



**AMERICA'S TRAINS INC.**  
(ATs)

*Journey by Rail vacations (Journeys)*

Revised 1 May 2023

**Business Description and Plan (Plan) - CONFIDENTIAL\***

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***For direct access to details, see (click on) [Business Plan](https://americantrainvacations.com/busiplan) (https://americantrainvacations.com/busiplan) which includes links to immediately see related matters.***

\* **Confidentiality Agreement:** Excluding information that is commonly available to the public or that you can confirm you were previously aware of, information regarding America's Trains Inc. ("ATs") that you are accessing at this time and that is available through included links and references contains confidential and proprietary data, facts and details (collectively "Data") for the exclusive use and that is the property of ATs. Data includes, but is not limited to, unique and distinctive matters regarding rail vacations and related operations in the United States and into Canada, and/or timesharing of passenger rail cars, and/or shared ownership of passenger rail cars. Except as otherwise expressly set forth herein, on behalf of yourself and any entity that you represent, by accessing Data you agree to hold and maintain the Data in strictest confidence for the sole and exclusive benefit of ATs, to not directly or indirectly use Data for any other purpose whatsoever, and to ensure that employees, contractors and third parties first agree to comply with provisions of this Agreement before you provide them with access to or use of Data. These provisions shall remain in effect until ATs releases you in writing or for a two year period, whichever occurs last.

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1<sup>st</sup> May 2023

**Business Description and Plan (Plan) – CONFIDENTIAL**

This Plan describes key factors that influence and describe the planning, implementation and growth for [America's Trains Inc.](#)<sup>1</sup> (short video) and [luxurious Journeys by Rail](#)<sup>2</sup> (short video) on its [elegant passenger train cars](#)<sup>3</sup>. [Links](#) go to pertinent Internet pages; some are described in footnotes on the same and other pages.

## 1. Business Opportunity, Need

*The existence of meaningful, scheduled U.S. train vacations with adequate bedrooms and upscale service evaporated since the 1970s when Amtrak assumed responsibility for intercity passenger service. None are in [the world's top 25](#)<sup>4</sup>. ATs' Journeys are filling this void for essential luxury rail vacations. Abundant markets for ATs' Journey products include fastest growing segments of the vacation industry including [luxury travel/vacations](#)<sup>5</sup> a travel segment that is set to double to \$1.3 trillion annually by 2032, [luxury train vacations](#)<sup>6</sup> and upscale [timeshares \(Train'Shares\)](#)<sup>7</sup>; see Section 6, NOTE.*

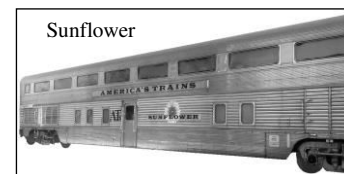
**A Void to Fill:** Amtrak assumed responsibility for intercity passenger train operations in the 1970s but without the type of accommodations, on-board services or extended en-route station stops that are essential for luxury rail vacations in the U.S. There are no consequential scheduled, luxury train passenger trains/cars with deluxe sleeping accommodations and en-route layovers in the USA.

**Filling the Void:** ATs has resolved reasons why requisite scheduled and conjunctive train vacations in the U.S. have not been available and will provide a growing number of luxury and ultra luxury Journeys by Rail on single full service or a few ATs' cars ("Cars") traveling together (a "Train Set") on over 21,000 miles of railroad tracks throughout the US and into Canada. Demand and ATs' selling capabilities are more than sufficient<sup>8, 9, 10</sup>.

**Covid-19 Impact:** Amtrak pulls ATs' Cars. Covid-19 caused Amtrak, and subsequently ATs, to suspend pertinent services in early 2020 after ATs had started selling Journeys for established departure dates. Covid-19 also caused vacation industry operators to curtail services and lose related revenue that was an expected source of ATs funding. Subsequently, ATs delayed final interior improvements to the 1<sup>st</sup> Car (Sunflower<sup>3, 12</sup>) which was expected to begin service. Because of Amtrak's recent relatively aggressive renewal of suspended and their addition of new routes, ATs has restarted operations with [departure dates in 2024](#)<sup>8</sup>, which takes into consideration a lead time to schedule Cars as part of Amtrak trains and the typical eight month or greater period between the time when passengers confirm reservations and related departure dates.

## 2. Rail Cars

*Until now, none of the world's top 25 train vacations with bedrooms have been in the USA<sup>7</sup>. This deficiency will no longer exist because ATs' luxuriously Cars will compare favorably to the worlds best; with unique features not otherwise available.*



<sup>1</sup> See <https://americantrainvacations.com/atv/video/2022bestvacations.mp4>

<sup>2</sup> See <https://americantrainvacations.com/atv/video/journey.mp4>

<sup>3</sup> See <https://americantrainvacations.com/cars-trains/>

<sup>4</sup> See <https://www.irtsociety.com/worlds-top-25-trains/>

<sup>5</sup> See <https://americantrainvacations.com/atv/documents/referenceluxurytravel>

<sup>6</sup> See <https://americantrainvacations.com/atv/documents/referencerail>

<sup>7</sup> See <https://americantrainvacations.com/atv/documents/referencetimeshare>

<sup>8</sup> See <https://americantrainvacations.com/journeyinfo/>

The primary market for ATs' Journey by Rail vacation products are individual and group consumers of ultra-luxury and luxury vacations. Cars must provide high quality passenger services required by these upscale markets.

ATs cars are retired Amtrak or other railroad cars that are improved and enhanced as required to enable them to offer optimal amenities and passenger satisfaction. Eventually, economical inclusion of new built cars can occur.

Rail cars may require mechanical repairs to exceed Amtrak requirements, along with floor plan redesign and other interior improvements that include exquisite decors, fine furnishings, modern conveniences and desirable, spacious facilities, with low passenger density averaging about 9 passengers per Car.

To retain their original railroad characteristics and ambiance, it may not be appropriate to significantly change some configurations of elegant classic cars. This may diminish a few desirable features like larger bedrooms and bathroom facilities while still offering unique, luxurious upscale Journey by Rail experiences.

Except for some classic Cars, the exterior livery will blend the appearance of Cars when traveling together.

Some cars may retain original historic names, with a secondary flower name, others are named after flowers.

Up to about 38 Cars will eventually be in service, including 29 "standard" Cars that will operate on scheduled routes with a total of up to 130 bedrooms. Other Cars will include several "private" ex business Cars with a couple of bedrooms, and activity Cars that provide entertainment venues while traveling with a train set of other ATs Cars.

