated Operating Agreement of the Columbia & Reading Railway Co dated May 7, 2019, attached hereto as Exhibit A. Christopher Freed is sole member of FRM.

The parties to this agreement agree that the Amended and Restated Operating Agreement of the Columbia and Reading Railway Co. dated May 7, 2019, shall survive this sale and Nathan Evans and his successors and assigns will therefore become the Manager of the Columbia and Reading Railway Co. succeeding Christopher D. Freed.

WHEREAS, pursuant to, and subject to, the provisions set forth above and hereinafter set forth, Purchaser agrees to purchase and acquire from Seller a 51% Membership interest for cash and other considerations as noted herein (the "Transaction").

NOW, THEREFORE, in consideration of the mutual representations,

warranties, covenants and agreements set forth in this Agreement, Seller and Purchaser hereby agree as follows:

ARTICLE 1

Purchase and Sale of Membership Interest and operating agreement.

Section 1.1. Sale of Interest. Subject to the terms and conditions of this Agreement, the Seller shall sell to Purchaser, and Purchaser shall purchase from the Seller, 51% of the Membership interest in CORY from FRM. CORY is the owner of all real estate upon which it operates and personal property including locomotive CORY 226, all of which the Purchaser will have a controlling interest when the sale is consummated.

Section 1.2. Purchase Price.

(a) The purchase price for the 51% Membership interest is [REDACTED] (the "Purchase Price"). At the Closing, Purchaser shall pay to Seller in cash [REDACTED] and a five-year promissory note from CORY for the balance of [REDACTED] secured by a security interest and UCC filing in all assets of CORY. Payments under the note will be made monthly in the amount of [REDACTED] until the total amount of principal and interest is paid, whichever comes first.

(b) The Railroad will retain all cash and accounts receivable in its account on the day of the closing and any account receivables it receives after the day of the closing.

ARTICLE II

Representations of Seller

As a material inducement to Purchaser to enter into and perform its obligations under this Agreement, Seller represents and warrants that the statements contained in this Article 2 are true and correct as of the Closing.

Section 2.1. Organization. The Railroad is an LLC organized under the laws of the Commonwealth of Pennsylvania and in good standing. 51% of its membership interest is held by Seller.

Section 2.2. Enforceability. Seller has complied with all the provisions of paragraph 11 of the Amended and Restated Operating Agreement of Columbia & Reading Railway Co. LLC regarding sale of a Members interest in the CORY and has full power and capacity to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby.

Section 2.3. No Conflicts. The execution and delivery by Seller of this Agreement, the performance of Seller of his obligations under this Agreement and the consummation by Seller and of the transactions contemplated by this Agreement do not, and will not:

(a) violate any provision of any law, statute, ordinance, rule or regulation (including any judicial or administrative interpretation thereof) (collectively, "Laws") applicable to the Railroad or those holding Membership Interest in the Railroad;

(b) violate any provision of the Certificate of Organization of FRM

(c) result in the termination of, give rise to a right of termination or cancellation of or accelerate the performance required pursuant to any Contract with customers of the Railroad (whether with the passage of time, the giving of notice or otherwise);

(d) result in the creation of any security interest, mortgage, deed of trust, lien, charge or other encumbrance (collectively, "Encumbrances") with respect to any material asset or property of the Railroad.

(e) require any consent, waiver, order, approval or authorization of any government or governmental or regulatory body thereof, whether federal, state, local or foreign, or any agency, department or instrumentality thereof, or any court (each, a "Governmental Authority"), or any other person or legal entity, other than such other consents, waivers, orders, approvals, authorizations, registrations, qualifications, declarations, filings or notifications that have been obtained or made or will be obtained or made prior to the Closing;

(f) violate, conflict with, constitute a default under or breach (whether with the passage of time, the giving of notice or otherwise) any term, condition or provision of any Contract or any order, injunction, judgment, decree, ruling, writ, assessment or arbitration award by a Governmental Authority of competent jurisdiction to which the Railroad or any of its assets or properties or the Sellers are subject (collectively, "Orders"); or

(g) result in the suspension, revocation, impairment, forfeiture or non-renewal of any approval, consent, exemption, franchise, license, permit, waiver, registration, filing, certificate or other authorization required by Law that is necessary for the conduct of the Railroad's business, as currently conducted and as proposed to be conducted, or the ownership or operation of the Railroad's properties and assets (collectively, "Required Permits").

Section 2.4. Legal Proceedings. Except as set forth in Schedule 2.4, there are no actions, suits, proceedings or investigations by or before any Governmental Authority (collectively, "Legal Proceedings") currently pending or threatened that question the validity of this Agreement or any documents to be executed as part of the Transaction contemplated hereby or any action taken or to be taken by Seller in connection with the consummation of the transactions contemplated by this Agreement. There are no Legal Proceedings currently pending or threatened against FRM or the Railroad. There are no Legal Proceedings currently pending or threatened against Christopher Freed in his capacity as sole owner of FRM.

Section 2.5. Capitalization.

(b) No Purchase Rights or Obligations. Except as provided in this Agreement: (i) no subscription, warrant, option, convertible security, or other right (contingent or otherwise) to purchase or acquire its Membership interests in the

Railroad (collectively, "Purchase Rights") is authorized or outstanding and Seller does not have an obligation (contingent or otherwise) to issue any Purchase Rights.

(c) Other than the provisions found in the Amended and Restated Operating Agreement of Columbia & Reading Railway Inc. dated May 7, 2019, and attached hereto as Exhibit A, there are no Agreements with respect to membership interest in Railroad. Purchaser warrants other than such Agreement, that there are no agreements, arrangements, or understandings, written or oral, relating to the acquisition (including without limitation rights of first refusal or preemptive rights) of Sellers Membership rights in the Railroad. BPB by signing this agreement agrees that all provisions regarding the sale of FRM's Membership Interest to Evans has been met.

Section 2.6. Subsidiaries. The Railroad does not own or control, directly or indirectly, any shares of capital stock or other securities, interests or rights of any other corporation or any interest in any partnership, joint venture, limited liability Railroad, association, joint stock Railroad, trust or other business entity.

Section 2.7. Corporate Records. The books of account and other records of the Railroad, all of which have been made available to Purchaser, represent actual, bona fide transactions and have been maintained in accordance with sound business practices. The Railroad has financial reporting sufficient to provide reliable financial reporting and the preparation of financial statements for external purposes in accordance with accounting standards consistently applied.

Section 2.8. Minute Books. The minutes of the Railroad which have been provided to Purchaser are correct records of meetings and actions taken by written consent of the Members of the Railroad. At the Closing, all the minute books of the Railroad and records will be in the possession of the Railroad and located at the Railroad office at 380 S. Fourth Street, Columbia, PA 17512 (the "Facility").

Section 2.9. Financial Statements. Sellers will provide to Purchaser (a) the unaudited balance sheet of the Railroad as of December 31, 2022 and the related statements of operations, cash flows and Sellers' equity for the period then ended, (b) the unaudited balance sheet of the Railroad as of December 31, 2021, and the related statements of operations, cash flows and equity for the year then ended, (c) the unaudited balance sheets of the Railroad as of December 31, 2020, and the related statements of operations, cash flows and Sellers' equity for the year then ended, and (d) the unaudited balance sheets of the Railroad as of December 31, 2019 and the related statements of operations, cash flows and for the year then ended (collectively, the "Financial Statements"). The Financial Statements present fairly

the consolidated financial positions of the Railroad as of their respective dates and the results of the Railroad's operations and cash flows for the respective periods. The Financial Statements do not contain any items of a special or non-recurring nature, except as expressly stated therein. The Financial Statements have been prepared from the books and records of the Railroad, which accurately and fairly reflect all transactions in, and acquisitions and dispositions of, assets by the Railroad. There has been no material change in the Railroad's accounting policies except as described in the notes to the Financial Statements.

