



AMERICA'S TRAINS INC. ("ATs")

Journey by Rail vacations ("Journeys")

Business Description and Plan (Plan) - Summary

Since Amtrak took over related passenger train operations in the 1970s, there have been no meaningful full service train vacations in the USA. America's Trains ("ATs"), in collaboration with Amtrak, is filling this void with essential, luxurious Journeys by Rail on routes throughout the USA and into Canada, with en-route layovers where passengers live on board elegant rail cars while enjoying nearby things to do.

Significant markets, burgeoning demand and ATs' sales capabilities support high passenger occupancy.

ATs acquires retired Amtrak and Via Rail (Canada) passenger train cars, completes mechanical repairs, and modifies car interiors to create elegant sleeping, dining and lounge accommodations.

Amtrak pulls ATs' single self sufficient cars or 'train sets' with a few or more cars as part of their regular trains or with an exclusive engine. Amtrak is also a source of route planning, scheduling, en-route services, and layover support. ATs pays Amtrak a reasonable charge for each mile that they pull cars; charges are income related with no significant up front costs. Cars are also pulled by regional freight and excursion railroads.



About 34 cars with up to 140 bedrooms, fine dining and elegant lounges will be in service within several years, simultaneously traveling as part of up to 12 train sets with an average of 2.8 cars and four bedrooms per car.

While still able to operate long trains with many cars, ATs enjoys economic, sales and operating benefits by spreading its growing fleet of cars among multiple small train sets over different itineraries selected based on consumer interest. This is easily done by scheduling Amtrak trains on desired routes to pull ATs cars several months in advance. Short train sets avoid shortcomings that long trains on a single itinerary may encounter.

ATs' proven mixed use business model includes the sale of two conjunctive primary Journey products, individual Journey vacations and personal property Train'Shares™ (timeshares); each can independently achieve favorable profitability. Additional revenue comes from the the sale of Tracks to Adventure™ excursions during layovers, branded gift items, special on board services and Train'Share owner association management fees.

ATs' founder and CEO with 40 years of pertinent experience leads a growing team of managers, crew and outsourced entities as needed based on their superior pertinent abilities.

Sales are enhanced by a prolonged lack of essential and a consumer proclivity for meaningful train vacations in the USA, increasing demand for luxury travel and exclusive rail vacations, high growth of timeshare (Train'Shares) sales, and travel agent/industry requests to sell Journeys. Marketing support comes from key travel industry sellers, RCI (world's largest vacation exchange entity), and others.

There are no train vacations in the USA that compare to ATs' luxurious, scheduled Journeys by Rail. There are no other timeshared trains.

Based on the overall vacation experience, fares are high value in the luxury vacation marketplace and are below equivalent foreign luxury train vacation prices. Train'Share prices are competitive with typical high end real estate timeshares and have distinctive vacation experience advantages.

Revenue over five years should exceed \$280 million, with gross profit of about 69% and operating income (EBITDA) of about 48%. *Expected favorable earnings may erroneously appear to be overly optimistic; however, projections have been scrutinized, can be affirmed and are supported by significant markets, abundant demand, existing sales capabilities, unmatched management, unique operating economies, no measurable U.S. competition, contracted support from vacation and railroad industry leaders, and the desirable Journey by Rail product.*

Additional funding of \$550,000 to \$750,000 will finalize payment for initial rail cars. Alternative sources are being considered. More capital would expedite introduction of more cars (bedrooms and Journeys) to meet demand, with accelerated profitability. Collateralized cars secure funding sources.

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AMERICA'S TRAINS INC.
(“ATs”)

Journey by Rail vacations (“Journeys”)

Business Description and Plan (Plan)

CONFIDENTIAL - see page 2*

This Plan describes factors that influence and review the development, planning, implementation and growth of [America's Trains Inc. \(“ATs”\)](#)¹ on its [elegant passenger train cars](#)².

By viewing this Plan on-line, immediate access to references by clicking on in-text [links](#) will provide a more thorough review of ATs' business.

Reference numbers, for example ¹, refer to foot notes at the bottom of the page.

A Five Year Forecast Summary includes more business details in line item Notes. It is available on request.

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¹ [America's Trains Inc. short powerpoint video](https://americantrainvacations.com/atv/video/2022bestvacations.mp4), <https://americantrainvacations.com/atv/video/2022bestvacations.mp4>

² [ATs train cars, description](https://americantrainvacations.com/cars-trains/), <https://americantrainvacations.com/cars-trains/>

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***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 first.

1. Introduction

The existence of meaningful, scheduled U.S. train vacations with adequate bedrooms and upscale service has evaporated since the 1970s when Amtrak assumed responsibility for intercity passenger service. ATs' Journeys are filling this void for essential luxury rail vacations. Abundant markets for ATs' Journey by Rail products include a fastest growing segment of the vacation industry, [luxury travel](#)³, and [train vacations](#)⁴.

a) Background, upscale trains:

Amtrak assumed responsibility for U.S. intercity passenger train operations in the early 1970s and began retiring long distance, high end passenger cars as traveler use of new interstate highways and expanding airline services grew. Amtrak continued train services but without the type of accommodations or on-board amenities essential for luxury rail vacations, and with no extended en-route station stops.

In the late 1980s, American European Express (AEE) offered luxury service on rebuilt rail cars pulled by Amtrak. Due to poor market definition and route selection AEE service ended and in 1994 the cars were acquired by and began operation as American Orient Express (AOE). In the mid 2000's GrandLuxe Rail Journeys acquired about 30 cars from AOE and continued operating until late 2008 when the business closed. The cars were subsequently acquired by a railroad investor and were eventually sold to various private and regional excursion train buyers.

Although AOE and GrandLuxe generated positive cash at times, their services suffered from: promotional and operating limitations coming from inaccurate market definition; inopportune selling; operating limitations and restrictions for a single long train; non standardized and inadequate car equipment; some sub-par maintenance; offering just one itinerary (product) on a long train with surplus capacity; management issues; inclusion of extraneous business activities; related excess operating costs; and, a recession starting in 2007. In addition to today's improved pertinent business environment including enhanced consumer proclivity for luxury and U.S. train vacations, ATs is avoiding these shortcomings by eliminating related causes, targeting a consumer base that is less likely to be impacted by a recessionary economy, and with preventative and preemptive procedures. ATs has and used AOE and GrandLuxe financial and operating records, along with substantial other considerations, to understand and eliminate similar shortcomings.

There has been no meaningful or upscale train vacations in the USA for many years. ATs is filling the void.

b) Filling the Void:

ATs has resolved reasons why requisite upscale train vacations with onboard sleeping accommodations have not been available in the USA and is: filling the void while avoiding faults of earlier luxury U.S. train operators; taking advantage of growing [luxury travel](#)³ and [train vacation](#)⁴ markets; using management's significant pertinent experience and capabilities; applying beneficial features of successful foreign luxury trains; and, utilizing Amtrak's existing capabilities, authorities and services.

ATs has already established surplus sales traction and confirmed long term scalability. A growing number of luxury Journeys by Rail are being scheduled on over 21,000 miles of railroad tracks throughout the US and into Canada. Demand^{6,7} is more than sufficient. There are no other consequential scheduled, luxury train passenger trains/cars with deluxe sleeping accommodations and en-route layovers in the USA.

b) Covid-19 Impact:

Amtrak pulls ATs' Cars. Because Covid-19 caused Amtrak to suspend pertinent services in early 2020, ATs stopped selling and curtailed the imminent start of its Journey by Rail services. Customer deposits were refunded. Amtrak has implemented relatively aggressive renewal of suspended and is adding new routes. ATs is reactivating operations with expected [departures starting](#)⁵ by early 2025, which provides for lead times needed to schedule Cars as part of Amtrak trains, the typical up to one year period between the time when passengers confirm reservations and related departure dates, and the time required to make Cars ready for service.