ATs Cars include single level, dome Cars with an about 25 foot long upper level, and two level (hi-level) Cars with an upper level that is the full 85 foot length of the car. Two level cars can't travel on some Amtrak routes due to height limitations. ATs Journey Car use and routes are scheduled accordingly. Hi level cars provide more useable space and related economic and passenger comfort advantages including: a better view from the upper level; elimination of the need for a lower level hallway which permits bedrooms or other facilities to be designed to use the full width of a Car; extra space at either end for car equipment; walk-in entry; and, an elevator. Amtrak mileage charges are lower per square foot for Cars with upper levels because their mileage charge to pull single and two level cars is the same.

ATs' originally planned first Car, the [Sunflower](#)<sup>9,3</sup> (non classic cars are named after flowers), is a self sufficient hi/two level four bedroom car with full dining and lounges. It has been mechanically rebuilt and has been Amtrak certified. Interior modifications, including an elevator, will be completed in time for departure dates which start over seven months after funding occurs. During this time passenger bookings will be confirmed and Journeys will be scheduled with Amtrak.

Additional Cars have been selected and are available. Preferred alternative cars that Amtrak will soon retire to allow standardization of commuter train cars, or more suitable newly available Cars from other sources, may replace already selected Cars.

To date, Car mechanical repairs and improvements have been completed on an outsourced basis, overseen by ATs personnel. Interior modifications are managed directly by ATs at a different shop. All Car improvements will be carried out at an in-house ATs shop within a couple of years; planning for a facility has started.

Other privately owned Amtrak certified cars used sporadically for personal purposes that are not ideal for permanent ATs service may be used on an interim basis to meet demand until more ATs Cars start operating.

Additional Cars are added based on demand, after advance sales confirm high occupancy.

### 3. **Business Model**

ATs' [mixed use business model](#)<sup>10</sup> includes different but conjunctive Journey by Rail vacation products creating multiple revenue streams. The two primary products are individual Journey vacations<sup>2</sup> and Train'Shares (timeshares)<sup>5</sup>.

This business model is used by major resort properties and timeshare developers including Wyndham, Marriot and others. ATs management has prosperous experience using this concept for a prior boutique vacation project.

Journey by Rail passengers include a combination of individual Journey customers and Train'Share owners.

The number of Journey time periods allocated to either of the primary products, individual Journeys or Train'Shares, can be easily changed to feature one or the other based on evolving considerations; or, just one of them can be sold without negatively impacting profitability.

<sup>9</sup> See <https://americantrainvacations.com/atv/documents/sunflowerspecs.pdf>

<sup>10</sup> See <https://hotelnewsnow.com/Articles/18373/The-evolving-mixed-use-development-model>

Mixed use product<sup>13</sup> synergies include sales and occupancy benefits that go back and forth to each product. They have a combined significant conjunctive market that benefits from reduced cost per sale cross promotions.

Relatively high net earnings would be expected if only one of the two primary products is sold. Management and/or sale of individual Journeys and Train'Shares can be separated based on evolving business preferences and/or other circumstances without negatively impacting profits.

ATs' business model includes a 'pull' inventory growth strategy. For a few years most of the cost to acquire and/or improve Cars can be delayed until after the need for more capacity (bedrooms) is 'pulled' by identified demand, at which time more rail cars can be prepared for service knowing that high individual Journey passenger and Train'Share Owner occupancy is assured by individual Journey and/or Train'Share advance sales. Many reservations for luxury vacations are confirmed a year or more in advance, and are typically made at least eight months ahead of departure dates, which provides time to complete Car improvements.

The business model includes collaboration with Amtrak, RCI<sup>18</sup> (the world's largest vacation exchange company), selected major travel outlets, and other key entities.

#### 4. **Amtrak and Other Railroads**

*ATs collaborates with Amtrak for route development, timetables, trains or engines to pull ATs cars, and en-route support services; and has similar arrangements with regional railroads.*

Amtrak's movement of privately owned rail cars is a small but meaningful Amtrak profit center that will be significantly enhanced by ATs' growing number of Journeys. Favorable revenue yields compared to an average Amtrak car, with nominal related added expense, provides a sound Amtrak business opportunity.

Other comparable luxury train vacation operators (foreign; there are no others in the USA) have to develop, manage and incur ongoing direct in-house expense for railroad operating and related services that ATs does not incur. ATs alternatively collaborates with, has access to and uses Amtrak's existing rights nationwide services for a reasonable and mostly income related cost. This includes establishing routes and timetables, provision of existing trains or exclusive engines to pull ATs Cars, operating rights on more than 21,000 miles of track throughout the USA and into Canada including 30 routes to about 500 stations where ATs passengers can board or disembark Cars, and related services. This significantly simplifies and reduces or eliminates ATs' engine capital costs and expenses for route planning, administration, overhead, engine maintenance, security, station facilities, en route support and associated operations; while retaining access to associated services. ATs pays Amtrak a single annual charge of several thousand dollars, a nominal annual per car fee of several hundred dollars, and mileage fees per Car at a cost per person that averages about \$0.51 per mile and 7.5% of a related typical fare, which ATs can easily absorb. ATs simply selects a route and adds a single or multiple Cars to an existing Amtrak train(s) or engine, pursuant to contract terms.

ATs Cars can normally join or leave an Amtrak train at a growing number of stations (presently over 40) throughout the U.S., some with manageable limitations related to days of the week, number of Cars and otherwise. There are no notable related limitations if ATs uses an exclusive Amtrak engine. Passengers can get on and off ATs Cars at about 500 stations.

ATs will also use tracks, engines and services of appropriate regional passenger trains, short line freight, and national Class 1 freight railroads at such time as suitable negotiations may be finalized.

Some Journey en-route layover facilities are very accessible and nice. Others need more complex switching to and from parking locations; some are less attractive which is offset by ATs' special services. If Journeys visit specific locations on a regular basis, upgrades may be done and paid for by siding or spur owners or the cost may be shared or paid for by ATs. In any event, applicable ATs expense can be recovered from Journey fares.

Layover, Car shunting, switching and parking experiences are designed to provide passengers with an interesting railroading ambiance experience where practical. Free shuttle services move passengers to and from parking locations and off Car activities.

The cost of using switching engines is reduced and other layover issues are simplified if an exclusive Amtrak engine is used to pull ATs' Cars.

In addition to Amtrak's standard [Conditions for Movement of Privately Owned Railroad Cars](#)<sup>11</sup>, ATs works with Amtrak to ensure that Car movements are scheduled as required, to productively access other Amtrak services

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<sup>11</sup> See <https://www.amtrak.com/privately-owned-rail-cars>

and to remain aware of and comply with station limitation and other variable operating situations. Depending on the complexities of a specific Journey itinerary, it may take from a few to seven months for Amtrak to schedule movement arrangements. This process is expected to be streamlined after ATs begins repeated scheduled services.