Section 2.10. No Liabilities. At Closing the Railroad will have no liabilities (whether accrued, absolute, unliquidated, contingent or otherwise, whether or not known to the Railroad, whether due or to become due and regardless of when asserted) arising out of transactions entered into prior to the Closing, or any state of facts existing prior to the Closing. The Railroad is not a guarantor or indemnitor of any indebtedness of any other person or other legal entity.

Section 2.11. Absence of Certain Developments. Since January 1, 2021, the Railroad has operated its business consistent with past practices ("Ordinary Course of Business") and has not made any arrangements or business dealings outside the "Ordinary Course of Business."

(a) any material adverse change in the properties, assets, liabilities, condition (financial or otherwise), business, operations or prospects of the Railroad or its business. For purposes of this Agreement, "material adverse change" shall mean any event, change, development or occurrence that, individually or with any other event, change, development or occurrence is materially adverse to the Railroad's business, condition (financial or otherwise), assets, results of operations, or prospects with a financial consequence to the Railroad in excess of \$25,000 with respect to each such event, change, development or occurrence;

(b) any change, that is not disclosed in the Financial Statements, in the accounting methods or principals or cash management practices (including the collection of receivables, payment of payables, maintenance of inventory control and pricing and credit practices) of the Railroad;

(c) any Tax (as defined in Section 2.18(a)) election or any settlement or compromise of any Tax liability made by the Railroad;

(d) any writing down or writing off of any accounts or notes receivable in an amount in excess of [REDACTED], individually or in the aggregate;

(e) any sale, assignment, transfer, mortgage, pledge or other

Encumbrance of any property or asset of the Railroad, or of any Intellectual Property (as defined in Section 2.17(a)) of the Railroad;

(f) any accrued and existing breach or default, acceleration, termination (or threatened termination), amendment, modification or cancellation of any Contract by any party (including the Railroad);

(g) any agreements to increase the compensation or benefits of administrative or management employees that are not in amounts that are normal, reasonable or consistent with past practices;

(h) any other transaction between the Railroad and Seller or any Members of FRM including Christopher Freed or his family members.

(i) Any other transaction, agreement or commitment entered into or affecting the business, properties or assets of the Railroad not made in the Ordinary Course of Business;

(j) Any declaration or payment of any dividend or other distribution of the assets of the Railroad that are enforceable against the Railroad after Closing; or

(k) Any agreement or understanding to do or resulting in any of the foregoing.

Section 2.12. Assets and Property.

(a) Real Property. The real property upon which CORY operates is owned in fee simple by CORY.

(b) Tangible Property. The Railroad owns all tangible personal property used in the Ordinary Course of Business free and clear of all Encumbrances. This includes a locomotive which the CORY owns and which bears the number CORY 226. At Closing, the personal property listed in Schedule 2.12(b) shall be under the full ownership, possession or control of the Railroad.

(c) Accounts Receivable. All accounts receivable of the Railroad, whether reflected on the Financial Statements or subsequently created, have arisen from bona fide transactions in the Ordinary Course of Business and are enforceable and represent valid obligations payable to the Railroad. To the best of Seller's knowledge, there is no contest, claim or right of set-off relating to the amount or validity of any accounts receivable. The Railroad has no reason to believe that

collection of accounts receivable will be materially different than what has historically been customary for the Railroad.

(d) Accounts. Schedule 2.11(d) is a list of all bank accounts of the Railroad, including all deposit, checking, safe deposit or other accounts.

Section 2.13. Condition and Sufficiency of Assets. All tools and equipment owned by the Railroad are in good condition and repair, ordinary wear and tear excepted, and (where applicable) are in good working order. The properties and assets owned or leased by the Railroad constitute all of the real property, personal property and interests in real and personal property that are used in the operation of its business, as currently conducted.

Section 2.14. Insurance. The Railroad has in full force and effect fire, casualty and liability insurance policies, true and correct copies of which have been provided to Purchaser. The Railroad is not in default with respect to its obligations under any insurance policy maintained by it. Such policies and binders are valid and enforceable in accordance with their terms, are in full force and effect, and insure against risks and liabilities to the extent and in the manner deemed appropriate and sufficient by the Railroad for the size of business and industry. The Railroad has not received or given a notice of cancellation or non-renewal with respect to any such policy or binder. Seller warrants that said policies cover all claims made since FRM had a 51% Membership interest in the Railroad; said insurance will continue to cover claims made against Railroad after the closing of this agreement.

Section 2.15. Competing Interests. Seller does not (a) own, directly or indirectly, an interest in any entity that is a competitor, customer, or supplier of the Railroad or that otherwise has material business dealings with the Railroad, or (b) have any direct or indirect interest opposed to the Railroad under a Railroad Contract or other business relationship or arrangement with the Railroad.

Section 2.16. Contracts. For purposes of this Agreement, a "Contract" means any contract, agreement, indenture, note, bond, loan, instrument, lease, mortgage, license, franchise, obligation, commitment or other arrangement, agreement or understanding to which the Railroad is a party, obligor or beneficiary, or by which any of the properties or assets of the Railroad is bound, which contemplates goods or services of more than [REDACTED] during its term. Schedule 2.16 is a list of each Railroad Contract with customers. Each Contract, copies of which have been provided to Purchaser, is a valid and binding agreement of the Railroad, as applicable, and each other party to such agreement, is in full force and effect and enforceable against each party thereto in accordance with its terms. There has been

no breach or default that has not been cured or waived under any Contract by the Railroad (or event that with the passage of time, the giving of notice or both would constitute a breach or default) and no breach or default by any other party thereto (or event that with the passage of time, the giving of notice or both would constitute a breach or default). No party to any Contract has notified the Railroad of, any intention to terminate or materially alter its relationship with the Railroad. The Railroad is not obligated to a Contract that has not been disclosed to Purchaser.

Section 2.17. Intellectual Property.

(a) Definition. For purposes of this Agreement, "Intellectual Property" means all United States and foreign intellectual and industrial property, including patent applications, patents and any reissues or reexaminations thereof, trademarks, service marks, trademark/service mark registrations and applications, trade dress, logos, corporate and brand names, trade names, all other names and slogans embodying business or product goodwill (or both), copyright registrations, mask works, copyrights, moral rights of authorship, rights in designs, trade secrets, technology, inventions, discoveries, improvements, know-how, proprietary rights, computer software and firmware, domain names, internet domain names, specifications, drawings, designs, plans (including specifications, drawings, designs and plans for all past projects of the Railroad, copies of which are available at the Facility), compositions, proposals, formulae, processes, techniques, methods, technical information, financial and marketing plans, customer lists and information, confidential and proprietary information, and all other intellectual and industrial property rights, whether or not subject to statutory registration or protection.

