

ATs AMERICA'S TRAINS INC. ("ATs") - EXECUTIVE SUMMARY

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A sound, solid, exciting business with excess markets, already generating revenue as the dominant long term provider of essential, unique, luxurious American vacations; rapid growth, affirmable expected enviable earnings and ROI.

Status: America's Trains ("ATs") is a comprehensively complete, in demand niche market vacation business with assured sales and no meaningful competition that was scheduling provision of [Journey by Rail \("Journey"\)](#) services on its first luxurious passenger train car ("Car") until Covid-19 caused a suspension of pertinent Amtrak (Amtrak pulls ATs Cars) and subsequently ATs operations in early 2020. Expanding resumption of services is now under way.

Vacation Void: Amtrak assumed responsibility for intercity passenger train service in the 1970s. Upscale passenger train vacations disappeared and none allowed passengers to reside on board during extended layovers at en-route destinations.

Although a significant growing consumer market exists, requisite rail vacations with on board sleeping and en-route layovers have not been available in the USA for reasons that have been resolved by ATs. No U.S. trains or cars have been included in the world's top 25, a deficiency that no longer exists because ATs' Cars are equal to the worlds finest.

Filling a Void: ATs is eliminating the lack of an necessary vacation service in the USA and meeting substantial demand by introducing about 38 luxuriously [rebuilt passenger rail Cars](#) with up to about 130 bedrooms within several years. Cars include single and two level dining, lounge and sleeper Cars that travel alone or together as a train set, several self-sufficient business Cars with two or three bedrooms, and a few special activity Cars. Cars are acquired, improved and start service after existing advance sales assure high occupancy.

Unique Vacations: Cars provide incomparable Journeys by Rail and related services [traveling throughout the USA and into Canada](#) in collaboration with and pulled by Amtrak, as part of their trains or with an exclusive engine. Cars may also travel as part of regional freight or excursion and eventually larger freight railroads. The length of Journey vacations vary from 5 to 11 days including extended layovers at intriguing en-route destinations where passengers live on board while enjoying a wide variety of off-car Tracks to Adventure™ tours and other activities.

Products: Primary Journey by Rail products are (1) [individual \(single\) luxury Journey vacations](#) and (2) [Train'Shares™](#) (timeshares) that give buyers the right to annual or more frequent Journeys with unique timeshare benefits and without timesharing limitations or concerns. ATs' earnings can be favorable if only one of the primary products is sold and if sales are only 50% of projections. Sales of conjunctive products and other services provide additional revenue.

This hybrid business model (individual vacations and Train'Shares) has been proven by major resort timeshare developers (Wyndham, Marriott, Disney, etc) and ATs management for a smaller vacation property.

Key primary product differences are: (1) Individual Journey vacation sales generate less current annual revenue and profit but allow the repeated sale of the same Journey time period each year as an individual Journey vacation; (2) Train'Share sales produce higher and earlier revenue and profits, annual advance payment of Car operating costs from fees paid by Train'Share owners, and Train'Share management fee income; but, ongoing annual Journeys are owned by Train'Share owners eliminating repeated sales each year.

During the first 5 years about an equal number of annual Journey time periods are expected to be sold as individual Journey vacations and as Train'Shares. This ratio can be easily and profitably changed based on evolving considerations.

Multiple revenue streams (individual Journey, Train'Shares, and others) are supported by significant consumer demand.

Rail Cars: Mechanical repairs of a first Car, the "Sunflower", were completed and the Car was Amtrak certified and operational; some interior bedroom category upgrading needs completion. Post Covid-19 Amtrak policy changes that restrict individual private car movement but enhance ATs' commercial Journey operations have caused a significant reduction in the price of some suitable cars and ATs is now considering alternatives to previously selected cars. Improved Car costs should average about \$600,000 each, up to about \$700,000 for a two level Car that has a market value of about \$800,000, well below replacement cost.



Competition: There is no meaningful similar train vacation competition in the USA. ATs Journeys are [competitive with upscale foreign trains](#). Amtrak provides adequate point to point passenger service with relatively mediocre cars and suitable service. To visit an en-route location Amtrak passengers have to leave trains and go to a hotel. ATs Cars layover at en-route destinations allowing passengers to enjoy local things to do while living on board. Barriers to entry by possible competitors are expected to allow ATs to retain dominance of the all-inclusive sleep on board luxury train vacation market in the USA.