³ [Luxury travel/vacation demand, https://americantrainvacations.com/atv/documents/referenceluxurytravel.pdf](https://americantrainvacations.com/atv/documents/referenceluxurytravel.pdf)

⁴ [Luxury train vacation demand, https://americantrainvacations.com/atv/documents/referencerail.pdf](https://americantrainvacations.com/atv/documents/referencerail.pdf)

⁵ [Journey by Rail schedules, https://americantrainvacations.com/journeyinfo/](https://americantrainvacations.com/journeyinfo/)

Covid-19 also caused vacation industry operators to curtail services and lose their related revenue that was an expected source of ATs funding.

2. **Rail Cars**

Until now, none of [the world's top 25](https://www.irt society.com/trains/)⁶ train vacations or cars with adequate overnight sleeping accommodations have been in the USA. This deficiency will no longer exist because ATs' luxurious Cars will compare favorably to the worlds best; with features that enhance North American operations.

a) **Overview:**

The primary market for ATs' Journey by Rail vacation products are affluent individual and group consumers of ultra-luxury and luxury vacations. ATs Car characteristics do/will include exquisite décor, deluxe facilities, desirable passenger amenities, and optimum passenger care required by these upscale markets.

To retain their original railroad characteristics and ambiance, it may not be appropriate to significantly change configurations of a few elegant classic cars that will be acquired, some with viewing platforms on the back end. This may diminish desirable features like larger bedrooms and bath facilities while retaining unique, luxurious upscale Journey by Rail experiences.

An attractive exterior livery blends the appearance of ATs Cars when traveling together.

Cars are named after flowers. Classic cars may retain original historic names, with an additional flower name.

b) **General description:**

[ATs Cars](#)³ have a single and two levels.

Two level Cars include dome Cars with about 85 ft lower and 25 ft long upper dome levels, and high level Cars with 85 ft upper and useable 55 ft lower level. Dome and high level cars provide more useable space and a better view from the upper level. Two level cars can't travel on some Amtrak routes due to height limitations.

High level Car advantages include: 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 of the car for equipment; walk-in entry; and, an elevator.

Single level and other high level Cars can be coupled to high level transition Cars. Amtrak mileage charges are lower per square foot for Cars with two levels because their mileage charge to pull single and two level cars with more floor space is the same.



Two level sleeping, lounge, dining dome Car

Single level sleeping, lounge Car

High level sleeping, lounge, dining Car

Exterior paint and appearance of these cars is not the final exterior livery design

Most Cars will be stainless steel with horizontal fluted siding.

Activity Cars are ex baggage cars. Although most ATs Cars have independent electrical generators, some activity Cars may include a larger sound proofed electrical generator to provide power to a multiple Car train set when being pulled by engines that do not provide head-end power (Amtrak does), or when a train set is parked.

c) **Car source and acquisition:**

ATs cars are retired Amtrak or VIA Rail (Canada) cars that ATs improves and enhances as required to enable them to be Amtrak certified and operationally efficient with optimal passenger amenities. They are available directly from Amtrak, Via Rail (Canada) or other sellers.

Eventually, inclusion of fully rebuilt, 'new' cars can be a viable option.

Amtrak is replacing older cars with new ones to standardize its fleet of commuter and regular long distance service cars. Their new car features focus on common fleet-wide mechanical systems with interior designs that stress comfort, accessibility, amenities and enjoyable travel experiences for passengers on Amtrak's high capacity commuter and other trains. It is more efficient in the long term for Amtrak to acquire new, fully standardized cars than to take existing cars from different builders out of service for upgrades and improvements. On the other hand,

⁶ [The world's top 25 train vacations](https://www.irt society.com/trains/), <https://www.irt society.com/trains/>

ATs can repurpose selected older cars from mass transit, high density, commuter and other hard wear operations to more casual service with common components and systems after mechanical improvements, and with low capacity interior changes. The service life of retired Amtrak cars can be extended by many years; privately owned cars built in the 1930s are presently Amtrak approved and operational.

ATs' originally planned first Car, the [Sunflower](#)⁷, a self sufficient high level four bedroom Car with full dining and lounges that can also provide meal service for an attached sleeping Car, was acquired before Covid-19. ATs completed mechanically repairs and it was Amtrak certified before Covid caused operations to be curtailed. For beneficial reasons, it might be replaced by an alternative Car.



In addition to the Sunflower, ATs has rights to other suitable Cars, some already Amtrak certified but needing interior redesign and improvement; negotiations may

reduce previously determined costs.

Car acquisition and interior modifications can be completed after demand and related advance bookings (which are typically made a year or so before departure) confirm optimum occupancy, during which time Car improvements are completed, passenger reservations are confirmed, and Journeys are scheduled with Amtrak.

d) Number of Cars and bedrooms:

Within several years ATs will introduce: about 29 'standard' sleeping, dining and lounge Cars with a total of up to 127 bedrooms in four [bedroom categories](#)⁸ that will operate alone or together as a train set; five self sufficient ex 'business' Cars with up to 13 bedrooms; and, up to four 'activity' Cars with no bedrooms that provide recreation and meeting venues while traveling with a train set of other ATs Cars. There will be a total of about 140 bedrooms.

There are four bedroom categories, all with private bathrooms, a safe, minibar, wifi when geographically possible, television and other deluxe amenities. Bedroom layouts and sizes may be slightly different based on the characteristics of individual rail cars and whether they have one or two levels. The largest bedroom is a 125 sq. ft. Grande Suite, which is a relatively large train bedroom and comparable to luxury foreign train rooms. The average is a 100 sq. ft. Master Suite. Depending on consumer interest, an extra large 300 sq. ft. Optimum Suite may be included in future Cars. Beds sizes are queen or larger, or two twins.

The number of Cars in service will include the 1st Car within eight months, five Cars within two years, 13 within three years, 26 within four and 38 within five years.

There will be up to 21 train sets with an average of 2.8 Cars passenger Cars each, excluding activity Cars.

Adroit scheduling permits moving and modification of the number and type of Cars in a Train set. Forecasts include an expense amount for repositioning Cars.

Forecasts are based on a reasonable plan for the sequential introduction of and types of Cars, which is subject to change based on evolving circumstances.

e) Repair and refurbishing:

Although some ex Amtrak cars are/will be Amtrak certified when acquired, most will require mechanical repairs for Amtrak and regulatory compliance, and to upgrade and standardized equipment and components. The amount of work is based on the condition of each Car when acquired.

While retaining classic, vintage Car characteristics as may be appropriate, Car interior improvements include floor plan redesign, exquisite decors, fine furnishings, modernized facilities, optimum comfort and desirable amenities, with an average of about 4.1 bedrooms per Car, a low average passenger density of about 8 guests per Car (double occupancy).

Car designs incorporate favorable luxury foreign train features combined with other amenities that best suit U.S. rail cars and service, including every known sensible passenger convenience.

Depending on the type of Car and its condition when acquired, it normally takes from five to eight months to complete repairs and refurbishing.