(b) Title to Intellectual Property. The Railroad owns and possesses, is licensed under or has the valid right to use all of the Intellectual Property that is held, used in or necessary for the conduct of its business as currently conducted (collectively, the "Business Intellectual Property") as shown on Schedule 2.17. The Business Intellectual Property that is owned by the Railroad (the "Owned Intellectual Property") is not subject to any outstanding option, license or agreement of any kind. There is no unauthorized use, infringement or misappropriation of any Business Intellectual Property by any person or entity, including without limitation any employee or former employee of the Railroad. No claim has been asserted to the Railroad by any third party with respect to the Business Intellectual Property, including any claim of ownership of, or infringement by, the Business Intellectual Property. There is no reasonable basis for any bona fide claim against the Railroad (i) to the effect that the conduct of its businesses, whether or not related to the Business Intellectual Property, infringes, violates or misappropriates or has infringed, violated or misappropriated, any Intellectual Property of any other person

or entity, or (ii) challenging the Railroad's ownership of any of the Owned Intellectual Property or the validity or enforceability of any license relating thereto, or the Railroad's right to use, any other Business Intellectual Property.

(c) Competitive Intellectual Property. No present or former affiliate, director, officer, Seller or employee of the Railroad, or other third party, has misappropriated Intellectual Property that is used by the Railroad or derived from or in connection with the conduct of its business in a manner that would interfere with the Railroad's use of such Intellectual Property in the ordinary course of business.

Section 2.18. Taxes.

(a) Certain Definitions. For purposes of this Agreement, (i) "Code" means the Internal Revenue Code of 1986, as amended, and (ii) "Taxes" (including, with correlative meaning, the term "Tax") means all taxes, charges, fees, levies, duties, penalties, assessments or other amounts imposed by or payable to any foreign, federal, state, local or other taxing authority or agency, including, but not limited to, income, gross receipts, profits, windfall profits, gains, minimum, alternative minimum, estimated, ad valorem, value added, severance, stamp, customs, import, export, utility, use, service, excise, property, sales, transfer, franchise, payroll, withholding, social security, disability, employment, workers compensation, unemployment compensation and other taxes, and including any interest, penalties or additions attributable thereto.

(b) Timely Filing and Payment. The Railroad has timely (i) filed (or there have been filed on its behalf) with the appropriate taxing authorities all Tax returns required to be filed by the Railroad and (ii) paid (or there has been paid on its behalf) all Taxes due or claimed to be due from the Railroad by any taxing authority, including the withholding and payment of all amounts required to be withheld from any employee. The Railroad has provided to Purchaser true and complete copies of all tax returns filed by the Railroad both State and Federal for the tax years 2020, 2021 and 2022. There are no Encumbrances for Taxes upon the assets or properties of the Railroad except for statutory liens for current Taxes not yet due. No federal, state, local or foreign audits or other administrative proceedings or court proceedings ("Audits") are currently pending with regard to any Taxes or Tax returns of the Railroad, and the Railroad has not received any notice of an Audit or been threatened with any Audit, with respect to any Taxes due from or with respect to either or any Tax return filed by or with respect to either. No Tax deficiency has been proposed or assessed against the Railroad and the Railroad has not executed any waiver of any statute of limitations on the assessment or collection of any Tax. All Tax deficiencies that have been finally determined against the

Railroad have been fully paid or finally settled. The Railroad has not received any correspondence or notices regarding any deficiency or non-compliance that has not been resolved.

Section 2.19. Compliance with Laws.

(a) The Railroad is, and has at all times been, in compliance in all material respects with all Laws.

(b) The Railroad has obtained all Required Permits required for operating its business, all such Required Permits are in full force and effect, and the Railroad is in material compliance with the requirements of all such Required Permits. No loss or expiration of a Required Permit is pending or threatened, other than in the Ordinary Course of Business.

(c) The Railroad has complied in all material respects with all applicable state and federal equal employment opportunity and other Laws related to employment (including provisions thereof relating to wages, bonuses, equal opportunity, collective bargaining or payments of social security and other Taxes).

Section 2.20. ERISA. After the Closing, the Railroad will have no liability to any person (including without limitation, the Department of Labor, Internal Revenue Service and the Pension Benefit Guaranty Corporation) under or with respect to any Employee Benefit Plan. For purposes of this Agreement, the term "Employee Benefit Plans" means (a) all retirement and deferred compensation plans, including defined benefit, 401(k), savings, thrift, profit sharing, money purchase pensions, employee stock ownership, Simplified Employee Pension and nonqualified deferred compensation plans (e.g., deferred bonus plans, elective deferral plans and supplemental executive plans), (b) all welfare plans, including life, health, accident, accidental death & dismemberment, dental, vision, disability (long and short term), hospitalization, cafeteria, sick pay policies, unemployment reimbursement other than under state law, and severance pay, (c) retiree benefits, including medical benefits, (d) employment agreements and independent contractor arrangements, (e) stock option plans, or (f) other employee benefits including vacation policies, personal day and noncash arrangements.

Section 2.21. Environmental Matters.

(a) Certain Definitions. For purposes of this Agreement, (i) "Hazardous Materials" means any substance, material, contaminant, pollutant or waste listed, defined, designated or classified as hazardous, toxic, radioactive or dangerous under any Law or regulated as such by any Governmental Authority including, without limitation, any hazardous substance, toxic substance, petroleum (or any derivative or by-product thereof), radon, radioactive material, asbestos (or presumed asbestos-containing material), urea formaldehyde, foam insulation, lead or polychlorinated biphenyls, and (ii) "Environmental Laws" means all Laws, Orders and required permits pertaining to the protection, preservation or restoration of the environment or natural resources or the generation, production, use, storage, transportation, processing, release or disposal of Hazardous Materials.

(b) Compliance with Environmental Laws. The Railroad is now and has at all times been in compliance with all Environmental Laws. The Railroad has never generated, produced, used, stored, transported, processed, released or disposed of any Hazardous Materials, in any quantity, except in compliance with all Environmental Laws. None of the real property formerly or currently owned or leased by the Railroad or used in the business contains any Hazardous Materials. There are no underground storage tanks on, in or under the real property owned or leased by the Railroad or used in its business, and no underground storage tanks have been closed or removed from any such real property. The Railroad is not subject to any pending claim or Legal Proceeding investigating, asserting or alleging the violation of any Environmental Law. There are no environmental conditions affecting the Railroad or its business, properties or assets that require remediation or other corrective action under any Environmental Law. The Railroad has not received any notice, demand letter or request for information from any Governmental Authority or other person or entity indicating, asserting or alleging (or threatening to assert or allege) that either is, may be, has or may have violated any Environmental Law, may be liable under any Environmental Law, may be a potentially responsible party at any Superfund or state equivalent site or asserting personal injury claims for exposure to Hazardous Materials. All environmental investigations, studies, audits, tests, reviews and other analyses regarding compliance or noncompliance with any Environmental Law by the Railroad or the real property currently or formerly owned or leased by the Railroad or used in the business have been delivered to Purchaser prior to the date hereof and are listed in Schedule 2.21.

Section 2.22. Brokers. The Railroad and the Seller does not have any liability or obligation to pay any fees or commissions to any broker, finder or agent

with respect to the transactions contemplated by this Agreement. Sellers shall be responsible for any fees or commissions broker, finder or agent representing them.

Section 2.23. Employee and Consultants.

(a) No LLC Member, officer, employee, or agent, consultant, or independent contractor of the Railroad is bound by any Contract or subject to any Order that purports to limit the ability of such LLC Member, officer, employee, agent, consultant, or independent contractor (i) to engage in or continue or perform any conduct, activity, duties, or practice relating to the business of the Railroad or (ii) to assign to the Railroad any rights to any invention, improvement, or discovery. No former or current employee of the Railroad is a party to, or is otherwise bound by, any Contract that in any way adversely affected, affects, or could affect the ability of the Railroad to continue to conduct its business as conducted.