From one to a few ATs Cars (a train set) can be included as part of an Amtrak train or several Cars can be pulled by an exclusive engine. The number of ATs train set Cars depends on consumer demand and the subsequent number of required bedrooms, ATs Car availability, and how many total rail cars the engine(s) on a specific Amtrak train can pull.

ATs can request and pays more for an additional Amtrak train engine to pull multiple Cars on uphill segments of routes; added costs are absorbed by fare increases.

An exclusive engine can be economically used to pull a few or more Cars without adhering to normal Amtrak routes or timetables; costs are reduced at layover locations because switch engines used to move Cars to and from parking areas are eliminated.

ATs' ability to piggyback Amtrak services, including simultaneous operation of multiple small trains sets on different routes compared to a single long train on one route, provides economic and operating benefits that include, but aren't limited to: the ability to flexibly pick and choose itineraries based on consumer interests; offering a choice of different Journey vacations; rights to travel on 21,000 miles of tracks; assumption of Amtrak's inter-state and other regulatory permissions; access to Amtrak's repair facilities; electricity from the engine while traveling; no capital costs for engines; no engine maintenance responsibilities; use of Amtrak's station facilities and existing security procedures; no major route planning and scheduling requirements; access to existing reasonably priced en-route layover support facilities; better availability of railroad siding and spur parking because there is only up to a few, unlike a long train with a dozen or more cars; and, down time is for only one to a few instead of many cars on a long train in the infrequent event that a single car breaks down.

If special needs for extra crew or storage space for equipment or passenger belongings is required during a Journey, accommodations and/or use of space on Amtrak cars in the same train can be used. Extra costs would be included in the Journey fares.

## 5. **Business Timetable Summary**

***Relatively unrestrained expansion opportunities are flexible and will in part be implemented depending on the amount of funding.***

Present and ongoing demand and sales capabilities are considered to be more than sufficient to achieve optimum growth in the USA, which is adequately supported by present and available management, personnel and affiliations. The timetable for and rate of expansion depends in part on the amount of equity capital or other financing that is available and accepted to pay for Cars. More Cars provide more bedrooms and related Journey inventory for sale.

ATs' post Covid-19 operations are presently ramping up and Journey departures are being scheduled in 2024<sup>11</sup> based on advance sales demand and following the time needed to schedule ATs Cars as part of Amtrak trains. As a precaution to offset any undesired initial Journey delays, confirmed passengers are aware that changes in initial departure dates may occur.

Up to 13 Cars will be in service within three years. They will travel as individual Cars or train sets on different routes. Within five years there will be a total of about 29 "standard" Cars of all types with about 130 bedrooms simultaneously operating on up to 12 different varying Journey itineraries. A few additional "private" ex business Cars with a couple of bedrooms and some activity Cars will also be in service.

ATs' descriptive materials, Internet presence and other aspects of its business presentations are being refined, augmented and upgraded to improve their effectiveness and visual impressions.

Early operations may include times when original Cars are parked at layover locations in support of long term group Journey and Train'Share sales.

Revenue from advance sales is occurring. Positive cash flow starts when the first Car begins service. Although not mandatory, to comply with travel industry norms individual Journey sales revenue is held and not recognized as income until about two weeks prior to the related Journey departure, at which time it becomes available for operating purposes.

ATs has comprehensive capabilities to manage, sell and implement Journey by Rail operations; except for some [remaining requirements](#)<sup>12</sup> (also attached as Exhibit B, page 14) that are being finalized.

Although ATs' present and available capabilities can adequately meet operating and earning objectives, additional relationships based on existing familiarity with and inquiries from pertinent business suitors having luxury travel and/or train vacation business expertise may be appropriate.

## 6. **Products and Pricing**

*ATs' exclusive vacations are five to 11 day Journeys by Rail<sup>11</sup> for two or a single passenger(s) on a growing number of cars<sup>3</sup> on changing routes throughout the U.S. and into Canada, with very competitive fares.*

Most Car interiors will meet "ultra luxury" and "luxury" market requirements. All Journeys are designed to redefine upscale vacations by their distinctive quality, exclusive personalization, impeccable hospitality, unique ambiance, unmatched on board experiences, and rewarding [off car things to do](#)<sup>13</sup> during en-route layovers while passengers live on board a luxurious rail car. Journey fares will be high value in the luxury vacation marketplace.

There are two primary Journey by Rail products, [individual \(single\) Journey vacations](#)<sup>2</sup> and [Train'Shares \(timeshares\)](#)<sup>5</sup>. Both are highest growth leisure industry segments. Key differences are: (1) Individual Journey vacation sales generate less current annual revenue and profit but allow the repeated sale of the same Journey time period each year as a Journey vacation; (2) Train'Share sales produce higher and earlier revenue and profits, advance annual payment of Car operating costs from fees paid by Train'Share owners, and Train'Share management fee income; but, future Journeys are owned by Train'Share owners eliminating repeat annual sales.

Individual Journey vacations and Train'Shares (timeshares) have similar plus separate abundant markets.

**NOTE:** Based on evolving circumstances regarding sales, earnings or other factors, the number of Journeys allocated for individual Journey and Train'Share sales can be purposely adjusted; and, desirable profits are generated if only one of the primary products, individual Journeys or Train'Shares is sold.

Management and sale of individual Journeys and Train'Shares can be separated based on considerations related to sales, management preferences and other circumstances without negatively impacting profitability.

Individual Journeys are sold at prices below equivalent [foreign train fares](#)<sup>14</sup>. A typical eight day ATs Journey fare is currently about \$1,048 per person per day (double occupancy) compared to from about \$1,133 up to \$2,844 for foreign luxury train, although some are much higher. This price variance gives ATs the opportunity to increase fares while retaining a competitive price advantage.

Train'Share<sup>5</sup> ownership includes a right to use Cars and is represented by a one time purchase of "points"<sup>5</sup>, a proven timesharing concept used by major timeshare developers. Points are used like currency to acquire Journeys and are replaced each year at no cost. The average price paid for a Train'Share (Train'Share Points) exceeds \$37,000. Points can also be used to acquire other worldwide vacations through [RCI](#)<sup>15</sup>.

An additional Journey product is fractional interests (shared ownership)<sup>6</sup> of self sufficient Cars, which conveys title to a share of the Car for from a 1/12<sup>th</sup> four to a 1/6<sup>th</sup> eight week period with rights to a single four or eight week, or multiple shorter Journeys each year. If all sales are for four week periods, the average price is about \$221,000. Fractional interests are one time sales, operating costs are paid by buyers, and ATs earns ongoing management fees.

Additional revenue comes from the sale of branded and other gift products, special on board events, extra entertainment on activity cars, off-car activities including Tracks to Adventure tours, personalized on-board services, and from management of Train'Share and fractional interest owner associations.

