

NOTE: This contract contains confidential information including wire transfer instructions. We ask that this document DOES NOT get emailed, please sign only through Docusign.

RAILROAD EQUIPMENT SALES CONTRACT

THIS RAILROAD EQUIPMENT SALES CONTRACT (“Contract”), is entered into as of July 11th 2022 by and between Palmer Johnson Power Systems (hereinafter “Seller”) and Lake State Railway Company (hereinafter “Buyer”).

RECITALS

- A. Seller owns certain railroad equipment that it desires to sell to Buyer, and Buyer desires to purchase certain railroad equipment owned by Seller, see EXHIBIT “A”.
- B. Buyer acknowledges that the railroad equipment is being sold “as is” and that Seller makes no representations or warranties as to the quality and/or condition of said railroad equipment.

AGREEMENT

1. Buyer to Sign Contract. Buyer acknowledges that it has thoroughly read and reviewed this Contract and understands the terms set forth herein. Buyer agrees to sign and return this Contract to Ozark Mountain Railcar (hereinafter “OMR”) on or before July 14th 2022

2. Items Purchased. Seller agrees to sell, and Buyer agrees to buy, the railroad equipment and/or items (“Goods”) listed on Exhibit “A “attached hereto, and in accordance with the terms and conditions set forth herein (the “Transaction”).

3. Special Conditions. The following special conditions, if any, apply to this Contract:

- a. Truck is sold “As Is Where Is”

4. Delivery. Time is of the essence in the performance of this Contract. Seller will make the Goods available to Buyer immediately after full payment has been received by Seller. After payment has been completed, a Bill of Sale will be executed between Buyer and Seller, and the Transaction will be complete.

5. Seller Representations. The Seller makes the following representations and warranties to the Buyer, all of which shall survive the Closing:

- a. The Seller is the owner of and has the right to sell the Goods, and the Goods are free and clear of all debts, liens, security interests and encumbrances.
- b. Seller has to its knowledge complied with all laws, rules and regulations relating to the Goods; and
- c. Seller makes no representations or warranties as to the quality and/or condition of the Goods, and Buyer understands that the Goods are being sold as is.

Buyer’s Initials 

Seller’s Initials 

6. Payment. Buyer has agreed to pay seller the total price indicated on Exhibit “A” attached hereto. Payment schedule is as follows:

- a. Payment to be made in full on or before July 14th 2022. All payments are to be made via wire transfer. **Wire instructions are included the last page of this document.**
- b. Ozark Mountain Railcar (Seller’s Broker) will be providing escrow and contract services for this transaction.

ALL DELINQUENT PAYMENTS SHALL ACCRUE A 20% LATE CHARGE FOR EACH WEEK THAT THE PAYMENT IS LATE

7. Failure to Timely Pay is a Breach of the Contract. In addition to any other right or remedy provided by law, if Buyer fails to pay for the Goods when due, the Seller, at its option, may treat such failure to pay as a material breach of this Contract, and may cancel this Contract and/or seek other available legal remedies.

8. Default. The occurrence of any one of the following shall constitute a material default under this Contract:

- a. Failure to make the required payment when due.
- b. The insolvency or bankruptcy of either party.
- c. The subjection of the Goods to any levy, seizure, general assignment for the benefit of creditors, application or sale for or by any creditor or government agency.
- d. The failure to make available or deliver the Goods in the time and manner provided for under this Contract.

9. Remedies in the Event Default Occurs. In addition to any and all other rights available according to law, if either party defaults by failing to substantially perform any material provision, term or condition of this Contract (including without limitation the failure to make a monetary payment when due), the non-defaulting party may elect to terminate this Contract if such default is not cured within three (3) days of providing written notice of the default to the defaulting party. The notice shall describe with sufficient detail the nature of the default.

10. Assignment. Neither party may assign or transfer this Contract without prior written consent of the other party, which consent shall not be unreasonably withheld.

11. Confidential Information. Each party acknowledges that during this course of performance of this Contract, each may obtain confidential information regarding the other party’s business. Both parties agree to treat all such information and the terms of this Contract as confidential, and to take all reasonable precautions against disclosure of such information to unauthorized third parties during and after the term of this Contract. Upon request of either party, all documents relating to confidential information will be turned over to that party.