(b) There are no retired or former employees of the Railroad receiving benefits or scheduled payments from the Railroad.

(c) The Railroad has provided or made available to Purchaser the following information for each employee of the Railroad, including each employee on leave of absence or layoff status: his or her name, job title, date of commencement of employment, details of leave of absence or layoff, rate of compensation, bonus arrangement, and any change in compensation or bonus since December 31, 2021 vacation, sick time, and personal leave accrued, and service credited for purposes of vesting and eligibility to participate under any Employee Benefit Plan, except in each case for bonuses that will be fully paid by the Railroad prior to Closing without further liability or obligation to the Railroad therefor.

ARTICLE 2

(a) Schedule 2.23(e) lists employees terminated or laid off by the Railroad since December 31, 2021.

Section 2.24. No Misrepresentations. The representations, warranties and statements made by the Railroad and the Sellers in or pursuant to this Agreement are true, complete and correct in all material respects and do not and will not contain any untrue statement of a material fact or omit to state any material fact necessary to make any such representation, warranty or statement, under the circumstances in which it is made, not misleading.

Section 2.25. Survival; Limitation of Liability. All representations and warranties of Sellers contained in this Agreement shall survive the Closing. Purchaser must give Sellers written notice of any claim it has against Sellers for a

breach of any such representation, warranty or covenant, within twenty-four (24) months of Closing. Any claim which Purchaser has which is not asserted within such twenty-four (24) month period shall not be valid or effective, and Sellers shall have no liability with respect thereto. Without limiting the foregoing, Purchaser may not bring any action against Sellers for a breach of any representation, warranty, indemnity or covenant of Sellers contained in this Agreement or in any agreement delivered by Sellers to Purchaser at Closing unless and until the aggregate amount of all liability and losses arising out of any such breach exceeds Ten Thousand Dollars (\$10,000.00) in which case Sellers shall be liable for such losses from the first dollar of such losses. In no event will a Seller's liability for all such breaches exceed, in the aggregate, the amount allocated to such Seller in Schedule 1.2. No Party will be entitled to recover from any other Party, and all Parties waive the right to seek from the other Parties, any punitive, incidental, special, exemplary, consequential (including, without limitation, claims for lost profits) or speculative damages. Nothing contained herein shall limit or restrict any Party's right to maintain or recover any amounts in connection with any action or claim based upon fraud. The provisions of this Section 2.25 shall survive the Closing.

Article 3

Representations and Warranties of Purchaser

Purchaser hereby represents and warrants to the Seller

Section 3.1. Organization. Purchaser is an individual proprietor.

Section 3.2. Enforceability. Purchaser has all requisite power and authority to execute and deliver this Agreement, to perform its obligations under this Agreement and to consummate the transactions contemplated by this Agreement. This Agreement has been duly and validly executed and delivered by Purchaser and constitutes the legal, valid and binding obligations of Purchaser enforceable against it in accordance with its terms, except (a) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (b) as such enforceability may be limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (c) to the extent that the choice of law provisions contained in this Agreement may be limited by applicable laws.

Section 3.4. Access to Information. Purchaser has been provided with all the information regarding the Railroad that Purchaser has requested from the Seller.

ARTICLE 4

Closing

Section 4.1. Closing. The closing of the purchase of the Membership Interest under this Agreement by Purchaser or its assign and all related transactions contemplated hereby, (the "Closing") is taking place contemporaneously with the execution of this Agreement on June 27th 2024.

Section 4.2. Proceedings at Closing. All proceedings to be taken and all documents to be executed and delivered by all Parties at the Closing will be deemed to have been taken, executed and delivered simultaneously, and no proceedings will be deemed taken nor any documents executed or delivered until all have been taken, executed and delivered.

Section 4.3. Deliveries by Sellers and the Railroad at the Closing. At the Closing, Seller will cause the Railroad to deliver to Purchaser the following:

- (a) Executed original of this Agreement;
- (b) Make available at the Facility all corporate books and all records for the Railroad;
- (c) Possession of all the assets, both tangible and intangible, of the Railroad;
- (d) Copies of the consent from BNB the 49% owner of the Membership Interest of CORY permitting FRM to convey its 51% interest in CORY to Purchaser and agreeing that the value of the interest -should be \$ 500,000.00.
- (e) Such other documents as may be reasonably requested by Purchaser to consummate the transactions contemplated hereby.

Section 4.4. Deliveries by Purchaser at the Closing. At the Closing, Purchaser will deliver (or cause to be delivered) to the Railroad or the Sellers:

- (a) Executed original of this Agreement;
- (b) [REDACTED] in cash and a [REDACTED] promissory note from CORY for [REDACTED] with a rate of interest of [REDACTED] secured by a lien and UCC filing on all assets of CORY.

ARTICLE 5

Indemnification; Post-Closing Obligations

Section 5.1. Indemnification by Seller. From and after the Closing, Seller agrees to indemnify, defend and save Purchaser (including, after the Closing, the Railroad), and each of its respective officers, directors, employees and agents (each, an "Indemnified Purchaser Party"), harmless from and against, and to promptly pay to an Indemnified Purchaser Party or reimburse an Indemnified Purchaser Party for, any and all liabilities (whether contingent, fixed or unfixed, liquidated or unliquidated, or otherwise), taxes, obligations, deficiencies, demands, claims, suits, actions, or causes of action, assessments, losses, costs, expenses, interest, fines, penalties, actual or punitive damages or costs or expenses of any and all investigations, proceedings, judgments, environmental analyses, remediations, settlements and compromises (including reasonable fees and expenses of attorneys, accountants and other experts incurred by any Indemnified Purchaser Party (individually a "Loss" and collectively, the "Losses") sustained or incurred by any Indemnified the Purchaser relating to, resulting from or arising out of (i) any breach of a representation or warranty made herein by the Seller, (ii) any liability or obligation associated with the operations, actions or omissions of the Railroad and/or Seller prior to Closing, and (iii) any non-compliance with or breach by the Railroad or any Seller of any covenants or agreements contained in this Agreement to be performed by the Railroad or Seller. "Affiliates" shall mean any person or entity directly or indirectly controlling, controlled by or under the common control with Purchaser. The indemnification obligation of Seller provided for in this Section 5.1 shall be subject to the limitations provided for in Section 2.25.

Section 5.2 Indemnification by Purchaser. From and after the Closing, Purchaser agrees to indemnify, defend and save the Seller harmless from and against, and to promptly pay to Seller or reimburse Seller for, any and all Losses sustained or incurred by Seller relating to, resulting from or arising out of (i) any breach of a representation or warranty made herein by Purchaser; (ii) any claims, demands, liabilities, proceedings, damages, expenses, or similar losses arising out of the operations of the Railroad by Purchaser after the Closing hereunder; or (iii) any non-compliance with or breach by the Railroad or Purchaser of any covenants or agreements contained in this Agreement to be performed by the Railroad or Purchaser after Closing.

Section 5.3 Procedure for Indemnification. The following procedure shall apply to the foregoing agreements to indemnify and hold harmless:

(a) The Party who is seeking indemnification (the "Claimant") shall give written notice to the Party from whom indemnification is sought (the "Indemnitor") promptly after the Claimant learns of the claim or proceeding, provided that the failure to give such notice shall not relieve the Indemnitor of its obligations hereunder except to the extent it is actually damaged thereby.