## 7. **Competition**

*There has been and are no train vacations in the USA that compare to ATs' scheduled Journeys by Rail.*

ATs Journeys are provided in collaboration with Amtrak, the USA's long distance passenger rail service that provides some relatively mediocre onboard sleeping accommodations, and some regional railroads.

Amtrak moves passengers between stations on nice, higher density cars with limited sleeping accommodations, and no layovers. To visit en-route locations passengers have to leave an Amtrak car and move to a hotel.

<sup>12</sup> See <https://americantrainvacations.com/atv/documents/remainingrequirements>

<sup>13</sup> See <https://americantrainvacations.com/activities/>

<sup>14</sup> See <https://americantrainvacations.com/fare-comparisons/>

<sup>15</sup> RCI, a Wyndham company, <https://www.rci.com/pre-rci/us/en/explore-rci/about-rci>, is the largest timeshare vacation exchange company in the world, with over 4,000 affiliated resorts and 3,000,000 members. RCI provides vacation exchange and marketing support. See <https://americantrainvacations.com/atv/documents/rciexperpts.pdf>.

Amtrak services are not considered to be competitive but instead supplement Journeys by Rail. ATs enjoys economic benefits by collaborating with Amtrak. ATs Cars are pulled as part of Amtrak trains or by an exclusive engine. ATs economically piggybacks on Amtrak’s route, timetable and en-route operating services, and some of Amtrak’s 23,000,000 annual passengers provide a potential source of Journey by Rail buyers.

A limited number of high quality passenger trips are offered by Rocky Mountaineer Rail Tours on mountain routes using a high capacity single train with multiple engines, 10 or more cars and no bedrooms; passengers disembark and stay in hotels. Service is typically from May through November on a single longer train (compared to ATs Journeys) on only a couple of seasonal itineraries. Because of the train size, they can’t conveniently change routes to operate in favorable weather venues. Rocky Mountaineer customers are a source of ATs Journey buyers.

From time to time a few privately owned passenger rail cars provide sporadic regional, shorter distance commercial passenger train service in the USA that does not include regular scheduled departures, the amenities, service level, layovers or overall quality that ATs’ Journeys and Cars provide.

Foreign luxury trains compete for the same international rail and luxury travel vacation markets<sup>8,9</sup> as ATs. Their fares are higher on comparable routes because they don’t have certain economic and operating benefits that are available to ATs by collaborating with and using Amtrak locomotives and services. Compared to ATs, they operate long trains with multiple cars on a limited number of itineraries.

Journeys by Rail are included in and compete with high end cruise and resort/vacation properties for a huge and growing luxury travel market<sup>8</sup>. The unique railroad characteristics of ATs Journeys by Rail provides product differentiation that creates a consumer awareness advantage over typical upscale sea or land vacations.

There are no other passenger train timeshare or fractional interest (shared) ownership projects.

Marketing exclusivity, development of protective relationships, preemptive procedures and other market entry barriers are expected to deter potential competition in the USA, allowing ATs to retain market dominance.

**8. Management and Related Support**

*Barry Jones<sup>16</sup>, ATs’ CEO<sup>17</sup> with 40 years of pertinent experience, leads a growing personnel team<sup>18</sup> of managers, crew and outsourced entities that have been and will be employed as needed based on their dedication and superior railroad, vacation travel, timeshare and related administrative, operating and selling abilities.*

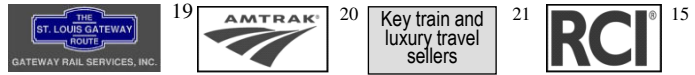
Management capabilities, including present personnel and others that are available as growth demands, can effectively oversee business operations. Notable interest in related employment provides a pool of experienced Car operating crew to choose from.

Present and eventual management positions, to be added as business needs evolve, are described in the following chart; titles describe manager responsibilities, the General Manager is the CEO. Initially, multiple jobs will be performed by existing managers; others will join ATs as required by business growth.

General Manager					
Marketing and Sales Manager	Operations Manager	Journey Support Manager	Passenger Service Manager	Business Manager	Car Development
Public Relations Lead generation Promotional materials Journey Sales Train/Share Sales Fractional interest sales Sales training Compliance Travel industry liason Timeshare industry liason Regulation compliance Documentation Forecasts/budgets	Mechanical car care Car operations Mechanical rebuilding Inspections, licensing Safety compliance Regulation compliance Parts inventory Forecasts/budgets	Route development Layover services Car movements Scheduling Security Amtrak liason En-route controls Layover activities Regulation compliance Forecasts/budgets	Food preparation Dining service Beverage service Housekeeping Crew training Pertinent provisioning Car interior care On board activities Passenger satisfaction Passenger follow-up Forecasts/budgets	General administration Accounting Capitalization Gift acquisition Insurance Money management Legal matters Forecasts/budgets	Selection Purchase, contracts Delivery Design Interior rebuilding Mechanical rebuilding Inspections, licensing Forecasts/budgets

<sup>16</sup> See <https://www.linkedin.com/in/p-barry-jones-098165151>  
<sup>17</sup> See <https://americantrainvacations.com/atv/video/atsbarry.mp4>  
<sup>18</sup> See <https://americantrainvacations.com/about-us>

Key outsourced, contracted collaborators that provide management and other services include:



Some prior and present sources of management and operating assistance, information, and knowledge include:



**9. Proprietary and Business Rights**

*ATs has proprietary rights, contacts and exclusive relationships that are used to support car acquisition and repair, marketing, sales, and to enhance earnings.*

Internet domain name rights include: Americantrainvacations.com with a general web site; Americastrain.com for related specific Internet promotions; Choochoochat.com, a newsletter; Choochoochatter.com for a pending blog; Journeysbyrail.com for pending franchised/selected travel sales outlets promotions; Railtravelinternational.com which is used by the Rail Travel International Association; Trainshares.com identifies the rail car timeshare product; Talkingluxury.com is for a travel radio talk show that will frequently discuss Journeys by Rail.



Tracks to Adventure™ is ATs’ trade name for tours and activities at Journey layover locations.



**10. Marketing and Sales**

*Journey by Rail sales benefit from ATs management’s prior comprehensive travel and vacation industry selling experience<sup>19, 20</sup>; optimal occupancy is already affirmed by hundreds of qualified direct (in-house) consumer inquiries, travel agent/industry requests to sell Journeys, and growing demand for luxury travel/vacations, luxury train vacations and timeshares (Train’Shares).*

Journey by Rail product marketing and sales benefit from the historic lack of essential and a surging interest in consumer proclivity for luxury rail vacations.