To date, Car mechanical repairs and improvements have been completed on an outsourced basis, overseen by ATs personnel. All Car improvements will be carried out at an in-house ATs shop within a couple of years;

⁷ [Sunflower, description](https://americantrainvacations.com/ats/documents/sunflowerspecs.pdf), <https://americantrainvacations.com/ats/documents/sunflowerspecs.pdf>

⁸ [Bedrooms, description](https://americantrainvacations.com/cars-trains/#bedrooms), <https://americantrainvacations.com/cars-trains/#bedrooms>

planning for a facility has started. Completion of Car improvements accelerates when the in-house repair and maintenance shop is open.

ATs management has experience building luxury yacht interiors. Interior modifications are managed directly by ATs.

f) Car cost:

The cost to acquire and improve Cars is normally between \$600,000 and \$750,000 depending on the type of car and the required amount of repairs. The average is about \$661,000, excluding activity Cars, which is about 25% of the cost of a comparable newly built car that provides equivalent revenue capabilities. Activity Cars cost about \$600,000.

The market value of ATs' improved Amtrak certified Cars exceeds the cost of acquiring and improving them by at least 10%; there is a market for them.

Recent circumstances have significantly reduced the expected price to acquire suitable cars. Therefore, previously anticipated cars may be replaced by preferred alternatives that are available from private sources, and that Amtrak retires to allow standardization of their commuter trains. Amtrak normally sells surplus cars at auction.

3. **Amtrak and Other Railroads**

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

a) Amtrak introduction:

Movement of [privately owned rail cars by Amtrak](https://www.amtrak.com/private-ownership-rail-cars)⁹ is a small but meaningful Amtrak profit center that is significantly enhanced by ATs' growing number of Journeys. Amtrak generates favorable revenue yields by pulling a private compared to an average Amtrak car in regular service.

ATs' ability to piggyback Amtrak services provides unique economic and operating benefits.

Other comparable luxury train vacation operators (foreign, there are no others in the USA) typically have to develop, manage and incur ongoing direct in-house expense for track use, route planning, timetables, railroad operating, car movement and related services that ATs avoids. Alternatively, ATs collaborates with and has access to Amtrak's existing nationwide rights and services at a reasonable cost on an income related basis.

Depending on the complexities of a specific Journey itinerary, it may take from a few to six months for Amtrak to schedule ATs Car movements. This process will be streamlined when ATs begins repetitive scheduled service on the same routes.

ATs simply selects an Amtrak route(s), preferred en route layover locations, and adds a single or multiple Cars to an appropriate existing Amtrak train(s), or uses an exclusive Amtrak engine.

b) Amtrak trains:

From a single self sufficient to a several ATs Cars can be included as part of an Amtrak train on their [scheduled routes](#)¹⁰ over 21,000 miles of tracks throughout the USA. Amtrak owns tracks in the northeast U.S. and has preferred rights to use freight railroad tracks throughout the country.

ATs Cars can join or leave an Amtrak train at a growing number of stations (presently over 40) throughout the USA, several with manageable limitations related to days of the week, number of Cars and otherwise. These limitations can be avoided and more stations can be used to originate and end Journeys if ATs uses an exclusive Amtrak engine.

There are about 500 stations where passengers can board and disembark.

The number of ATs Cars that a specific Amtrak train can pull varies from one to several depending on the engine(s), route, track condition and grade (how steeply the track rises and falls).

c) Amtrak exclusive engines:

An ATs train set having a few or more Cars can be economically pulled by an exclusive Amtrak engine without adhering to normal Amtrak routes or timetables. ATs can choose 'free roaming' itineraries from and to hundreds of stations throughout the USA and into Canada.

⁹ [Amtrak movement of private rail cars, overview](https://www.amtrak.com/private-ownership-rail-cars), <https://www.amtrak.com/private-ownership-rail-cars>

¹⁰ [Amtrak route map](https://americantrainvacations.com/atv/images/amtraktrainroutes.jpg), <https://americantrainvacations.com/atv/images/amtraktrainroutes.jpg>

The number of Cars pulled by an exclusive Amtrak engine or engines can be up to a dozen or more, depending on specific engine types, track condition and grade (how steeply the track rises or falls).

Use of an exclusive engine reduces costs at layover locations because switch engines used to move Cars to and from parking areas are eliminated.

Train sets can layover at desired available en-route destinations, not just those where Amtrak trains have time to drop off and pick up private rail cars.

Exclusive engines enable easier diversions onto or connections with short line freight and other regional railroads on tracks where Amtrak doesn't go, allowing extended Journeys to feature unique out of the way en-route destinations.

d) Amtrak charges:

ATs pays Amtrak a nominal annual per car fee of several hundred dollars.

Amtrak charges a fee per mil+ of \$5.81 for the 1st and \$3.84 for each additional Car. The average cost per person is about \$0.50 per mile and 7.5% of a related Journey by Rail, which ATs can easily absorb. These costs are in lieu of notable planning, management and operating expenses, and capital costs for engines and related equipment.

Amtrak's charge for an exclusive engine varies but can be economically viable. The additional expense of exclusive engines is offset by elimination of layover switch engine costs and by reasonable fare increases that are easily justified by special features of an elite, exclusive one of a kind itinerary.

e) Amtrak collaboration benefits:

Collaboration with Amtrak gives ATs access to benefits, some not otherwise available, that include inter-state and other regulatory permissions, fully developed timetables and [established routes](#)¹⁰, use of tracks nationwide, access to repair facilities, existing security procedures, en-route layover and other support. There are virtually no up front costs and most Amtrak charges are income related.

ATs' management, planning, administrative and operational expenses are significantly reduced by elimination of train scheduling, operating and related responsibilities.

ATs has no capital costs for engines and no engine maintenance responsibilities.

Electricity comes for Amtrak train engines while traveling, and in is available under some circumstances when parked if an exclusive engine is used.

ATs' can simultaneously operate multiple small train sets on different routes at the same time giving consumers a variety of different vacation products to choose from. Within several years ATs should be operating up to 12 train sets simultaneously.

If special needs for extra crew housing 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.

f) Other railroads:

ATs can also use tracks, engines and services of appropriate regional passenger trains, short line freight, and national Class 1 (largest) freight railroads at such time as related negotiations are finalized.

4. Business Model Factors

ATs' mixed use business model includes an option that provides for the sale and distribution of luxury Journeys by Rail as different but conjunctive Journey vacation products creating multiple revenue streams that are easily adjusted by varying the number of Journeys allocated to them, based on evolving sales and profit related circumstances.

a) Mixed use model:

The proven mixed use business model is used by major resort properties and timeshare developers including Marriot, Wyndham, Disney and others. ATs' two primary products are [individual Journey vacations](#)¹¹ and [Train'Shares](#)^{TM 12}, see Section 5. Each can independently achieve favorable profitability if sold separately. Based on

¹¹ [Individual Journey vacations description](https://americantrainvacations.com/individual-journey-info/), <https://americantrainvacations.com/individual-journey-info/>

¹² [Train'Shares](https://americantrainvacations.com/trainshare-info/)TM (timeshares) description, <https://americantrainvacations.com/trainshare-info/>

evolving business opportunities, every Journey by Rail can be sold as an individual Journey without diminishing long term earnings; a related forecast is available on request.

Benefits from and different synergies that go back and forth between these products include lead generation, cross promotions, sales flexibility, and benefits of multiple revenue streams. While both have significant separate consumer bases, they benefit from significant conjunctive markets. Flexible Journey by Rail inventory management enables immediate allocation of Journeys to one or the other (individual Journeys or Train'Shares) based on changing circumstances; lower sales of one can be offset by increased sales of the other.