(b) With respect to any third-party claims or proceedings as to which the Claimant is entitled to indemnification, the Indemnitor shall have the right to select and employ counsel of its own choosing to defend against any such claim or proceeding, to assume control of the defense of such claim or proceeding, and to compromise, settle or otherwise dispose of the same, if the Indemnitor deems it advisable to do so, all at the expense of the Indemnitor. The parties will fully cooperate in any such action, and shall make available to each other any books or records useful for the defense of any such claim or proceeding. The Claimant may elect to participate in the defense of any such third-party claim, and may, at its sole expense, retain separate counsel in connection therewith. Subject to the foregoing (i) the Claimant shall not settle or compromise any such third-party claim without the prior written consent of the Indemnitor and (ii) the Indemnitor shall not settle or compromise any such third-party claim without the prior written consent of the Claimant, in each case of (i) and (ii) which consent shall not be unreasonably withheld.

Section 5.4 Customer and Other Business Relationships. From and after the Closing, Seller shall reasonably cooperate with Purchaser and the Railroad in their efforts to continue and maintain for the benefit of Purchaser and the Railroad those business relationships of the Railroad and of such Seller relating to the business of the Railroad, including relationships with any customers, suppliers, licensors, licensees, lessors, employees, regulatory authorities, and others.

Section 5.5 Cooperation and Proceedings; Access to Records.

(a) After the Closing, Seller shall reasonably cooperate with Purchaser and its counsel and make itself and its representatives reasonably available to Purchaser and the Railroad in connection with the institution or defense of any Legal Proceeding, whether existing, threatened, or anticipated, involving or relating to the Transaction, Purchaser, Seller or the Railroad, including providing testimony, records, and other information.

(b) Seller and Purchaser will make available to the other any records in the non-requesting Party's custody or control for the purpose of preparing any financial statement or tax return or preparing for or defending any tax-related

examination of the requesting Party or the Railroad by any Governmental Authority. The Party requesting such records shall reimburse the non-requesting Party for the reasonable out-of-pocket costs and expenses incurred by the non-requesting Party. The non-requesting Party shall afford access to such records during normal business hours, upon reasonable advance written notice given by the requesting Party, and subject to such reasonable limitations as the non-requesting Party may impose to delete competitively sensitive or privileged information

Section 5.6 Survival. The representations, warranties, and covenants in this Agreement, except as otherwise expressly provided herein, shall survive the Closing until the date that is twenty-four (24) months after the Closing:

(a) the representations and warranties in Section 2.1, Section 2.2, and Section 2.3, shall survive the Closing until the date that is three (3) years after the Closing Date; the representations and warranties in Section 2.17 and Section 2.20 shall survive until the expiration of the applicable statute of limitations.

(b) covenants with a specified expiration date shall survive until the expiration of the term specified therein; and

(c) covenants to be performed after Closing without a specified expiration date shall continue without respect to such time limitations.

Notwithstanding the preceding sentence, any representation or warranty in respect of which indemnity may be sought under this Agreement will survive the time at which it would otherwise terminate pursuant to the preceding sentence if written notice of the inaccuracy or breach thereof giving rise to such right of indemnity has been given to the party against whom such indemnification may be sought prior to such time; *provided that* such right of indemnity shall continue to survive and shall remain a basis for indemnification hereunder only until the related claim for indemnification is resolved or disposed of in accordance with the terms hereof.

Section 5.7 Confidentiality.

(a) None of the Parties to this Agreement shall use or disclose to others the Purchase Price, or permit the use or disclosure of, any and all non-public information about the Railroad, the Railroad assets, the business or another Party that is furnished by each to the other or learned about the other (including confidential information transmitted by each to its representatives, accountants, counsel, advisors, investors, lenders or bankers ("Representatives")) in the course of negotiations relating to this Agreement, the business and financial reviews and investigations referred to in this Agreement, or in the course of the post-Closing

relationships among the Parties established under this Agreement, except for disclosure to their respective officers, directors, employees and Representatives who need to know such information (and who will each be subject to confidentiality as provided herein) in connection with this Agreement.

(b) Each Party agrees that at no time shall it or its Representatives use or permit any other person to examine, use or derive benefit from any such non-public information without the other's express written consent. Neither Party shall disclose any such non-public information to anyone other than its Representatives and to those third parties who have a reasonable need for such information, which individuals have been advised of the confidential nature of the information. The duty of non-disclosure shall not apply to information which was in the public domain at the time it was communicated to such Party or subsequently enters the public domain through no fault of such Party or its Representatives.

(c) Notwithstanding the foregoing, (i) Purchaser can disclose the information to bankers and other possible lenders and investors for purposes of obtaining financing for the contemplated Transaction; (ii) disclosure of such information may be made to the extent required by judicial or regulatory process, and reviews by financial institutions which are lenders to Purchaser; (iii) such information may be used to the extent necessary as evidence in or in connection with any pending or threatened litigation relating to this Agreement; and (iv) Sellers, Railroad and Purchaser may disclose the existence of this Agreement to suppliers, vendors, contractors, customers, lenders, employees or others to the extent reasonably necessary to obtain any third party consents and for the consummation of the Transaction.

(d) The confidentiality obligation set forth in this Section shall survive termination or the Closing of this Agreement.

(e) Each Party agrees that the confidential information of the other Party is unique and that its release or misuse in contravention of the terms of this Agreement may not be compensable in monetary damages and that the non-breaching Party shall be entitled to seek appropriate injunctive relief therefor. In connection therewith the Parties waive the claim or defense that an adequate remedy exists at law.

Section 5.8. Dispute Resolution.

(a) Exclusive Dispute Resolution Mechanism. The Parties shall resolve any dispute, controversy or claim arising out of or relating to this Agreement,

or the breach, termination or invalidity hereof (each, a "Dispute"), under the provisions of this Section 5.8. The procedures set forth in this Section 5.8 shall be the exclusive mechanism for resolving any Dispute that may arise from time to time.

(b) Negotiations. The Parties shall first attempt in good faith to resolve any Dispute by negotiation and consultation among themselves. In the event that such Dispute is not resolved on an informal basis within thirty (30) Business Days (the last day of such time period, the "Escalation to Mediation Date"), any Party may initiate mediation under Section 5.8(c).

(c) Mediation.

(i) Subject to Section 5.8(b), the Parties may, at any time after the Escalation to Mediation Date, submit the Dispute to any mutually agreed to a mediator or mediation service in the Commonwealth of Pennsylvania for mediation by providing to the mediator mediation service a joint, written request for mediation, setting forth the subject of the dispute and the relief requested. The Parties shall cooperate with the mediation service and with one another in selecting a neutral mediator and in scheduling the mediation proceedings. The Parties covenant that they will use commercially reasonable efforts in participating in the mediation. The Parties agree that the mediator's fees and expenses and the costs incidental to the mediation will be shared equally between the Parties.

(ii) The Parties further agree that all offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts and attorneys, and by the mediator and any employees of the mediation service, are confidential, privileged and inadmissible for any purpose, including impeachment, in any litigation, arbitration or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation.

(d) Litigation as a Final Resort. If the Parties cannot resolve for any reason, including, but not limited to, the failure of a Party to agree to enter into mediation or agree to any settlement proposed by the mediator, any Dispute within ninety (90) days after the Escalation to Mediation Date, either Party may file suit in a court of competent jurisdiction.