Sales are enhanced by relatively unique Journey characteristics that entice consumers wanting to enjoy and agents wanting to sell Journey vacations, growing pertinent markets<sup>8, 9, 10</sup>, significant prior and ongoing ATs management experience<sup>19, 20, 21</sup>, plus additional factors and related capabilities described below.

Individual Journey vacations and Train’Shares are sold to similar luxury vacation<sup>8</sup> consumers. Train’Share sales also specifically target the burgeoning timeshare market<sup>10</sup>. Markets are huge compared to the number of Journey products available for sale. Smaller more specific, economically targeted market segments are sufficient to provide surplus potential buyers. These two primary products provide sales and occupancy benefits that go back and forth to each other.

**Individual (single) Journey vacations:** The number of sales needed is limited by the low number of bedrooms, from the original few to about 130 within 5 years, which is a minuscule ‘drop in the bucket’ compared to the overall huge domestic and foreign markets, making it relatively easy to sell enough Journeys to maintain high occupancy.

Selected travel agencies sell Journeys by Rail to their numerous existing clients and to an additional miniscule share of targeted segments of the large luxury travel market<sup>8</sup>. By itself and without considering significant other sources, this should ensure high occupancy. Some of the top travel agencies specializing in the sale of railroad vacations, which can be found by a Google ‘luxury train vacations’ search, have the optionable ability to sell every available individual Journey for a few years.

Worldwide sales by travel industry sources looking for new and unique higher commission products to sell, including about 55,000 full time agents in the USA<sup>22</sup>, provide excessive sales potential that is more than enough to sell the growing number of bedrooms and related Journeys.

<sup>19</sup> Gateway Rail Services is a leading rail car repair and rebuilding contractor that provides ATs with related services

<sup>20</sup> Amtrak provides engines, en-route layover facilities, scheduling, route and other services

<sup>21</sup> Travel industry entities, that may change, provide marketing management and sales support pursuant to individually negotiated agreements

<sup>22</sup> See <https://www.statista.com/statistics/917069/number-of-travel-agents-us/>



Sales by a single large or multiple travel wholesalers and tour operators can consume all available Journeys, some as their branded product.

Access to travel industry resources is enhanced because ATs' CEO has maintained industry relationships after owning the first nationwide and international travel agency franchise organization, which was once North America's largest retail travel agency group, directly and indirectly spawning over 1,000 outlets.


Increasing demand for and past customers of foreign luxury trains<sup>9</sup> provide a substantial source of Journey by Rail consumers already interested in luxury train vacations.

Foreign luxury train vacation operators make many sales through some of the same travel agencies that feature the sale of ATs' Journeys. These agencies already have access to related luxury train vacation customers which are a notable source of very qualified Journey by Rail consumers.

Individual Journey leads are generated and about 80% of sales will be made by travel industry outlets; 20% will be made directly by ATs. ATs already generates a significant number of unsolicited sales leads which can be promotionally increased at will, if necessary.

**Train'Shares:** Upscale timeshare sales are booming<sup>10</sup>. RCI<sup>15</sup>. with over 3,000,000 timeshare owner members, says that it "has a great demand for the luxury train travel product ... As the world leader in vacation exchange and travel, we look forward to our ongoing relationship and jumping on the train!"<sup>23</sup>.

Train'Share sales leads are generated and about 75% of sales will be made by outside agents; 25% of sales will be made directly by ATs including conversion of consumers having an original interest in individual Journeys.

 Marketing and sales support is provided by RCI, the world's largest vacation exchange timeshare business, with over 3,000,000 members, many owning multiple timeshares. RCI has accepted Journeys by Rail to be included in their Registry Collection, a small exclusive group of the world's "most desirable" resorts. Journeys will be included in RCI's catalogue when departures start.

In addition to other attributes, some uncommon timesharing benefits<sup>5</sup> that enhance Train'Share sales include the elimination of unreasonable timeshare fee increases, no payment of fees if Journeys are not used, Train'Shares (Points) can be sold back to ATs, and Train'Share owners can rent their Journeys through already interested travel outlets and keep the net income.

**Lead and Sales Sources:**

In addition to normal sales influences, foreign interest in U.S. travel is being primed by efforts like the Travel Promotion Act and related [Discover America, Brand USA](#)<sup>24</sup> a global program to entice visitors to vacation in America. Journeys by Rail ideally meet Brand USA product objectives.



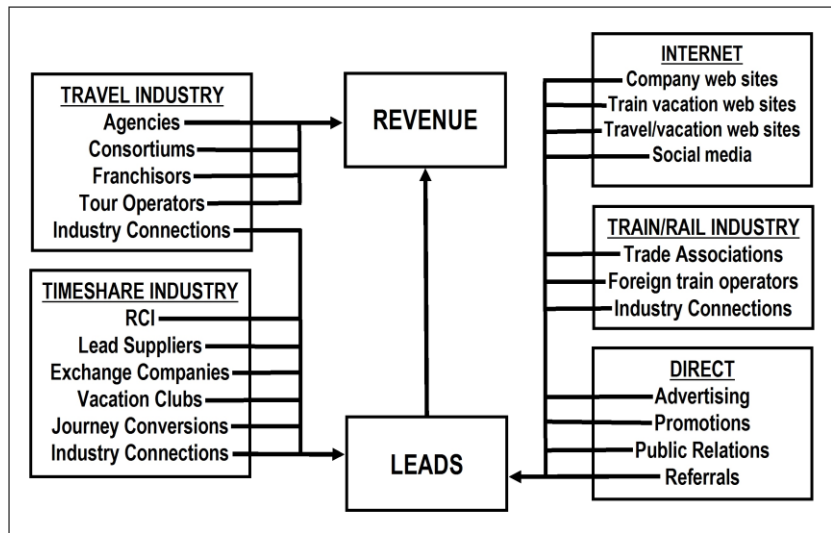
The limited number of bedrooms on self sufficient Cars has already created substantial interest in and many pending sales include small groups that book a complete Car, including all of the available bedrooms. Over 400 unsolicited qualified sales leads have been received for future Journey departures.

Detailed consideration of sales sources, related lead costs and closing ratios confirm that a combination of only several of the sources in the Revenue and Sales Sources chart can sell all Journey products.

Based on management's prior lead to sale conversion experience and evolving sales results, sources that produce highest closing ratios will be emphasized.

Journey by Rail growth should mirror the worldwide accelerating demand for luxury river cruises<sup>25</sup>. Comparably priced cruises sell to the same market and provide similar vacation objectives with layovers at

**Revenue and Sale Sources**



<sup>23</sup> See <https://americantrainvacations.com/atv/documents/rcisupport.pdf>

<sup>24</sup> See [www.thebrandusa.com/](http://www.thebrandusa.com/)

<sup>25</sup> See <https://americantrainvacations.com/atv/documents/referenceluxurytravel.pdf> - lines 37 to 49

en-route places. The difference between river cruises and ATs Journeys by Rail is that one floats while the other travels on train tracks, and that river cruise demand is being met because new [river ships are being built](#)<sup>26</sup> but “There will be a limitation on availability of luxury train inventory for the foreseeable future”<sup>27</sup> because demand for luxury train vacations exceeds the number available. ATs has access to volume travel agency sellers of river cruises.