A mix of higher early but reduced long term revenue from Train'Share sales and lower but continuing annual revenue from the sale of individual Journeys provides viable revenue source options.

ATs management has prosperous experience using this mixed use concept for a prior boutique vacation project.

Favorable earnings would occur if Journeys by Rail are only sold as individual Journey vacations with no Train'Share (timeshare) sales, or are only sold as Train'Shares. Separated management of individual Journey and Train'Share sales based on evolving business preferences and/or other circumstances would not negatively impact overall profitability.

High initial income from Train'Shares can be a source of funding to expedite expansion.

b) Growth by demand:

ATs' business model includes a 'pull' inventory growth strategy. For a few years most of the cost to acquire and 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/or Train'Share Owner occupancy is assured by related advance sales.

Delaying completion of Car improvements until after confirming favorable occupancy is viable because there is time to complete the work since most Journey bookings are typically made a year or so ahead of departure dates.

Present known and anticipated demand indicates that initial Cars should be introduced as soon as possible.

c) Train set size:

Most luxury train vacation operators in other countries use long trains with a dozen or more cars, which may be necessary because of available route limitations, track use considerations or other operating issues. ATs' business model includes simultaneous operation of smaller train sets ranging from a single to a few or more Cars on a variety of itineraries that are selected based on consumer interest.

ATs will operate long trains based on demand. However, by spreading its growing fleet of Cars among short train sets over different routes while traveling as part of different Amtrak trains or being pulled by exclusive Amtrak engines, ATs enjoys economic, selling and operating benefits including, but not limited to: enhanced sales because consumers have a choice of and can select a preferred itinerary; routes can be determined and quickly varied based on consumer interest; small train sets can transfer from Amtrak main rail lines (tracks) to small short line and regional railroads creating unique side trips as part of itineraries; it is easier to assure high occupancy of a small number compared to 30 or more bedrooms; short train sets with from several up to a dozen or so bedrooms are ideally suited for small groups; Cars are easily moved among train sets to adjust total capacity to meet group customer or advance sale criterion; available en-route railroad siding or spur parking locations are more available and less expensive for a few Cars while long trains have difficulty finding parking places; unexpected cancellations are easily managed by working with fewer passengers; fewer Cars and passengers are impacted if a delay occurs due to weather, track closures or because one Car in a train set is unable to operate due to mechanical problems; possible crowding of common areas is avoided; and, otherwise.

d) Collaborations:

The business model includes collaborations with Amtrak, [RCI](https://www.rci.com/pre-rci/us/en/explore-rci/about-rci)¹³ (the world's largest vacation exchange company), selected major travel agencies, travel franchise networks, selected tour operators, and other key entities.

Collaborations include possible temporary or long term customer branding of a specific Car or Journey by Rail.

5. Product Descriptions, Components

¹³ [RCI overview](https://www.rci.com/pre-rci/us/en/explore-rci/about-rci), <https://www.rci.com/pre-rci/us/en/explore-rci/about-rci>. RCI, a Wyndham company, is the world's largest timeshare vacation exchange company with over 4,000 affiliated resorts and 3,000,000 members. RCI provides vacation exchange and marketing support.

ATs' Journeys by Rail are five to 11 day vacations for two or a single passenger(s) on a growing number of Cars on changing routes/itineraries throughout the U.S. and into Canada, with [competitive fares](#)¹⁴.

a) Journeys by Rail overview:

ATs operates and sells five to 11 day Journey by Rail vacation products on luxurious rebuilt passenger rail Cars traveling as train sets having from a single to several Cars.

Journeys by Rail vacation products are intended to redefine upscale U.S. vacations by their uniqueness, distinctive quality, impeccable hospitality, railroad ambiance, and unmatched on board and off Car experiences.

Passenger care emphasizes: unobtrusive personalized service; complimentary beverages including alcohol at meals and frequent social events; on Car culinary excellence using fresh ingredients with menus based on pre Journey passenger input and a formal white glove dinner during each Journey; a special off Car deluxe dinner that represents unique characteristics of the layover location; Car 24 hour room service; en-route, on Car enjoyment; unforgettable off Car Tracks to Adventure™ excursions; and, optimized overall passenger pleasure.

Primary Journey by Rail vacation products are individual Journeys and Train'Shares™ (timeshares), which sell to significant similar markets while each has notable different customer bases.

ATs' small train sets can easily be moved to favorable vacation locations and to avoid inclement weather.

b) Individual Journeys, see Section 10 a):

Single individual Journey vacation sales generate less current annual revenue and profit compared to Train'Shares but allow the repeated sale of the same Journey time period in future years as an individual Journey. Individual Journey fares are below [foreign luxury train fares](#)¹⁴ for equivalent vacations; there are no others in the USA.

If individual Journeys were the only product, ATs market penetration, traction and sales capabilities are already considered to be sufficient to ensure optimum sales and desired occupancy for a few years, and for a long term with economical additional promotion. Individual Journeys are sold to the significant [luxury travel](#)³ and growing [train vacation](#)⁴ markets.

Individual Journeys are sold directly (in-house) and through travel industry outlets.

c) Train'Shares™, see Section 10 b):

A Train'Share provides a right to use annual or more frequent Journeys by Rail.

Buyers make a one time purchase of 'points', 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.

Train'Share owners pay Journey Use Fees equal to 33.3% of the full retail fare for each Journey they use plus a reasonable management fee; see Section 10 b).

Points can also be used to acquire other worldwide vacations through [RCI](#)¹³, the world's largest vacation exchange entity.

Train'Shares are personal property (not real estate) timeshares, making them exempt from timeshare regulations in most jurisdictions; however, ATs by its own accord complies with typical timeshare sales documentation and disclosure requirements. ATs management has prior personal property timeshare experience, including participation in creation of related regulations in Florida.

Full legal and sales documentation has been completed.

Train'Share sales produce higher and earlier sales revenue and profits compared to individual Journeys, generate annual advance payment of Car operating costs from Journey Use Fees paid by Train'Share owners, and provide Train'Share management fee income; but, ongoing annual Journeys are owned by Train'Share buyers eliminating repeat sales each year.

Train'Shares are sold directly (in-house) and through independent contract sales entities to the significant luxury travel, growing train vacation, and burgeoning [timeshare](#)¹⁵ markets. RCI, the largest timeshare and vacation exchange company, provides [marketing support](#)¹⁶.

¹⁴ [Competitive fare examples](#), <https://americantrainvacations.com/fare-comparisons/>

¹⁵ [Timeshare, Train'Share, demand](#), <https://americantrainvacations.com/atv/documents/referencetimeshare.pdf>

¹⁶ [RCI support](#), <https://americantrainvacations.com/atv/documents/rcisupport.pdf>

Higher early year net income from the sale of Train'Shares can be a source of capital to pay for additional Cars.

d) Fractional interests, see Section 10 c):

Buyers of fractional interests¹⁷ acquire title to from a 1/12th to 1/6th share of a Car and related rights to use Journeys by Rail.

Fractional interests are one time sale and generate: higher, earlier revenue and profits compared to the sale of Car bedrooms for individual Journeys or Train'Shares; advance annual payment of Car operating costs from Journey Use Fees paid by fractional interest owners; Train'Share management fee income; and, the profitable sale of unused owner Journeys as individual Journeys; but, future Journeys are owned by fractional interest owners eliminating repeat annual sales.