ARTICLE 6 Miscellaneous

Section 6.1. Entire Agreement; Schedules. This Agreement (including any exhibits or schedules to this Agreement) represents, and is intended to be, a complete statement of all of the terms and the arrangements between the Parties to this Agreement with respect to the matters provided for in this Agreement, supersedes any and all previous oral or written and all contemporaneous oral agreements, understandings, negotiations and discussions between the Parties to this Agreement with respect to those matters. **THE PARTIES ACKNOWLEDGE THAT THEY HAVE NOT MADE, AND ARE NOT MAKING, ANY REPRESENTATIONS OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, REGARDING ANY SUBJECT MATTER PROVIDED FOR IN THIS AGREEMENT, EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT. IN ENTERING INTO THIS AGREEMENT, NO PARTY HAS RELIED, IN ANY WAY, UPON ANY EXPRESS OR IMPLIED AGREEMENTS, REPRESENTATIONS, WARRANTY OR STATEMENT OF ANOTHER PARTY EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES SPECIFICALLY SET FORTH IN THIS AGREEMENT. EACH PARTY ACKNOWLEDGES THAT IT HAS RELIED SOLELY UPON ITS OWN JUDGMENT IN ENTERING INTO THIS AGREEMENT.** The Schedules and any exhibits to this Agreement are hereby incorporated and made a part hereof and are an integral part of this Agreement.

Section 6.2. Headings; References. The article and section headings of this Agreement are for reference purposes only and are to be given no effect in the construction or interpretation of this Agreement. Except as otherwise specifically provided, any reference to any article, section, exhibit or schedule will be deemed to refer to such article or section of or exhibit or schedule to this Agreement.

Section 6.3. GOVERNING LAW; VENUE. THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA WITHOUT REFERENCE TO THE PRINCIPLES OF CONFLICT OF LAWS OR ANY OTHER PRINCIPLE THAT COULD RESULT IN THE APPLICATION OF THE LAWS OF ANY OTHER JURISDICTION. THE PARTIES AGREE THAT VENUE FOR ANY PROCEEDING SHALL BE IN THE COURTS OF THE COMMONWEALTH OF PENNSYLVANIA OR IF JURISDICTION LIES, IN AN APPROPRIATE US DISTRICT COURT IN PENNSYLVANIA.

Section 6.4. Further Assurances. Each party to this Agreement hereby

covenants and agrees, without the necessity of any further consideration, to execute and deliver any and all such further documents and take any and all such other actions as may be necessary or appropriate to carry out the intent and purposes of this Agreement and to consummate the transactions contemplated hereby.

Section 6.5. Notices. All notices and other communications under this Agreement must be in writing and will be deemed given (a) when delivered personally, (b) on the fourth business day after being mailed by certified mail, return receipt requested, (c) the next business day after delivery to a recognized overnight courier or (d) upon transmission and confirmation of receipt by facsimile if sent by facsimile, to the party at the following addresses or facsimile numbers (or to such other address or facsimile number as such party may have specified by notice given to the other party pursuant to this provision):

If to Purchaser:

Nathan Evans
169 E 99th St., Apt 7
New York NY 10029

with a copy to:
(Which shall not
constitute Notice)

If to the Seller:

Freedom Rail Management LLC
P.O. Box 848
Columbia, PA 17512

with a copy to:

John K. Fiorilla, Esq. for Purchaser
Dyer & Peterson P.C.
322 U.S. Highway 46, Suite 220E
Parsippany, NJ 07054

Wanda S. Whare, Esq. for Seller
Nikolaus & Hohenadel, LLP
212 North Queen Street
Lancaster, PA 17603

(Which shall not
constitute Notice)

Section 6.6. Severability. If any provision of this Agreement, as applied to any party or to any circumstance, is held invalid, illegal or unenforceable by any court of competent jurisdiction, (a) such provision, as applied to such party or such circumstance, is hereby deemed modified to give effect to the original written intent of the parties to the greatest extent consistent with being valid and enforceable under applicable law, (b) the application of such provision to any other party or to any other circumstance will not be affected or impaired thereby and (c) the validity, legality and enforceability of the remaining provisions of this Agreement will remain in full force and effect.

Section 6.7. Binding Effect: No Assignment. This Agreement will be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Nothing in this Agreement will create or be deemed to create any third-party beneficiary rights in any person or other legal entity not party to this Agreement. No assignment of this Agreement or of any rights or obligations under this Agreement may be made by Sellers, the Railroad, or Purchaser (by operation of law or otherwise) without the prior written consent of the other parties hereto and any attempted assignment without such consent will be void.

Section 6.8. Amendments. This Agreement may not be amended, modified or supplemented except by a written agreement executed by each of the parties hereto.

Section 6.9. Counterparts: Electronic Signatures. This Agreement may be executed by facsimile and in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. A manual signature on this Agreement or other documents to be delivered pursuant to this Agreement, an image of which shall have been transmitted electronically, will constitute an original signature for all purposes. The delivery of copies of this Agreement or other documents to be delivered pursuant to this Agreement, including executed signature pages where required, by electronic transmission will constitute effective delivery of this Agreement or such other document for all purposes.

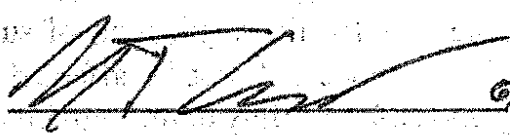
Section 6.10. Right of First Refusal. Upon entering into an agreement to sell the railroad (an agreement which includes the fact that it is subject to a right of first refusal), Frank Sahd Salvage Center, Inc., 1045 Lancaster Avenue, Columbia Pa. has the right of first refusal to purchase the railroad for the same amount as the proposed sale price with 60 days prior notice of sale.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties to this Agreement have executed this instrument as of the date and year first above written.

PURCHASER

Nathan Evans, Individually

By: 
Its: _____

6/27/2024

Seller

Freedom Rail Management, LLC

By: 

Christopher Freed, sole member

6/27/2024

The following parties provide their consent:

BPB Rail Services, Inc.

By: _____

Frank Sahd Salvage Center Inc.

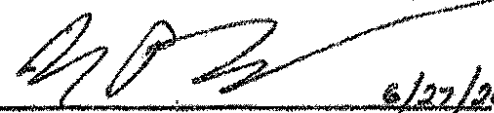
Treasurer

Ronald Sahd

IN WITNESS WHEREOF, the parties to this Agreement have executed this instrument as of the date and year first above written.

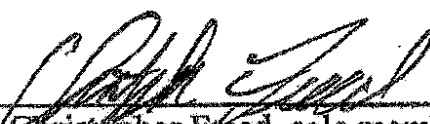
PURCHASER

Nathan Evans, Individually

By:  6/27/2024
Its: _____

Seller

Freedom Rail Management, LLC

By:  6/27/2024
Christopher Freed, sole member

The following parties provide their consent:

BPB Rail Services, Inc.

By: _____

**Frank Sahd Salvage Center Inc.
Treasurer**

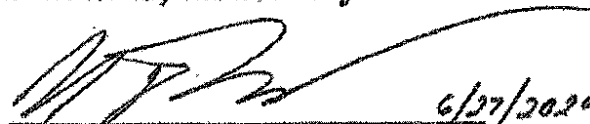


Ronald Sahd

IN WITNESS WHEREOF, the parties to this Agreement have executed this instrument as of the date and year first above written.

PURCHASER

Nathan Evans, Individually

By: 

6/27/2024

Its: _____

Seller

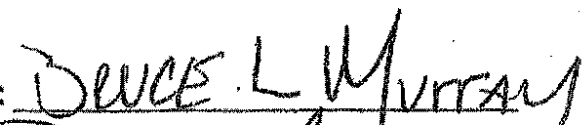
Freedom Rail Management, LLC

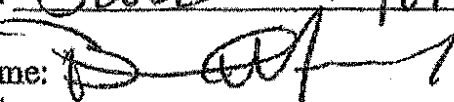
By: 

Christopher Freed, sole member

The following parties provide their consent:

BPB Rail Services, Inc.