Sales are made directly or through retail travel agents and tour operators to: existing qualified individuals; affinity and other groups; corporations; other leads already known to ATs and agencies; to leads coming from editorial exposure ranging from current internet to key magazine articles<sup>28</sup>; to leads generated by advertising and promotion; and, otherwise as shown on the Revenue and Sales Source chart, above.

Repeat and referral customers will grow and become a major low lead cost source of buyers; management's prior luxury vacation experience includes more than 50% of sales coming from repeat and referral customers.

If optimum occupancy for a Journey is not assured a short time before a departure date because of a late cancellation or otherwise, in addition to income from non refundable portions of the fare, to minimize lost revenue and avoid negative cash flow ATs can sell the Journey to a predetermined sales agent at a reduced price that is sufficient to cover operating costs. The agent profitably resells the Journey to a client looking for low price last minute deals.

Depending on how evolving circumstances impact sales and related earning performance, the sale of either individual Journey vacations or Train'Shares can be purposely emphasized. The two products can be separated for business purposes without diluting earnings objectives.

#### 11. **The Company, Valuation**

America's Trains Inc. (ATs) is a Wyoming corporation. Senior management presently holds the majority of ATs stock.

Class A common voting shares have been issued to original investors that have paid for them by cash, and provision of pertinent services valued at under 40% of their market value.

A capitalization table is available.

Based on completed comprehensive concept and business development, positive market forces, discounted free cash flow expectations, present operational capabilities, growth prospects, imminent positive cash flow and related net income, the pre funding valuation of ATs is presently considered to be \$3,000,000. An initial stock offering to raise capital to pay for Cars to meet demand may be at a price per share that represents a significant valuation discount.

#### 12. **Funding**

***Expected funding from travel industry sources was delayed when they curtailed operations due to Covid-19, causing a loss of their sales revenue and related investment capital for ATs. Based on evolving considerations, alternative funding plans are being considered.***

Funding of from \$550,000 to \$750,000 is the amount needed to acquire, improve and put a Car in service, the amount varies based on the specific type of Car and cost of improvements.

Rapidly increasing positive cash flow starts about 8 months after funding occurs, which provides for operating capital and introduction of subsequent Cars.

Funding up to a total of \$1,000,000 combined with net income expedites introduction of additional initial Cars.

Funding of up to \$5,000,000 allows rapid acceleration and earliest introduction of domestic and foreign Journey services, products and opportunities with positive cash flow in month 15 after funding occurs, assuming that cash is used to expedite acquisition of additional Cars.

#### 13. **Forecasts, Earnings**

***ATs' early earnings and subsequent earning rate of growth will vary based on the amount of funding. The present forecast is based on funding of from \$550,000 to \$750,000. More early capital will expedite expansion and earnings growth.***

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<sup>26</sup> See <https://www.cruise critic.com/articles.cfm?ID=2893>"

<sup>27</sup> Reference: Tim Littler, owner/operator of Golden Eagle Luxury Trains in Europe and new train vacations in India and South Africa

<sup>28</sup> Unsolicited editorial exposure has already been published in Popular Mechanics, The Robb Report, Departures Magazine, Forbes, various other print publications and numerous Internet sites.

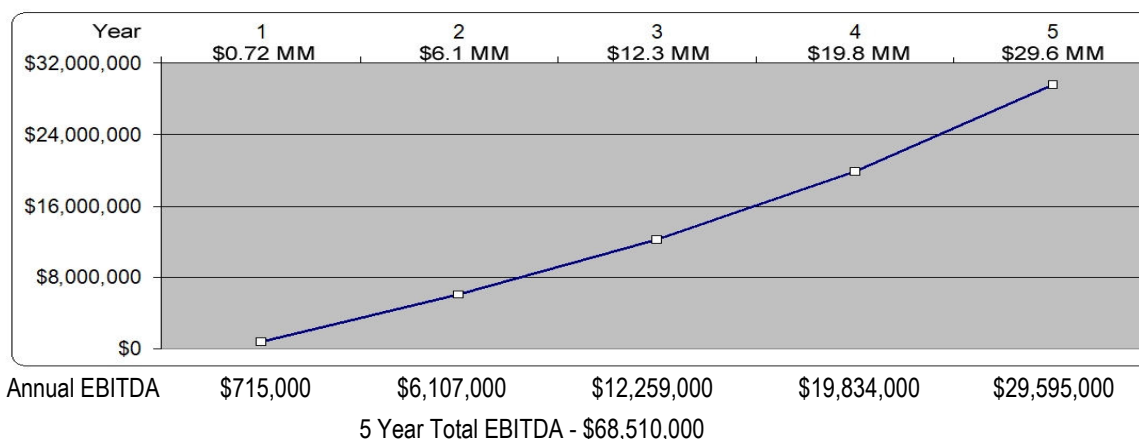
ATs’ introduction of services, related revenue and expected subsequent earnings stopped in early 2020 when Amtrak suspended pertinent operations because of Covid-19 causing ATs to curtail sales and imminent Journey services; ATs reduced business activities and expenses to a minimum until recently. Operations are now being re-implemented; sales are being made and Journeys are scheduled starting in 2024.

Forecasts assume that the two primary products sold are individual Journeys and Train’Shares. A beneficial business separation of these two products or purposeful significant emphasis of one or the other to further enhance expected desirable earnings could be easily managed.

Revenue also comes from the sale of fractional interests, off Car tours, gift items, special passenger services, Train’Share and fractional interest owner management fees, exclusive on board events, and activity Car services.

**5 Year Annual Forecast, EBITDA - With funding of \$550,000 to \$750,000**

Projections assume that both individual Journeys and Train’Share sales are made. Desirable profits would occur if just one of these products is sold; related Forecasts are available.



*Although this favorable earnings forecast may appear to be overly optimistic, it should not be. Projections have been scrutinized, can be affirmed and are supported by reasons for **enhanced revenue and earnings**<sup>29</sup> (also see Exhibit A,) and otherwise.*

Forecasts that only include the sale of individual Journeys by Rail or only include the sale of Train’Shares both show favorable profitability. The sale of both products provides two primary revenue stream flexibility intended to further assure timely optimum earnings.

Adequate profits can occur if revenue is unexpectedly reduced because a majority of operating costs are income related, an increased percentage of sales would be made in-house reducing sales commission costs, and relatively low luxury train vacations fares can be increased.