Buyer’s Initials ^{DS}
 KM

Seller’s Initials ^{DS}
 SS

12. Notices. All notices required or permitted under this Contract shall be in writing and shall be deemed delivered when delivered in person or deposited in the United States mail, postage prepaid, and addressed as follows:

If for Seller: Palmer Johnson Power Systems
1828 Haynes Drive
Sun Prairie, WI 53590

If for Buyer: Lake State Railway Company
750 N Washington Ave
Saginaw MI 48607

13. Amendment. This Contract may be modified or amended if the amendment is made in writing and is signed by both parties.

14. Severability. If any provision of this Contract shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Contract is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written and enforced as so limited.

15. Entire Agreement. This Contract constitutes the entire agreement between the parties, and no oral agreements or statements will be effective or binding on either party. The provisions of this Contract can only be amended or changed by a written document signed by both Buyer and Seller. This Contract supersedes any prior written or oral agreements that may exist between the parties.

16. Waiver of Contractual Right. The failure of either party to enforce any provision of this Contract shall not be construed as a waiver of limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Contract.

17. Construction and Attorney's Fees. This Contract shall be construed under the law of the state of Missouri. Jurisdiction for any litigation related to this Contract shall be exclusive to Taney County, Missouri. In the event either party has to bring suit on account of the other party's breach of this Contract, the non-breaching party shall be entitled to reimbursement for its reasonable attorney's fees and costs incurred therein. The parties, by entering into this Contract, agree to waive their right to a jury trial in the event it is necessary to file suit.

18. Ozark Mountain Railcar's Liability. It is specifically understood and agreed to by both parties that Missouri Railroad Group, L.L.C., d/b/a Ozark Mountain Railcar, has made no representations whatsoever based on its knowledge of the Railroad Rolling Stock and Equipment/Parts and has made no investigation to verify any representations made by either Buyer or Seller. Further, it is agreed by both Buyer and Seller to waive any and all claims they may have against OMR as a result of this Contract.

Buyer's Initials 

Seller's Initials _____

Buyer: Lake State Railway Company

DocuSigned by:

Kevin Mitrzyk

7/11/2022 | 1:56 PM CDT

CF00E57DE32D456...

Printed Name: Kevin Mitrzyk

Seller: Palmer Johnson Power Systems

DocuSigned by:

Susan Schuster

7/11/2022 | 2:34 PM CDT

5F85BF3952D944D...

Printed Name: Susan Schuster

EXHIBIT A

<u>Item Description</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Total Price</u>
Brandt 2002 Western Star Power Unit VIN-2WLPCD3J92K972938	1	\$305,000.00	\$305,000.00
<u>TOTAL PRICE</u>			<u>\$305,000.00</u>

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Buyer's Initials ^{DS}
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Seller's Initials ^{DS}
SS

This form contains confidential financial information and should only be shared with trusted and known individuals/businesses.

Ozark Mountain Railcar Wire Transfer Instructions

If the sending bank has any questions, please contact Central Bank's wire desk at 573-634-1160.

INCOMING WIRE INSTRUCTIONS

Receiving Bank: **Routing # 086500634**

Central Bank
238 Madison Jefferson City, MO, USA

Beneficiary: **Acct# 124124603**

Missouri Rail Group L.L.C d/b/a Ozark Mountain Railcar
315 Mincy Lane, Kirbyville, MO 65679

Additional Information: Please reference Buyers' name and item being purchased as it appears on the sales contract.

INTERNATIONAL INCOMING WIRE INSTRUCTIONS


SWIFT CODE: **CTUSUS44**


Bank: Central Bank
238 Madison Jefferson City, MO, USA

Beneficiary: **Acct# 124124603**

Missouri Rail Group L.L.C d/b/a Ozark Mountain Railcar
315 Mincy Lane, Kirbyville, MO 65679

Additional Information: Please reference Buyers' name and item being purchased as it appears on the sales contract.

Buyer's Initials  KM

Seller's Initials  SS