By: 

Name: 

Title:

Owner BPB Rail Svc.

Ronald Sahd

Exhibit A

AMENDED AND RESTATED

OPERATING AGREEMENT OF COLUMBIA & READING RAILWAY CO.

AGREEMENT made as of the / day of 2019 by and among Freedom Rail Management, LLC, a Pennsylvania limited liability Company ("FRM") and BPB Rail Services, LLC, a Pennsylvania limited liability company ("BPB") (FRM and BPB are hereinafter referred to individually as "Member" and collectively as "Members") and Columbia & Reading Railway Co., a limited liability company formed and existing under Pennsylvania law with its principal place of business in Lancaster County, Pennsylvania ("Company").

Intending to be legally bound, the parties agree as follows:

1. Effective Date. The effective date of this Agreement is the date of the filing of the Certificate of Organization with the Secretary of State of the Commonwealth of Pennsylvania ("Certificate").

2. Management. The management of the Company is reserved to the Manager. The Company shall be managed by a Manager appointed by the Members. The initial Manager shall be Christopher D. Freed.

3. Limited Liability of Members and Manager. The Members shall not be personally obligated to any third party for any debt, obligation or liability of the Company solely by reason of being a Member. The Manager shall not be personally obligated to any third party for any debt, obligation or liability of the Company solely by reason of acting as Manager. The Members and the Manager shall be liable for their personal conduct as provided under law.

4. Taxation. The Company shall be taxable as an entity allowed under Federal and State provisions subject to elected changes to comply with evolving tax regulations.

5. LLC Act and this Agreement. Except as otherwise provided in this Agreement, the business and internal affairs of the Company shall be governed by 15 Pa. C.S. § 8811, et seq. ("the Act") as in effect on the date of the filing of the Certificate and as may be amended from time to time. If there is a conflict between the provisions of this Agreement and the Certificate, the provisions of this Agreement shall control.

6. Protection of Limited Liability of Members and Manager. The Manager shall use their best efforts to protect the limited liability of the Members and the Manager as follows:

(a) The Manager shall ensure that the full and proper legal name is used at all times in connection with the business of the Company and shall appear on all documents and agreements where the Company name appears.

(b) All books and accounts of the Company shall be maintained separately from those of the Members and the Manager. There shall be no commingling of the assets of the Company with the assets of the Members or Manager. The Members shall not borrow money or other assets from the Company or lend money or other assets to it except on an arms length basis and pursuant to appropriate written documentation.

(c) The Manager shall use their best efforts to ensure that the Company's cash and other assets, insurance and financial resources are sufficient to enable it to meet its reasonably foreseeable liabilities when due.

7. Capital Matters.

(a) Capital. Each Member shall contribute to the capital of the company, the amount set forth opposite the Member's name. All contributions made by the Members shall be pursuant to written agreement. If a Member fails to make the contribution or additional contribution in breach of the Member's written agreement, the matter may be compromised only with the unanimous consent of all other Members. An individual capital account shall be maintained for each Member in accordance with the Treasury Regulations issued under Section 704 (b) of the Internal Revenue Code of 1986 as amended.

<u>Name</u>	<u>Amount</u>	<u>Percentage Interest</u>
Freedom Rail Management, LLC		51%
BPB Rail Services, LLC		49%

(b) Capital Account Withdrawals and Interest. Except as otherwise provided herein, no Member shall be permitted to withdraw any amount from the Member's capital account and interest shall not be paid on capital accounts. Except as otherwise expressly provided herein, there shall be no distributions of property of the Company to the Members with respect to their interests in the Company and no distributions shall be made in violation of the Act.

(c) Members' Interests. Each Member shall own an undivided interest in the company equal to the Member's respective percentage interest as set forth in Section (a) above. All assets of the Company shall be held in name of the company or a nominee name and not in the name of the Members or any Member. No Member shall have an interest in any company asset except the Member's interest through ownership of an interest in the company.

8. Distributions and Allocations of Income/Loss

(a) Allocation of Income and Loss. All items of company income, gain, loss, deduction, and credit for each taxable year of the company shall be allocated for all purposes to the Members in accordance with their respective percentage interests in the company. Such allocations shall be made as of the close of business on the last day of each taxable year and shall be made directly to the capital accounts of each Member.

(b) Distributions.

A. Subject to subsection B, distributions of cash and/or other assets or property of the company from whatever source (including net proceeds of company operations and sale, financing, or refinancing of company assets), shall be made to the Members in accordance with their respective percentage interests at such times and in such amounts as the Members shall determine.

B. Minimum Distributions. For each year the company will distribute to each Member cash in the minimum amount of the Member's percentage interest of the company's net taxable income for such taxable year times the sum of the maximum Federal income tax rate plus the maximum state income tax rate applicable to such income. The Members further agree to revise that rate annually to take into account changes in such tax rates. Such distribution shall be made no later than March 15th following the end of the taxable year of the company with respect to which such distribution is made. Notwithstanding the foregoing, if a Member is required to make estimated tax payments for Federal income tax and state income tax purposes, such Member may request that the company make estimated distributions to the Member of one quarter (1/4) of the estimated annual distribution for such taxable year on or before such dates as correspond to the Member's quarterly estimated tax payments and the company shall be required to comply with such requests.

9. Control and Management

(a) Power and Authority of the Manager.

A. The business of the company shall be under the exclusive management of the Manager and the Members shall not participate therein in their capacity as Members.

(b) Restrictions on the Power and Authority of the Manager.

Anything in this Agreement to the contrary notwithstanding, the Manager, without first obtaining the prior written approval of a majority in interest of the Members, shall not have the power or authority to do any of the following:

- A. Take any act in contravention of this Agreement or the Act.
- B. Take any act which makes it impossible to carry on the ordinary business of the company.

(c) Possess or use company property for other than company purposes.

D. Take any action which imposes upon any Member any personal liability for any debts, obligations, or liability of the company in excess of the Member's capital contribution to the company.

- E. To admit any person as a Member.
- F. To merge the company with any other company or any other entity.
- G. To liquidate or dissolve the company.

(c) Duty to Keep Records. If directed by the Members, the Manager shall keep minutes or other written records of meetings of the Members. The Manager shall also be responsible for maintaining such business and financial records as are required by taxing, regulatory licensing and similar authorities. The Manager shall also be responsible for the preparation and filing of all reports, tax returns and similar documents as required by law.

(d) Liability of the Manager. The Manager shall not be liable, responsible, or accountable in damages or otherwise to the company or any Member for any act performed by the Manager in good faith and reasonably believed by him or her to be within the scope of authority conferred on the Manager by this Agreement and in the best interest of the company, except for acts of malfeasance, gross negligence, or fraud.

(e) Voting. Each Member shall have one vote for each percentage interest the Member has in the company as set forth in Section 7. All actions of the Members shall be by majority vote.

10. Limitation of Liability

(a) Liability of Members. The liability of the Members in all respects shall be limited to their capital contributions paid or required to be paid

and nothing contained herein or nothing done by any Member shall be deemed to interfere with the limitation of liability provided in the Act.