**14. Additional Revenue and Earnings**

*Additional enhancement of revenue and earnings, and related operations, include the following:*

Instead of and in addition to traveling as part of normal Amtrak trains on fixed routes at Amtrak’s scheduled times, ATs will use independent Amtrak engines to exclusively pull multiple ATs Car train sets having a total of up to 22 bedrooms on higher but competitively priced ‘free-roaming’ itineraries over 21,000 miles of tracks in the U.S. and into Canada.

Free-roaming Journeys also enable diversions onto or connections with short line freight and other regional railroad tracks where Amtrak doesn’t go, allowing extended Journeys to feature unique out of the way en-route destinations.

Using an Amtrak and other sources of exclusive engines allows ATs to select departure dates and times, to choose desired routes and to layover at more en-route destinations, not just those where Amtrak has the time to drop off and pick up private rail cars, with related enhanced profits.

<sup>29</sup> See <https://americantrainvacations.com/atv/documents/majorpoints.pdf>, also Exhibit A

The additional expense of exclusive engines is offset by elimination of switch engine costs to move ATs Cars to and from parking sidings/spurs at departure, layover and final arrival locations, and by reasonable fare increases that are easily justified by the special features of an exclusive, elite, one of a kind itinerary.

Use of private rail cars by affluent owners has been deterred by recent Amtrak policy changes that limit the places that single cars can be picked up, dropped off and parked. ATs will allow private car owners to attach their cars to its free-roaming trains pulled by exclusive Amtrak engines for a profitable and affordable fee.

An intended television streaming service movie series featuring ATs Cars can generate notable up-front net income during production, plus ongoing royalties. It will also create valuable promotional benefits and be designed to attract customers while being filmed. ATs management has prior similar experience.

#### **15. Risk Avoidance**

*ATs' strives to achieve reasonable objectives while avoiding risk that could adversely impact company shareholders and business performance.*

Hardships and risks that might impact operations, financial performance, funding sources and committed business associates are avoided by and because: the overall strengths of the Journey by Rail business including relatively large markets and growing demand for Journey products; difficulties are preempted by precautionary procedures and outlooks; rights to collateralized rail Car assets provide security for new funding sources and investors; there are existing favorable exit strategy options; new investors have preferred rights to receive dividends ahead of original shareholders; continuing anticipation of, and quick response to correct unexpected adverse business situations; supportive training and work environment programs optimize employee performance and retention; and, otherwise.

Prior experience dealing with unpredictable business problems arising from unforeseen circumstances such as terrorist acts, an economic downturn, a pandemic and other uncontrollable circumstances have engendered management's valuable awareness regarding avoidance and mitigation of unexpected business operation risks.

#### **16. Exit Strategies, Shareholders**

In addition to other enviable business, operational and earning opportunities, present investor involvement in ATs is partially driven by what they consider to be a very favorable exit strategy that has already been identified.

Exit options include the sale or merger of ATs and/or making arrangements to convert stock to public trading shares. Major leisure industry entities have expressed interest in acquiring ATs and public company proposals have been received. The best time to consider such opportunities will be after several Cars are in service; when related current and future earnings potential have been established with a corresponding significant increase in ATs' valuation.

Another exit option is a possible stock buyback from shareholders by ATs.

Until evolving circumstances warrant implementation of an exit strategy, enviable dividend earnings are anticipated.

#### **17. Notices**

*This Plan, including Exhibits, is intended to properly describe America's Trains' status and expectations to potential business partners and operating associates.*

Plan information is confidential as provided for on page 1.

Details expanding on or clarifying contents of this Plan are available.

This Plan includes some forward-looking expectations that are not guaranteed.

Facts should be independently verified before making related decisions.

Notwithstanding risk avoidance as described in section 15 above, unexpected circumstances could negatively impact ATs' operating and financial performance, funding sources, investors and otherwise.

This Plan, including Exhibits, is not an offer to sell or a solicitation for securities.

This Plan is not an offer to sell or a solicitation for the sale of Train'Shares (timeshares).

**Exhibit A****ATs America's Trains Inc. ("ATs")****SOME OF THE REASONS FOR ENHANCED REVENUE AND EARNINGS****Concept, products**

- A proven, flexible business model<sup>30</sup>.
- Desirable Journey by Rail products with surplus markets, growing consumer interest and travel agent sales requests<sup>5,6,7</sup>.
- Multiple, conjunctive products<sup>31</sup> and revenue streams that include and are related to Journeys by Rail ("Journeys").
- Either of two primary Journey products<sup>2</sup> can be emphasized based on evolving sales results.
- Favorable profits occur if only one primary product<sup>2</sup> is sold or sales are less than 50% of projections.

**Operations**

- ATs 'piggybacks' Amtrak's timetable and operations eliminating related planning, development and other costs<sup>32</sup>.
- Amtrak pulls Cars eliminating locomotive/engine inventory and related direct costs for an economical fixed mileage fee.
- ATs' comprehensive, unmatched present and available management, including outsourced support.

**Routes, itineraries**

- A selection of Amtrak routes and related engines are available with no related pre Journey work or expense required<sup>3</sup>.
- Long advance Journey sale lead times allow some routes to be determined based on demand, ensuring high occupancy.
- Choice of multiple Amtrak routes over 21,000 miles of tracks, with no pre Journey route development costs<sup>3</sup>.
- From one to several Cars can travel together on a variety of existing preferred routes with minimal preplanning.

**Lucrative pricing**

- Lucrative, competitive, economically fares below comparable foreign rail<sup>33</sup>, resort vacation, and timeshare competitors.
- Ample room for fare and price increases<sup>4</sup>. Fares are profitably lower than foreign luxury train competitors.
- No low season down time or reduced prices; Journey routes change to avoid undesirable weather locations.

**Sales ease, optimum occupancy**

- Huge, surplus, fastest growing leisure markets; luxury travel/vacation<sup>34</sup>, rail<sup>35</sup>, Train'Share (timeshare)<sup>36</sup>.
- A miniscule number of Journeys (bedroom inventory) compared to a huge market.
- Consumers have a choice from a mix of routes and products on from a single Car to several traveling as a train set.
- Multiple existing domestic and foreign sales outlets; capabilities of one strong outlet could sell every Journey.
- Surplus, pent up, abundant and growing demand; excess traction<sup>5,6,7</sup>.
- No meaningful, similar travel product competition in the USA; market domination.
- Continuing media interest and related low cost publicity and exposure.
- Can simultaneously offer varying Journeys on different routes, with one to several Cars, to meet consumer interests.
- No sales office start-up costs, travel sales outlets/agencies already exist.
- Single Car availability is an ideal group and exclusive personal vacation product, based on present demand.