No fractional interest sales are presently included in forecasts. Full legal and sales documentation has been completed and the sale of fractional interests is an available option to be considered based on evolving circumstance.

e) Number of Journeys and train sets:

Assuming that the average Journey is for seven nights and eight days, the maximum annual number of Journeys by Rail is the number of bedrooms times 44 weeks, the remaining eight or so weeks are for repairs, maintenance and Car relocation.

There will be about 96 Journeys by Rail in the 1st year, 708 in year two, 1,749 in year three, 3,260 in year four and 5,122 in the 5th year.

Up to 12 train sets will eventually be in service, operating simultaneously on different routes. Each train set will include an average of about 2.8 Cars excluding and 3.1 Cars including activity Cars. A longer train set may operate to meet specific consumer interests.

f) Journey layovers:

Journeys include layovers at different en-route destinations, including original departure and final arrival stations, where luxurious Cars park while passengers live on board and enjoy nearby off Car things to do.

Cars are dropped off by one train and picked up by another train a day or so later.

Free shuttle service between parked Cars and off-Car activities is provided.

Parking locations provide a railroad ambiance with varying facilities and comfort, while enjoying full on board services.

Some Journey en-route layover Car parking facilities are very accessible and nice, others are less attractive which is offset by ATs' special passenger care concepts that include a 'railroading' experience.

More complex switching to and from parking locations is sometimes required. Car shunting, switching and parking experiences are designed to provide passengers with an interesting railroad ambiance experience.

If Journeys visit specific locations on a regular basis, layover facility upgrades may be done and paid for by siding or spur owners or the cost may be shared with or paid for by ATs. Applicable ATs expense can be recovered by reasonable adjustments to Journey fares.

g) Tracks to AdventureTM:

During layovers at en-route locations, passengers live on board and have lots of time to experience a wide variety of ATs' off Car Tracks to Adventure excursions, and other things to do, without the inconvenience of moving to and from hotels.

Tracks to Adventure include a wide variety of pre arranged personalized activities.

h) Other products:

Additional products not included in all-inclusive services or available to all passengers include: specialized branded and other gift items sold during Journeys and otherwise; extra personalized, exclusive on board service like preferred brand beverages; special on board events and ceremonies; formal private meetings; extra entertainment on activity cars; and, unique off-car Tracks to AdventureTM excursions and activities.

¹⁷ Fractional interest description, <https://americantrainvacations.com/fractional-interest-info/>

The eventual operation of activity Cars as part of a train set will provide additional revenue from the sale of beverages, special events, entertainment, goods and services to train set passengers.

6. 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 relatively mediocre onboard sleeping accommodations, and some regional railroads.

Amtrak long distance service moves passengers between stations on satisfactory, higher density cars with limited sleeping accommodations and no layovers. ATs Cars park at en-route layover locations allowing passengers to enjoy the comfort of living on board while enjoying nearby things to do; Amtrak passengers have to leave an Amtrak car and move to a hotel. ATs Cars are dropped off by one Amtrak train and picked up by another a day or so later; or, pulled by an exclusive engine.

Amtrak services are not considered to be competitive but instead supplement Journeys by Rail. ATs enjoys operating and service benefits by collaborating with and economically piggybacking on Amtrak's route, timetable and en-route operations. Some of Amtrak's 23,000,000 annual passengers are a 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 at en-route locations. Service is typically from April through November on one long train with only a couple of different seasonal itineraries; ATs offers multiple Journeys throughout the U.S. and into Canada to choose from. Because of the train size, Rocky Mountaineer 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 mediocre 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 and ATs compete for the same international rail and luxury travel customers. Foreign train fares are higher on equivalent itineraries, in great part because ATs enjoys economic benefits by collaborating with and using Amtrak to pull its Cars. Compared to ATs, foreign operators operate long trains with multiple cars on a limited number of itineraries; ATs gives consumers a choice of different Journeys on various routes with the same number of cars. Upscale foreign train vacations have developed markets, operating procedures and car features that can be replicated by ATs. Foreign rail vacation passengers are a source of ATs Journey sales leads.

Journeys by Rail compete with other high end vacation products for a huge and growing [luxury travel](#)³ market that includes exclusive luxury river cruise lines that allow passengers to live on board while docked at en-route locations, which have a growing customer base that can be accessed by ATs.

Unique railroad characteristics of Journeys by Rail provide product differentiation that creates a consumer awareness advantage over typical upscale land or marine vacations.

There is no other scheduled or other meaningful luxury train vacation service in the USA.

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 grow and retain market dominance.

7. Management, Personnel and Related Support

[Barry Jones](#)¹⁸, ATs' founder and [CEO](#)¹⁹ with 40 years of pertinent experience, leads a growing [team](#)²⁰ 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 include present personnel and others that are available as growth demands to most effectively oversee business operations. Notable interest in related employment provides a pool of experienced Car operating crew to choose from.

¹⁸ [Short powerpoint video summary of CEO's experience](https://americantrainvacations.com/atv/video/atsbarry.mp4), <https://americantrainvacations.com/atv/video/atsbarry.mp4>

¹⁹ [Linkedin review of CEO's experience](https://www.linkedin.com/in/p-barry-jones-098165151), <https://www.linkedin.com/in/p-barry-jones-098165151>

²⁰ [ATs management summary](https://americantrainvacations.com/about-us), <https://americantrainvacations.com/about-us>

Key outsourced, contracted collaborators that provide rail Car rebuilding/improvements, management and other services include:



Key train and luxury travel sellers

Additional and alternative entities will further enhance ATs growth, operations and selling capabilities.

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



Present and eventual management positions, to be adjusted and added as business needs evolve, are described in the following chart, Senior Management Job Descriptions. Multiple jobs will be performed by existing managers until others join ATs as required by business growth.

Senior Management Job Descriptions

Titles describe functions; related managers may also be officers

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 liaison Timeshare industry liaison 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 liaison 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

8. Proprietary and Business Rights

ATs has proprietary rights, contacts and exclusive relationships that are used to support Car acquisition, Car repairs and maintenance, marketing, sales, and otherwise.

Internet domain name rights include: Americantrainvacations.com with a general web site; Americatrains.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.



Train'Shares™ is ATs' trade name for timeshared Journeys by Rail.

Tracks to Adventure™ is ATs' trade name for excursions and activities during Journey layovers.



9. Marketing and Sales

Journey by Rail sales are enhanced by the prolonged lack of essential and a consumer proclivity for meaningful and luxury train vacations in the USA, travel agent/industry requests to sell Journeys, and growing demand for [luxury travel](#)³, [train vacations](#)⁴, and [timeshares \(Train'Shares\)](#)¹⁵.

a) Luxury travel/vacation market

"However you define it, luxury travel is big and getting bigger - thriving"²¹.

"Luxury travel sector is set to double in the next decade, from \$1.3 trillion in 2022 to \$2.7 trillion in 2032"²².

"High-end tour operators are seeing an unprecedented rise in trips with price tags of \$100,000 or more"



b) Primary products

²¹ Reference, Travel report, 2023 - Deloitte

²² Reference, 2023 - Market.US

²³ Reference, 2024 - Forbes

Individual Journey vacations and Train'Shares are sold to similar luxury vacation consumers while having specific markets of their own. These two primary products provide sales and occupancy benefits that go back and forth to each other. Pertinent markets are huge compared to the number of Journey products available for sale. Targeted segments within these overall markets should be sufficient to provide surplus potential buyers.

c) Individual (single) Journey vacations, see Section 5 b):

Journeys by Rail are sold as individual Journey vacations. The number of sales needed is limited by the low number of available bedrooms, a maximum of about 140 within several years if they were all used for individual Journeys, which is a very small number compared to huge overall domestic and foreign marketplaces.

