

SHAREHOLDER PREFERRED BENEFIT CONDITIONS AND PROCEDURES

Conditions and procedures related to Class B shareholder benefits, including (A) ATs Stock Buyback, (B) Reimbursement of Investment, (C) Vacation Bonus, (D) Available Journey by Rail use, and (E) Cash for Customers are described below. Conditions and procedures are subject to change by ATs at its sole discretion as required by regulations, related industry guidelines, or prudent business practices.

A. ATs Stock Buyback Procedures

Between 730 and 760 days after the date that the related Subscription Agreement was executed, a Class B shareholder has the right to give irrevocable notice ("Notice") to ATs instructing ATs to buy back all of such shareholder's Class B shares. In this event, ATs will buy the shares back for a price equal to 130% of the total amount paid for them less the cash amount of Class B share dividends paid to such shareholder to date, less (minus) the cash value of used vacation Credits, payable by ATs within 60 days after receipt of the Notice. Specific procedures follow:

1. A written, signed Notice must be delivered to ATs by registered USPS mail at ATs' than current administrative office as described on the ATs web site, stating that:
"I, [insert shareholder name], request that America's Trains Inc. buy back all [insert the number of shares] of the Class B shares purchased by me pursuant to a subscription agreement dated the [insert the subscription agreement date]. The total amount that I paid for the Class B shares is [insert the total price paid for the shares]. I understand that this request constitutes an irrevocable agreement by me to sell all of the Class B shares back to ATs."
 2. Within 10 days after receiving the Notice, ATs will advise the shareholder that ATs is going to buyback all of the shareholder's Class B shares at a stated price which is 130% of the total amount that the shareholder paid for them ("Price") and will provide the shareholder with necessary documentation ("Documents") that is required to complete the buyback transaction.
 3. Within 60 days after receipt of the Notice or within 5 days after the shareholder delivers properly completed Documents to ATs, whichever is later, the Price will be payable to shareholder by ATs ("Payment").
 4. Delivery of Payment by ATs to the shareholder shall constitute finalization of ATs' buyback of the Class B shares. Thereafter, ATs shall have the right to register ownership of such Shares in the name of ATs or its assigns.
 5. If a shareholder does not give Notice as stated, unless otherwise determined by ATs at its sole discretion, all of the shareholder's rights to have ATs buyback its Class B shares shall terminate.
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B. Reimbursement of Investment

Between 760 and 790 days after the date that the related Subscription Agreement was executed, a Class B shareholder has the right to give notice ("Notice") to ATs instructing ATs to pay such shareholder an amount equal to the total amount they paid for their Class B shares less the cash amount of dividends paid to them to date ("Reimbursement"). Specific procedures follow:

1. A written and signed Notice must be given to ATs by registered USPS mail at ATs than current administrative office as described on the ATs web site, stating that
"I, [insert shareholder name], request that America's Trains Inc. pay me an amount equal to [insert the amount paid for all Class B shares] for [insert the total number of purchased Class B shares] owned by me, less (minus) the cash amount of dividends paid to me to date ("Reimbursement")."
2. Within 10 days after receiving the Notice, ATs will provide the shareholder with necessary documentation ("Documents") that is required to complete the Reimbursement transaction
3. Within 820 days after the date that the related Subscription Agreement was executed, or within 5 days after the shareholder delivers properly completed Documents to ATs, whichever is later, ATs shall pay

to the shareholder the total amount that they paid for their Class B shares less (minus) the amount of any and all dividends paid to the shareholder to date (“Reimbursement Amount”).

4. If declared but not yet paid dividends are owed to the Shareholder, payment of such dividends will not be made and will be cancelled.
5. ATs will recover the Reimbursement Amount by retaining (not paying) any and all current unpaid and future declared dividends earned by the shareholder’s Class B shares until ATs recovers the full Reimbursement Amount.
6. If a shareholder does not give Notice as stated, ATs at its sole option can terminate any and all of the shareholder’s rights to a Reimbursement.