(b) Indemnification. The company shall indemnify and hold harmless the

Manager and all Members from and against any and all claims and demands made whatsoever. The foregoing notwithstanding this indemnification shall not apply to claims for indemnification made by the Manager or a Member if such claim is determined by a court of proper jurisdiction to have resulted from the willful misconduct or recklessness of the Manager, Assistant Manager, or Member. Additionally, expenses incurred by the Manager, Assistant Manager, or Member in defending any action or proceeding against which indemnification may be made hereunder, may be paid by the company in advance of a final disposition of the action, provided the Manager, Assistant Manager, or Member repays such amount if it is ultimately determined that the Manager, Assistant Manager, or Member is not entitled to such indemnification. This right of indemnification and advancement of expenses shall continue as to a person who has ceased to be the Manager, Assistant Manager, or a Member and shall inure to the benefit of the heirs, executors, and administrators of such person.

11. Transfer of Interests

(a) Transfer of Interests. A Member may not transfer the Member's interest except with the prior written consent of the other Members. If a Member does desire to transfer the Member's interest, the Member ("Offering Member") must first offer the Member's interest to the company and the Member other than the offering Member which shall determine whether the company or such Member itself shall purchase such Offering Member's interest or neither the company nor the other Member shall purchase such Offering Member's interest. In the event it is determined that the Offering Member's interest shall be purchased, closing on such purchase shall occur within sixty (60) days after such interest is first offered or deemed offered. The purchase price shall be as determined in Sub-Section (d) of this Section 11 and shall be paid in full and in cash at the closing. If the other Members do not agree to the purchase of the Offering Member's interest, the Offering Member shall be free to sell it but any transferee of the interest of the Offering Member shall have no right to participate in the management of the business or affairs of the company or to become a Member, but rather shall be entitled to receive distributions and return of contributions to which that Offering Member would have been entitled.

(b) Involuntary Transfer. Upon the occurrence of any of the following events, the Members shall be conclusively deemed to have offered the Member's Membership interest for sale to the company and such offer shall be treated as a voluntary transfer and subject to the provisions of Section 11(a) herein:

A. bankruptcy or other insolvency of a Member; or

B: Member's interest becoming subject to any transfer by operation of law, including the determination by a court of competent jurisdiction that the Member's interest is equitable distribution property and subject to distribution in a divorce or property settlement agreement pursuant to the divorce of a Member.

(c) Dissociation. Except as provided above, a Member may not voluntarily dissociate from the company or assign the Member's Membership interest prior to the dissolution and winding up of the company without the prior written consent of all other Members. Any attempt to do so shall be ineffective for all purposes.

(d) Purchase and Selling Price. If the Member's interest is repurchased hereunder, the purchase price shall be the value of any real estate, if any, as determined by an appraisal made by a qualified appraiser acceptable to all parties plus the book value of any other assets less liabilities, or the value agreed to by all parties. If the parties cannot agree on an appraiser, each party may select its own appraiser and each party shall pay the cost of the appraiser selected by it. The appraisers selected shall designate a third appraiser, the cost of which shall be split between the parties. Each appraiser shall submit a written appraisal and the middle appraisal shall be the purchase price for purposes of this agreement. This determination shall be conclusive and binding on all parties. The selling price for an interest to a new Member shall be that interest's proportionate share of the fair market value of the company determined in good faith by the unanimous vote of all other Members.

12. Dissolution

(a) The company shall be dissolved upon the first to occur the following:

- a. The company's becoming a debtor in bankruptcy;
- b. The affirmative vote of all members;
- c. The death, retirement, resignation, or expulsion of a member or upon a member's becoming a debtor in bankruptcy. For the purposes of this section, "a debtor in bankruptcy" is as defined in 15 Pa.C.S. Section 102.

(b) Continuation of Company Business. In the event the company is to be dissolved because of the occurrence of an event of default described in Paragraph 12(a) C. above, Members (other than the Member described in Paragraph 12(a) C.) holding 50% of the aggregate percentage interests of all such Members shall have the right to vote to continue the business

of the company and in that event, the company shall continue as if the event specified above did not occur. This vote must occur within sixty (60) days of the occurrence of the event described above.

(c) Distribution on Dissolution. Upon dissolution of the company which is not continued as provided above, the Members shall liquidate the company's assets and shall distribute them in the following order:

A. To provide for the payment of the debts and liabilities of the company, including debts to Members, and the expenses of liquidation including the establishment of such reserves as the Members deem necessary.

B. To the Members in accordance with the balances in their capital accounts and then to the Members in accordance with their percentage interests in the company.

13. Miscellaneous

(a) Waiver of Partition. Each Member hereby Irrevocably waives any right the Member may have to maintain an action for partition as to any company property.

(b) LLC Representative for Tax Matters. The Manager shall be the LLC representative for tax matters.

(c) Complete Agreement. This agreement is the complete agreement of the parties concerning the operating agreement for the company. Any amendment or additions to this agreement must be set forth in writing signed and agreed to by all Members.

(d) Accounting Matters. The company shall keep accurate books and records which shall be kept at the offices of the company and shall be open at all reasonable times to examination and copying by all Members. The taxable year of the company shall be the calendar year.

(e) Annual Reports. Within seventy-five (75) days after the end of the company's taxable year there shall be distributed to each Member a copy of the company's federal income tax return and the financial statements, if any, which are prepared.

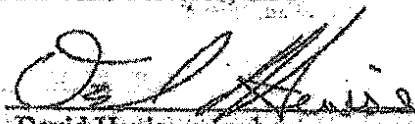
IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

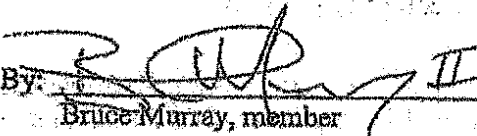
MEMBERS

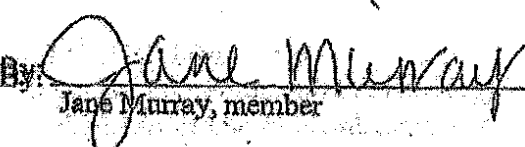
Freedom Rail Management, LLC

By: 
Christopher D. Freed, sole member (Seal)

BPB Rail Services, LLC

By: 
David Henise, member

By: 
Bruce Murray, member (Seal)

By: 
Jane Murray, member (Seal)

(Seal)

COMPANY

Columbia & Reading Railway Co.

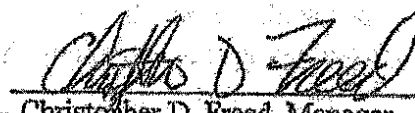
By: 
Christopher D. Freed, Manager (Seal)

EXHIBIT B

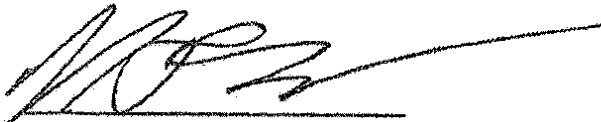
MODIFICATON TO SECTION 2.14 INSURANCE

Through the due dilligence / offer of intent period, a lapse in Rail Liability coverage was discovered for the period February 4th, 2022, to May 5th 2022.

The parties hereby agree that any liabilities assessed against CORY, not already known and / or disclosed, will be the sole responsibility of Freedom Rail Management during the lapse period.

IN WITNESS WHEREOF the parties have duly affixed their signatures under seal **SIGNED, SEALED, AND DELIVERED**

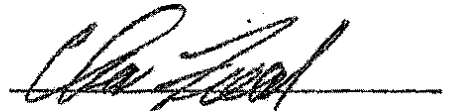
this 27th day of June, 2024.



Nathan F. Evans

Purchaser

Date: 6/27/2024



Chris Freed

Freedom Rail Management

Date: 6/27/2024