Already identified buyer sources provide assurance that optimum occupancy should occur for a couple of years, which should continue long term with economical additional promotional efforts.

Selected travel agencies do/will emphasize the sale of individual Journeys to their existing clients and to targeted segments of luxury travel buyers²⁴. Some of the individual top travel agencies specializing in the sale of railroad vacations, which can be found by a Google '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](#)²⁴, provide excessive sales potential that is more than enough to sell the growing number of bedrooms and related Journeys. ATs has direct access to many of them and can entice their support with relatively high sales commission earnings which are paid on the full all-inclusive fare, unlike many travel suppliers that don't pay commissions on meal or other amounts.

Some travel wholesalers, tour operators and travel agent franchisors have the capability of selling all available Journeys for the first few years or longer, some as a branded product at their option.

Access to travel industry resources is enhanced because ATs' CEO has maintained industry relationships after founding and managing the first North American travel agency franchise organization, which became the largest retail travel agency group in the U.S. and spawned over 1,000 outlets.

Increasing demand for and past customers of foreign luxury trains²⁵ provide a source of Journey by Rail consumers already interested in high end train vacations.

Foreign luxury train vacation operators make many sales through some of the same travel agencies that do/will 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.

The vast majority of Journey sales will be made by travel industry outlets to their self generated leads or to leads sold to them by ATs, in lieu of ATs making direct sales, which are paid for out of sales commissions. ATs already generates a significant number of unsolicited leads which can be promotionally increased at will, if necessary.

d) Train'Shares, see Section 5 c):

Upscale timeshare [sales are booming](#)¹⁵. RCI¹³, with over 3,000,000 timeshare owner members, many owning multiple timeshares, 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 (ATs) train!"*²⁵.

Most Train'Share sales will be made by outside agents to leads that they generate or which are provided by ATs for a fee, including conversion of persons initially interested in individual Journeys, if appropriate based on evolving circumstances.



RCI¹⁴ 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 the unique vacation experience, some uncommon timesharing benefits that promotionally enhance Train'Share sales include: having a single Journey Use Fee, no transfer fees, tax or other charges; the elimination of timeshare use fee (Journey Use Fee) increases, which are a percent of individual Journeys fares at the

²⁴ [There are 55,000 full time agents in the USA](https://www.statista.com/statistics/917069/number-of-travel-agents-us/), <https://www.statista.com/statistics/917069/number-of-travel-agents-us/>

than current price; no payment of fees if Journeys are not used, in which event ATs pays the fee and sells the Journey to an already identified market at a net profit; the right to sell the Train/Share points back to ATs at the original purchase price, less the value of used Journeys, in which event ATs can profit from their resale or by selling the related time periods as individual Journeys; and, Train'Share owner rights to rent their Journeys through already interested travel outlets to earn net income.

e) Lead generation and sales sources:

In addition to normal sales influences, foreign interest in U.S. travel is being primed by federal government and other entities, like the Travel Promotion Act and related [Discover America, Brand USA](#)²⁶ which is a global program to entice visitors to vacation in America. The characteristics of Journeys by Rail ideally meet product criterion for Brand USA and other promotional entities. To the extent necessary, ATs participates in/with these programs.



Unsolicited interest in Journey vacations continues to be a source of substantial number of qualified consumer leads, many being for small groups. These and existing travel industry sources support optimum occupancy of the current limited number of bedrooms for a few of years, and beyond with limited additional promotion.

Introduction of growing public relations and relatively small promotional efforts are expected to easily maintain sales that assure high occupancy as capacity increases from several to about 140 bedrooms within several years.

Detailed consideration of sales sources, related lead costs and management's prior lead to sale conversion ratio indicates that a combination of a few of the sources in the following chart, Journey Lead and Revenue Sources, can sell sufficient Journey by Rail products to assure high occupancy, whether individual Journeys or Train'Shares.

The cost of leads per sale is minimized by emphasizing and targeting the most productive lead sources.

Luxury river cruise (see line 35 to 49)³ consumers are strong potential Journey buyers because of the common vacation characteristics. The difference between river cruises and Journeys by Rail is that one floats while the other travels on tracks. There is worldwide accelerating demand for river cruise vacations which have comparable prices, markets, and vacation objectives with layovers at en-route places, like Journeys. River cruise demand is being met because new river ships are being built²⁷ but "There will be a limitation on availability of luxury train inventory for the foreseeable future"²⁸.

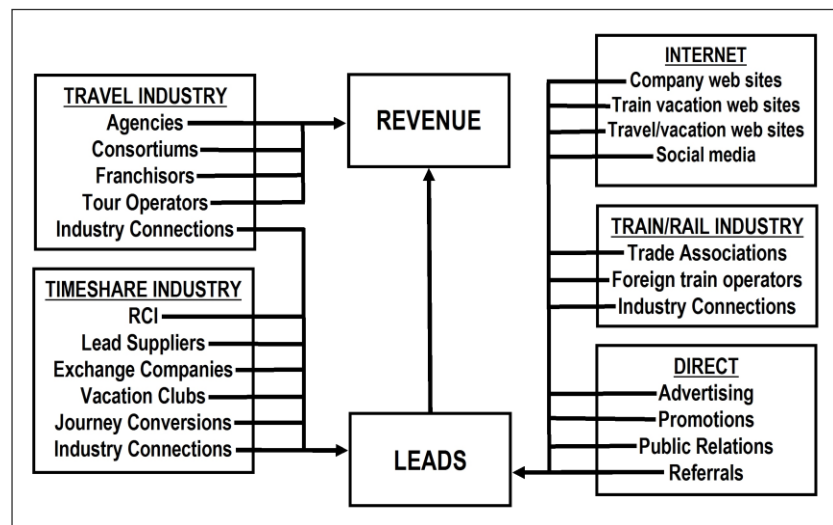
ATs has access to sellers of river cruises having extensive lists of customers; many with a propensity to purchase luxury Journeys by Rail.

In addition to direct in-house sales, many Train'Share sales are sold through independent contractor entities that ATs already has or has access to; they sell to leads that they generate or that ATs sells to them.

Repeat and referral customers will become a major low lead cost source of buyers. ATs 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 unexpectedly 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 fares that canceling consumers may have paid, ATs can quickly sell remaining Journeys to predetermined sales agents at a reduced price that covers costs and expenses plus a fee. The agent profitably resells the Journey to a client looking for low price last minute deals.

Journey Lead and Revenue Sources



²⁶ [Brand USA information](#), www.thebrandusa.com/

²⁷ [River cruise growth](#), <https://www.cruisecritic.com/articles.cfm?ID=2893>

²⁸ Reference: Tim Littler, owner/operator of Golden Eagle Luxury Trains in Europe and luxury train vacations in other countries.

An intended television streaming service movie series featuring ATs Cars can generate notable up-front net income from sales during production, plus ongoing royalties. It is intended to and will also create valuable promotional exposure among viewers. ATs management has prior similar travel industry promotional experience.

f) Group sales:

Unique Journey by Rail experiences on train sets with from several up to a dozen or so bedrooms are ideal for small friends, family, affinity, special interest, business and other groups.

ATs has or is developing golf (on several courses during different layovers), ski (on different mountains), destination wedding, special sport, recreational event (like the Kentucky Derby or Super Bowl), and other distinctive and theme group Journeys. Related consumer markets are easily targeted. Some will be sponsored or in conjunction with related media, celebrities, special events and pertinent special interest experts.