C. Vacation Bonus

Until a total investment of \$50,000 occurs, Class B share investors receive cash vacation credits (“Credits”) for use as payment towards up to 60% of the lowest current published price of available Journeys by Rail, or a choice of other vacations (“Other Vacations”) as may be available from a timeshare vacation exchange entity selected by ATs. The percent amount of Credits is based on the amount invested, the greater the investment the greater the percentage, starting at 50% for a \$1,000 investment and increasing by 1% for each subsequent \$1,000 invested, up to 64% and a \$9,600 Credit for a \$15,000 investment; see the following chart. Specific procedures follow:

Credit			Credit			Credit		
Investment	%	Amount	Investment	%	Amount	Investment	%	Amount
\$1,000	50%	\$500	\$6,000	55%	\$3,300	\$11,000	60%	\$6,600
\$2,000	51%	\$1,020	\$7,000	56%	\$3,920	\$12,000	61%	\$7,320
\$3,000	52%	\$1,560	\$8,000	57%	\$4,560	\$13,000	62%	\$8,060
\$4,000	53%	\$2,120	\$9,000	58%	\$5,220	\$14,000	63%	\$8,820
\$5,000	54%	\$2,700	\$10,000	59%	\$5,900	\$15,000 +	64%	\$9,600 +

1. Immediately after Class B shares are issued to an investor, ATs will confirm the shareholder’s number of vacation credits (“Credits”) by email or otherwise in writing, calculated based on the above chart.
2. Each Credit will have a cash value of \$1.00 when used to pay for a Journey by Rail provided by ATs, or a different vacation (“Other Vacation”) from a different supplier (“Supplier”) that provides a selection of domestic and foreign vacations. The Supplier is expected to be a timeshare exchange company with which ATs has a contract.
3. The price of Journeys by Rail and Other Vacations will be the lowest current amount published/stated on the ATs or Supplier’s web site for the specific desired Journey or Other Vacation at the time a reservation is confirmed.
4. When a shareholder is paying for a Journey by Rail or Other Vacation, all or some of the shareholder’s Credits can be used to pay up to 60% of the purchase price and the balance must be paid for in cash. Shareholders can use their Credits to pay for a single or more vacations.
5. Shareholders must acquire initial descriptions and information about Other Vacations from Supplier web sites, or by contacting an ATs Rez Center. Until authorized by ATs or an ATs Rez Center, shareholders must not contact related Suppliers.
6. All reservations for Journeys by Rail or Other Vacations must be made directly with an ATs managed reservation center (“Rez Center”), not with a Supplier or travel agent. However, travel documents for Other Vacations may be provided directly to a shareholder by the related Supplier. After receiving such travel documents, a shareholder I authorized by ATs to and should communicate directly with the Supplier about related travel issues.
7. The reservation of Journeys by Rail and Other Vacations is on a normal space available basis. ATs does not guarantee availability of specific Journeys or preferred Other Vacations.
8. Use of Journeys by Rail is governed by ATs’ related Terms and Conditions. Use of Other Vacations is governed by related Supplier terms and conditions.

9. Shareholders must use all of their Credits within 36 months after the date that the related Class B Subscription Agreement was executed. Any unused Credits are void thereafter. If Shareholders are unable to reserve preferred Journeys by Rail or Other Vacations, to use Credits they must select alternatives within 36 months. ATs has no continuing responsibility, for any reason whatsoever, to accept Vacation Credits as payment for Journeys or Other Vacations after 36 months.
 10. At its sole option, ATs will select and has the right to at any time change a Supplier to include one or more sources, including ATs as a Supplier, to provide various different domestic and foreign Other Vacations.
 11. Shareholders are responsible for payment of reasonable standard reservation or other Supplier fees, if any, related to the purchase, reservation, and use of Other Vacations.
 12. Shareholders release ATs from and waive each and every right to any and all claims against ATs related to refunds or arising out of the delivery, quality and use of Other Vacations.
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D. Available Journey by Rail Use

All Class A and Class B shareholders can purchase Journeys by Rail that might come available within 14 days of departure because of cancellations or otherwise, at a price equal to 35% of the price of the Journey, as published on the shareholder page of ATs' web site, on a first come first serve basis. There is no availability guarantee. Vacation Credits can not be used for payment.