Marketing and Sales: There is strong demand for [luxury vacations](#), Journey by Rail [train vacations](#), and [Train'Shares \(timeshares\)](#). Existing selling capabilities that include in-house, travel agency, tour operator, and major strategic and tactical business affiliations are sufficient to capture the infinitesimal needed share of relatively huge pertinent vacation markets. Among other related experience, ATs managers previously founded and managed North America's largest retail travel agency organization. Luxury vacations and timeshares (Train'Shares) are fastest growing leisure industry segments.

The Company: ATs was formed in the State of Wyoming. Class A common voting shares have been issued to original investors that have paid for them by cash and provision of pertinent services valued at under 40% of their market value. Senior management presently holds the majority of ATs stock. A capitalization table is available.

Valuation: Based on comprehensive business development, positive market forces, operational capabilities, growth prospects, and expected favorable earnings, a reasonable ATs pre money valuation is \$3,000,000, which has been reduced to \$1,100,000 for present equity funding purposes.

Funding: Funds are for the acquisition and improvement of passenger rail cars to meet excess demand. Equity or debt funding can be a portion of or all \$550,000 to \$750,000 which fully pays remaining costs for and gets a Car in service, the amount is based on which Car comes first. Earlier Cars generate sufficient net income to subsidize additional Cars. Equity investment of \$750,000 represents a 37% post money (after funding) interest in ATs, see the [Terms](#). More funding would expedite the introduction of Cars and accelerate earnings growth.

Imminent Performance: Optimum occupancy of Cars for a few years is already assured; advanced sales are being made. [Enviably business factors](#) plus continuing performance analysis enhance business performance. Affirmable projections include positive cash flow within eight months after initial funding with desirable first year revenue of up to \$3,000,000 and earnings (EBITDA) of about \$700,000. Cumulative five year earnings (EBITDA) exceed \$68,000,000 with up to 38 Cars in service. Detailed forecasts are available.

Although favorable earnings projections may appear to be overly optimistic, they are not. They have been pragmatically scrutinized, can be affirmed and are supported by unique and enhancing revenue and expense [considerations](#).

Risk Mitigation: Funding/investment risks are mitigated and avoided because: business strategies and earnings projections are sound; investors can be secured by collateralized rail Car assets; investors can have preferred earning rights for full reimbursement of investment amounts; and, there are existing favorable exit options.

Start of Journey by Rail Service: Journey scheduling was delayed by Amtrak's suspension of services because of Covid-19; Amtrak pulls ATs Cars. Amtrak has renewed and is expanding services and ATs' [Journey by Rail schedules](#) include departures starting in 2024.

Exit Strategy: Shareholder exit options include the sale or merger of ATs and/or making arrangements to convert stock to public trading shares. Major leisure industry entities have already expressed interest in acquiring ATs and public company proposals have already been received. The best time to consider such opportunities will be after some Cars are in service; when actual current and future earnings potential have been established with a corresponding significant increase in ATs' valuation. Another exit option is a possible stock buyback from shareholders by ATs. Until evolving circumstances warrant implementation of an exit strategy, enviable dividend earnings are anticipated.

Present potential as seen by industry experts

Luxury vacation travel:

- *US travel and tourism is poised for strong growth*
- *The desire for luxury travel continues to rise*
- *There has been no greater time for growth in the luxury segment*

Luxury train vacations:

- *Bullish - A home run - Badly needed - Pent up demand - Puts USA on the train vacation map*

Shared vacation ownership:

- *Vacation ownership, also known as timeshare, continues to lead in the hospitality and leisure industry*
- *Demand and supply factors are poised to observe substantial timeshare growth in the years to come*
- *Luxury train vacations in other countries are ... Booming ... Thriving ... with Expecting huge growth*



Confidentiality Agreement: Excluding information that is commonly available to the public or that you can conclusively confirm you were previously aware of, information regarding America's Trains Inc. ("ATs") that you are accessing at this time and/or 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 concepts, business ideas, documents, procedures, financial forecasts, projections and related information regarding rail vacations 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 or required by law, on behalf of yourself and any entity that you represent, by accessing Data you assume an obligation 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 to any extent

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, for a two year period or for the longest period permitted by law, whichever occurs last.