Individual Journey and Train'Share Journey by Rail vacations offer unique benefits to corporations for small meetings, customer rewards, employee incentives, celebrations and otherwise. A single major incentive travel company can consume a substantial number of Journey vacations.

Journey experiences are easily customized to cater to a group's special interest and unique on board and layover destination preferences.

10. Fares and Prices

Based on the overall vacation experience, fares are high value in the luxury vacation marketplace and are very competitive with foreign luxury train¹⁴ vacation prices.

a) Individual Journey fares, see Section 5 b):

Individual Journey fares are determined using a computer application that calculates specific Journey train set and Car operating costs (cost of revenue) by bedroom category and multiplies the total by three, plus a small add-on amount up to a sensible total full fare. For example, an operating cost (cost of revenue) for a Master Suite Journey of \$6,312 X 3 = \$18,936 + a small add-on = \$19,500 full fare. Individual Journey gross profit of \$13,188 (\$19,500 minus \$6,312) covers operating expenses including marketing and sales, general and administration, research and development, and a supplemental (additional) expense reserve; the balance is net income.

A fare discount as a sales incentive may be warranted. A maximum average discount of 8% of the calculated full fare, before an add-on amount, is used for revenue forecasts.

An average promotional fare equal to 50% of the calculated full fare before the small add-on may be used for public relations or sales agent familiarization Journeys. If a promotional fare is sponsored by ATs, the fare amount is charged as a marketing expense.

Assuming that realistic, scrutinized cost and market factors are considered when calculating full fares, ATs' Journeys by Rail are priced below competitive foreign luxury train vacation prices¹⁴.

b) Train'Shares/points prices, see Section 5 c):

Initial Term Train'Shares are for 10 years. Perpetual Term Train'Shares are for the life of Cars; cars built in the 1930s are presently Amtrak certified. An Initial Term Train'Share can be converted to a Perpetual Term by paying an Extended Term fee before the 15th month after closing a Train'Share sale, which would be after taking an initial Journey vacation.

Train'Share ownership is represented by a number of points, each valued at \$1.00 when acquiring a Journey by Rail at the current (when a Journey is reserved) full fare. Buyers make a one time purchase of the number of points needed to pay the price of the Journey by Rail they expect to use; if the full fare is \$19,500 they purchase 19,500 points. Points are valid for one year but are automatically renewed each year at no cost to Train'Share owners. The \$1.00 value per point when acquiring a Journey doesn't change. Points can be borrowed from future years or banked (saved) for use in future years to allow Train'Share owners to use Journeys with varying fares. Train'Share owners automatically receive additional points at no cost to account for inflationary increases of fares.

Point prices are presently \$1.80 and are subject to change and will be increased based on demand and inflation.

A points price discount may apply as a sales incentive, if warranted. A discounted price of \$1.65 has been used for revenue forecasts.

If the fare is \$19,500 for Journeys that are expected to be used, 19,500 points are required. The price of an Initial Term Train' Share points is \$35,100 ($\$1.80 \times 19,500$) with no discount, reduced to \$32,175 ($\$1.65 \times 19,500$) with a discount. The full price for a Perpetual Term Train' Share points is 135% of the Initial Term, which is \$47,385. An Extended Term costs 60% of the Initial Term, which is \$21,060.

c) Fractional interest prices, see Section 5 d):

Fractional interest sales are not included in forecasts.

Prices may range between \$190,000 for 1/12th share and four weeks per year to \$350,000 for a 1/6th share and eight weeks per year. These prices are lower than [fractional interest yacht prices](#)²⁹ that offer an equivalent but marine oriented vacation experience.

11. The Company

a) Stockholders:

America's Trains Inc. (ATs) is a Wyoming corporation.

Class A common voting shares have been issued. Senior management presently holds the majority of ATs stock.

A capitalization table is available.

b) Valuation:

Based on completed comprehensive concept and business development, intellectual property benefits, positive market forces, discounted free cash flow expectations, present operational capabilities, growth prospects, imminent positive cash flow and related net expected income, the pre funding valuation of ATs is presently considered to exceed \$3,000,000.

c) Exit opportunities, shareholders:

Favorable shareholder exit strategy options exist.

The value of ATs' capabilities and potential have already been recognized by major travel/vacation industry entities that have expressed an interest in ATs ownership.

Proposals to cause ATs shares to become a public trading stock have also been received.

If an exit is desired, barring any earlier appropriate proposal, these opportunities can best be considered after a few Cars are operational, when related earnings enhance ATs' valuation.

12. Funding

Original funding from travel industry entities was lost when the sources curtailed operations due to Covid-19, causing a loss of their sales revenue and related investment capital for ATs. Based on current considerations, alternative funding sources are being considered.

Funding is to acquire Cars on a minimally funded progressive basis, one Car at a time using revenue and surplus earnings from prior Car operations to buy additional cars, or with greater funding on an as required to meet current demand basis, starting with a few Cars and with accelerated growth and earnings.

Funding to date of about \$700,000 came from equity investment paid for by cash or by accepting equity in lieu of remuneration for services valued at under 35% of market worth. This includes funds to stay viable through a minimally productive Covid-19 induced idle period of up to three years.

Investment in or other funding for ATs is relatively risk free because the purpose of funds is to purchase and improve rail Car assets having a market value after improvements that exceeds the funding amount; and, collateralized Cars with a market value exceeding the cost to acquire and improve them can provide security for investors or lenders. There are/will be no other rebuilt, deluxe, Amtrak certified cars available and there is a private market for them.

Minimal additional 'bootstrap' funding of from \$550,000 to \$750,000 can adequately provide for the start of service. Funds are to pay the balance owed and for the completion of interior improvements on the 1st Car, which is already Amtrak approved.

²⁹ [Fractional interest yacht prices](https://seanetco.com/absolute/60-fly/), <https://seanetco.com/absolute/60-fly/>

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

ATs has rights to initial Cars from private sources; negotiations may reduce previously determined costs.

About seven or eight months after funding occurs, increasing positive cash flow starts and provides necessary operating capital and funding for the introduction of subsequent Cars on a satisfactory schedule, which can be accelerated if more funding occurs.

Surplus funding or a prearranged source of \$500,000 may be appropriate to have funds available to acquire Cars from Amtrak when they offer them at auction, which may be soon although the dates are not definite.

Maximum funding of up to \$5,000,000 over a couple of years would provide for maximum growth including expedited completion of the repair and maintenance shop and earliest domestic and foreign expansion.

Although business growth can be favorable using funding sources that only offer capital to acquire and improve rail cars, a relationship with an existing significant travel/hospitality business could offer brand, knowledge and industry relationships that further enhance ATs' future.

Assuming that funding includes acquisition of equity under appropriate conditions, present ATs shareholders will give new investors a preferred right to initial earnings until they get a full return of the amount invested, and/or will provide equity that can be paid for from earnings.

13. Forecasts, Earnings

ATs' already favorable earnings forecast will be further enhanced if funding is greater than the forecasted 'bootstrap' \$550,000 to \$750,000. More early capital would provide for expedited acquisition of more Cars (bedrooms and Journeys) to meet demand, with accelerated profitability.

ATs' introduction of services, related revenue and expected earnings stopped in early 2020 when Amtrak suspended pertinent operations because of Covid-19 causing ATs to curtail sales and imminent Journey services at which time ATs reduced business activities and expenses to a minimum. Operations are now being re-started.

Forecasts are based: on actual passenger rail service, selling, related operating, and other pertinent factors; input from multiple sources of significant pertinent knowledge; management's considerable related experience; and, comprehensive consideration of present and future trends and markets.