1. At such time as Journeys by Rail become available within 14 days prior to their departure date ("Available Journeys"), Class B shareholders have a right to reserve them with an ATs Rez Center on a first come first served basis, based on the time and date that an email or telephone reservation request is received by the Rez Center, if confirmation of such reservation occurs within exactly 24 hours thereafter.
 2. Available Journeys will be listed on the Shareholder page of the ATs web site and, after receipt of an email to ATs and an email from ATs confirming receipt thereof, or a written related request delivered to ATs by USPS registered mail, ATs shall advise Shareholders about Available Journeys by email or telephone when such Journeys become available.
 3. The price of Available Journeys is 35% of the related normal fare described on the ATs web site for the specific Journey being reserved.
 4. Confirmation of Available Journey reservations shall occur after payment in full has been made. No refunds will be owed or made by ATs.
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E. Cash for Customers

Class B shareholders are paid for sales made to customers referred by them, including (1) individual Journey can exceed \$1,630, (2) a Train'Share can exceed \$6,200, or (3) a fractional interest can exceed \$13,200. Shareholder referrals will be given preference over outside sales agents for limited inventory products.

1. A referral is the name of a qualified individual, business or other entity ("Qualified Lead") that is interested in buying a Journey product, that neither ATs or its travel agent sellers were previously aware of or that ATs or its travel agent sellers were not actively soliciting.
2. To be Qualified, a Lead must have expressed interest in a Journey Product, must otherwise be known to be interested in a Journey Product, or must have traits that make the shareholder believe that the Lead will have an interest in a Journey product. The shareholder's name may be used when ATs contacts the Lead.
3. A shareholder does not need to do anything but provide the name and accurate contact information of a Lead, preferably a telephone number and an email, or alternatively one of them.
4. If a Journey product is sold to the Lead by ATs or its agent within 180 days after ATs receives it, the shareholder is paid a referral fee ("Fee").

5. The Fee is (1) 11% of the all-inclusive fare amount paid for individual Journey sales, (2) 25% for Train'Share sales, and (3) 8% for fractional interest sales.
6. The Fee is owed to a shareholder after a sale to a Lead is final, which occurs after required payments are made to ATs, necessary documents have been signed by the Lead buyer and an authorized ATs agent(s), and required waiting periods (if any) have passed.
7. Waiting periods may be as required by law or prudent business practices.
8. Individual Journey by Rail waiting periods include (1) waiting until 63 days before departure date of a sold individual Journey, at which time 25% of the Fee is payable, and (2) waiting until the related departure date at which time the remaining 75% of the Fee is payable. If for any reason an unexpected refund is paid to a Journey referral Lead buyer, as deemed necessary by ATs, any related Fee(s) paid to a shareholder must be paid back to ATs within 14 days after ATs so notifies the shareholder. If such Fee is not paid back within 14 days, ATs has the right to recover such amounts from dividends payable to the shareholder and shareholder cannot use Vacation Credits until the Fee is paid back.
9. Train'Share waiting periods include waiting until 30 days after a Train'Share sale is closed, at which time 100% of the Fee is payable, and (2) waiting until the related departure date at which time the remaining 75% of the Fee is payable. If for any reason an unexpected refund is paid to a Train'Share referral Lead buyer, as deemed necessary by ATs, any related Fee(s) paid to a shareholder must be paid back to ATs within 14 days after ATs so notifies the shareholder. If such Fee is not paid back within 14 days, ATs has the right to recover such amounts from dividends.
10. ATs or its agent will advise the shareholder that provided the Lead about related sales efforts, whether or not a sale is made.