**Reduced inventory costs**

- Car costs occur after advance sales assuring high occupancy; avoiding surplus inventory.
- Pool of available cars, present and future; former/retired Amtrak cars directly from Amtrak or private owners.
- Rebuilt Car market values exceed total acquisition and rebuild costs and are about 25% of the price of newly built Cars.
- Under 60% of the inventory (per bedroom) cost compared to competitive luxury cruise and resort products.
- No locomotive/engine equipment capital expenses; Amtrak provides engines at an income related reasonable cost.

**Profitability, Cash Flow**

- No sales office or significant selling startup costs; arrangements with travel industry outlets already exist.
- Economic business assistance from key strategic collaborations; Amtrak, RCI, key travel entities.
- No meaningful cost for most route, timetable or related service planning and development<sup>3</sup>.
- Exclusive engines pulling multiple Cars provides lower switching (moving Cars) costs at layovers and between trains<sup>3</sup>.
- Favorable arrangements for Car operating and layover services<sup>3</sup>.
- No pre Journey engine costs; just a reasonable income related per mile per Car charge paid to Amtrak.
- Most expenses are income related, no income no expenses; low cash burn rate.

<sup>30</sup> A mixed use business model includes individual Journey vacations and Train'Shares (timeshares); each can independently achieve favorable earnings. This model has been and is used by major resort timeshare developers and ATs management for a prior boutique vacation project.

<sup>31</sup> Primary products are individual Journeys by Rail, see <https://americantrainvacations.com/individual-journey-info/>, and Train'Shares (timeshares), see <https://americantrainvacations.com/trainshare-info/>. Other products include Interval Ownership of rail Cars, see <https://americantrainvacations.com/fractional-interest-info/>, tours, branded gifts, special passenger and management services.

<sup>32</sup> ATs pays Amtrak a very small fee per year and has access to scheduling, timetable, stations, en-route and layover services, providing for routes throughout the U.S, see <https://americantrainvacations.com/journeyinfo/>, and other administrative and operating benefits. Economically reasonable mileage fees are also paid to Amtrak to pull/move Cars. ATs simply adds its Cars to an Amtrak train or engine.

<sup>33</sup> See <https://americantrainvacations.com/fare-comparisons/>.

<sup>34</sup> See <https://americantrainvacations.com/atv/documents/referenceluxurytravel>.

<sup>35</sup> See <https://americantrainvacations.com/atv/documents/referencetrain>.

<sup>36</sup> See <https://americantrainvacations.com/atv/documents/referencetimeshare>.

**Exhibit B****AMERICA'S TRAINS INC.****EXISTING CAPABILITIES - REMAINING REQUIREMENTS**

**Existing Capabilities:** ATs has already developed and has comprehensive capabilities needed to manage, sell, operate Cars, and implement Journey by Rail ("Journey") service, including (but not limited to):

- ☑ Concept evolution, development
- ☑ Business model, hybrid (multi revenue streams) and flexible
- ☑ Detailed financial plans, budgets and forecasts
- ☑ Route and itinerary planning
- ☑ Journey timetables and schedules
- ☑ Product development, to date and for the future
- ☑ Product pricing and fare system, software, prices
- ☑ Marketing programs, conjunctive and separate for multiple products
- ☑ Sales, already sufficient to assure full occupancy for a couple of years, and beyond with a little promotion
- ☑ Sales documentation, individual Journeys by Rail
- ☑ Sales and related legal documentation, Train'Shares
- ☑ Manual, sales
- ☑ Manual, customer care and service
- ☑ Manual, safety and security
- ☑ Promotional materials, adequate initial with continuing upgrades
- ☑ Web site, adequate initial with continuing upgrades
- ☑ Proprietary rights, brand, internet, domains
- ☑ Legal determinations: operating; Train'Share sales; otherwise
- ☑ Regulatory compliance: liquor service, multi State; product sales documentation; labor issues; other
- ☑ Train'Share, fractional interest ownership management capabilities: owner Associations; procedures
- ☑ Insurance: rail Cars and operations; consumer travel for resale; errors and omissions; general business
- ☑ Journey reservation system
- ☑ Arrangements for Amtrak trains and exclusive engines to pull ATs Cars
- ☑ Potential future Car movements with major freight railroads
- ☑ Car movement options with short line freight and regional excursion railroads
- ☑ Key strategic collaborations: Amtrak; RCI; key travel industry entities
- ☑ On board passenger care and service procedures
- ☑ Menus, dining
- ☑ Passenger en-route medical care, emergency
- ☑ Crew availability, on board passenger service
- ☑ Crew availability, Car operations and service
- ☑ En-route layover support
- ☑ Layover, Car switching alternatives
- ☑ Layover, Car waste disposal, water supply, electrical source alternatives
- ☑ Off-Car en-route Car maintenance and service support
- ☑ En-route provisioning plans, general
- ☑ En-route provisioning plans, prepared food
- ☑ General tours, passenger activities at layovers
- ☑ Exclusive Tracks to Adventure™ excursions and tours
- ☑ Off-Car dining
- ☑ Passenger shuttle at layovers, plans
- ☑ Access to suitable rail cars that can be acquired
- ☑ Specific pre acquisition Car inspections
- ☑ Car selections
- ☑ Car interior design planning

- ☑ Car interior improvement capabilities
- ☑ Final interior refurbishing for the original 1st Car, plans
- ☑ Scheduled Car maintenance
- ☑ Car parts source/supply
- ☑ Car mechanical repair, outsourced and in-house
- ☑ Unexpected, in service Car maintenance preparedness
- ☑ Completion of mechanical repairs for the 1st Car, with Amtrak certification
- ☑ Permanent shop for Car repairs, improvements and maintenance, under development
- ☑ Security, Cars and passengers
- ☑ Skilled senior management personnel, when required
- ☑ Investor exit strategies, post revenue
- ☑ Funding, seed capital, to date
- ☑ Crowdfunding equity offering, optional funding alternative
- ☑ Contacts for equity funding
- ☑ Related administration and operating procedures, for the above

**Remaining Requirements:** Provision of Journeys by Rail will begin as scheduled in 2024, after the following:

1. When adequate acquisition of funding is completed to acquire cars to meet demand. Final required capital requirements are being determined, see 2. below.
2. Consideration of alternatives to presently selected cars and renegotiation of the price on previously acquired cars are finalized. Because Covid-19 and new Amtrak policy factors include reduced prices of suitable rail cars, a related determination is now being made that can significantly lower car capital costs while allowing car improvements to be completed as required to start Journey operations as scheduled in 2024.



Present sales revenue is held in amounts needed to pay operating costs for related Journeys, to cover requests for refunds, or until several weeks prior to related Journey departures at which time revenue can be used for operations.