The following chart, Overview Mixed Use Product Forecast,

summarizes a detailed forecast that includes specific clarifications and information related to forecast revenue and expense line items. It is available on request.

The forecast includes sales of two primary Journey by Rail products, individual Journeys and Train'Shares, with two related revenue streams. Revenue is based on discounted individual Journey fares and Train'Share prices. Flexible allocation of Journey by Rail inventory to one or the other based on evolving demand and other pertinent circumstances can enhance earnings. If sales falter for one product, Journeys by Rail can be sold as the other.

A separation of Train'Shares and individual Journeys, the sale of only one of these two products, or the purposeful significant

	Train'Shares, points	Individual Journeys	Total
Overview, Mixed Use Product Forecast	35.1%	64.9%	100.0%
Sale revenue	\$113,943,650	\$126,589,038	\$240,532,688
Owner's Association, management fee	\$1,454,600		\$1,454,600
Owner's Association, Journey Use Fee	\$26,232,672		\$26,232,672
Passenger purchases, %	\$5,858,332	\$10,842,708	\$16,701,040
Total revenue	\$147,489,254	\$137,431,746	\$284,921,000
Cost of Revenue			
Car operations, %	\$26,242,995	\$48,571,010	\$74,814,005
Passenger purchases, %	\$3,736,506	\$6,915,592	\$10,652,098
Reserve %	\$899,385	\$1,664,598	\$2,563,983
Total	\$30,878,886	\$57,151,200	\$88,030,086
Gross profit	\$116,610,368	\$80,280,546	\$196,890,914
Gross profit % margin	79.1%	58.4%	69.1%
Operating expenses			
Marketing & sales, total	\$28,591,641	\$22,026,324	\$50,617,965
G&A + R&D, %	\$1,807,951	\$3,346,188	\$5,154,140
Reserve, %	\$776,332	\$1,436,850	\$2,213,183
Total	\$31,175,925	\$26,809,362	\$57,985,287
Operating income, EBITDA	\$85,434,443	\$53,471,183	\$138,905,627
Operating income, EBITDA, % margin	57.9%	38.9%	48.8%

emphasis of one of them would not materially alter overall long term earnings.

Forecasts that only include the sale of individual Journeys or of Train'Shares both have favorable profitability; they are available on request.

Sales revenue also comes from additional secondary products and services.

Train'Share sales produce higher revenue and operating income earnings (about 58%) for several years, which eventually diminish because they are one time sales and Journeys belong to Train'Share owners, although some income related to Car operations continues long term.

Individual Journey sales revenue and earnings (about 39%) continues over a long term because Journeys belong to ATs and are resold each year.

Although a sensible reserve is built into line item expenses, forecasts include supplemental reserves for the cost of revenue and for operating expenses.

Fractional interest sales are not included in present forecasts. Their sale is an option that can be considered based on evolving circumstances.

Adequate profits still occur if revenue is unexpectedly reduced because a majority of operating costs are income related.

Expected favorable earnings may erroneously appear to be overly optimistic; however, projections have been scrutinized, can be affirmed and are supported by significant markets, abundant demand, existing sales capabilities, unmatched management, unique operating economies, no meaningful U.S. competition, contracted support from vacation and railroad industry leaders, and the desirable Journey by Rail product. See Exhibit A.

Present and future expected demand and selling capabilities are more than adequate. However, to further enhance ATs' financial future and to preempt unexpected but possible future cost related resistance to higher pricing by a new vacation brand (America's Trains) among U.S. consumers, it may be prudent to consider an affiliation, merger or ownership participation with a respected, known hospitality industry entity. This could intensify the confidence of domestic and other potential buyers while supporting fare and price increases

14. Risk Avoidance

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

Hardships and risks that might impact operations, financial performance, funding sources and committed business associates are avoided by and because: ATs' business has significant overall strengths and opportunities; potential 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 can have preferred rights to receive dividends ahead of original shareholders; metric monitoring provides for continuing anticipation of, and quick response to correct unexpected adverse 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.

Notwithstanding risk avoidance, unexpected circumstances could negatively impact ATs' operating and financial performance.

15. Notices

This Plan, including Exhibits, is intended to properly describe America's Trains' status and performance expectations.

Plan information is confidential as provided for on page 2*.

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

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

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

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

- A proven, flexible business model.
- Desirable Journey by Rail products with surplus markets, growing consumer interest and travel agent sales requests.
- Multiple, conjunctive Journeys by Rail ("Journeys") products and revenue streams, if one falters the other compensates.
- Either of two primary Journey products, individual Journeys or Train'Shares, can be emphasized to enhance performance.
- Favorable profits occur if only one primary product 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.
- Amtrak pulls Cars eliminating locomotive/engine inventory and related direct costs for a reasonable fixed mileage fee.
- Payment to Amtrak for its services is income related.
- 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.
- Long advance Journey sale lead times allow some routes to be determined based on demand, ensuring high occupancy.
- A choice of multiple Amtrak routes over 21,000 miles of tracks, with no pre Journey route development costs.
- From one to several Cars can travel together on a variety of existing preferred routes with minimal preplanning.
- Routes can be quickly changed to avoid seasonal inclement weather or other detrimental conditions.
- There is no 'down/low' season. Routes are scheduled throughout the USA in desirable locations that avoid adverse seasonal weather.

Lucrative pricing

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

Sales ease, optimum occupancy

- Huge, surplus, fastest growing leisure markets; luxury travel/vacation, rail, Train'Share (timeshare).
- A miniscule number of Journeys (bedroom inventory) compared to a huge market.
- Consumers can choose 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.
- No meaningful, similar travel product competition in the USA; market domination.
- Continuing media interest and related low cost publicity and exposure.
- 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

- Costs of initial Cars can be delayed until after advance sales assuring high occupancy; avoiding surplus inventory.
- Pool of available cars, present and future; former/retired Amtrak and VIA Rail cars directly from them or private owners.
- Rebuilt Car market values exceed total acquisition and rebuild costs; they 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; Amtrak provides it.
- Exclusive engines pulling multiple Cars provide lower switching (moving Cars) costs at layovers and between routes.
- Favorable arrangements for Car operating and layover services.
- 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.

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

Existing Capabilities: ATs has already developed and has the 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 calculation system
- ☑ 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
- ☑ Comprehensive regulatory, 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
- ☑ Internet domains
- ☑ Proprietary rights, trade names
- ☑ 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 and 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; selected 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, food
- ☑ General tours, excursions and passenger activities at layovers
- ☑ Exclusive Tracks to Adventure™ excursions and tours
- ☑ Off-Car dining
- ☑ Passenger shuttle between Cars and off Car activities at layovers
- ☑ 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 capabilities, 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, for Cars and passengers
- ☑ Skilled senior management personnel, as 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
- ☑ Lots of related and other things.

Remaining Requirements: Provision of Journeys by Rail will begin by early 2025, after:

1. Affirmation that adequate funding for final improvement of the 1st Car is available. This is under consideration.
2. Final remobilization of everything necessary, which is already available, to begin Journey by Rail services. This can be adequately accomplished within several weeks and optimized within a couple of months.
3. Introduction of Journey by Rail services by early 2025 on the 1st Car, followed by others.
4. Consideration of newly available alternatives to presently selected cars and renegotiation of Car prices. This is being finalized.
5. Consideration of an involvement with a significant travel/vacation/hospitality/other entity to strengthen consumer confidence in the ATs brand, to support higher fares and prices, and to enhance funding opportunities.