



Managing Your Rail Fleet with Changing Demographics of the Workforce

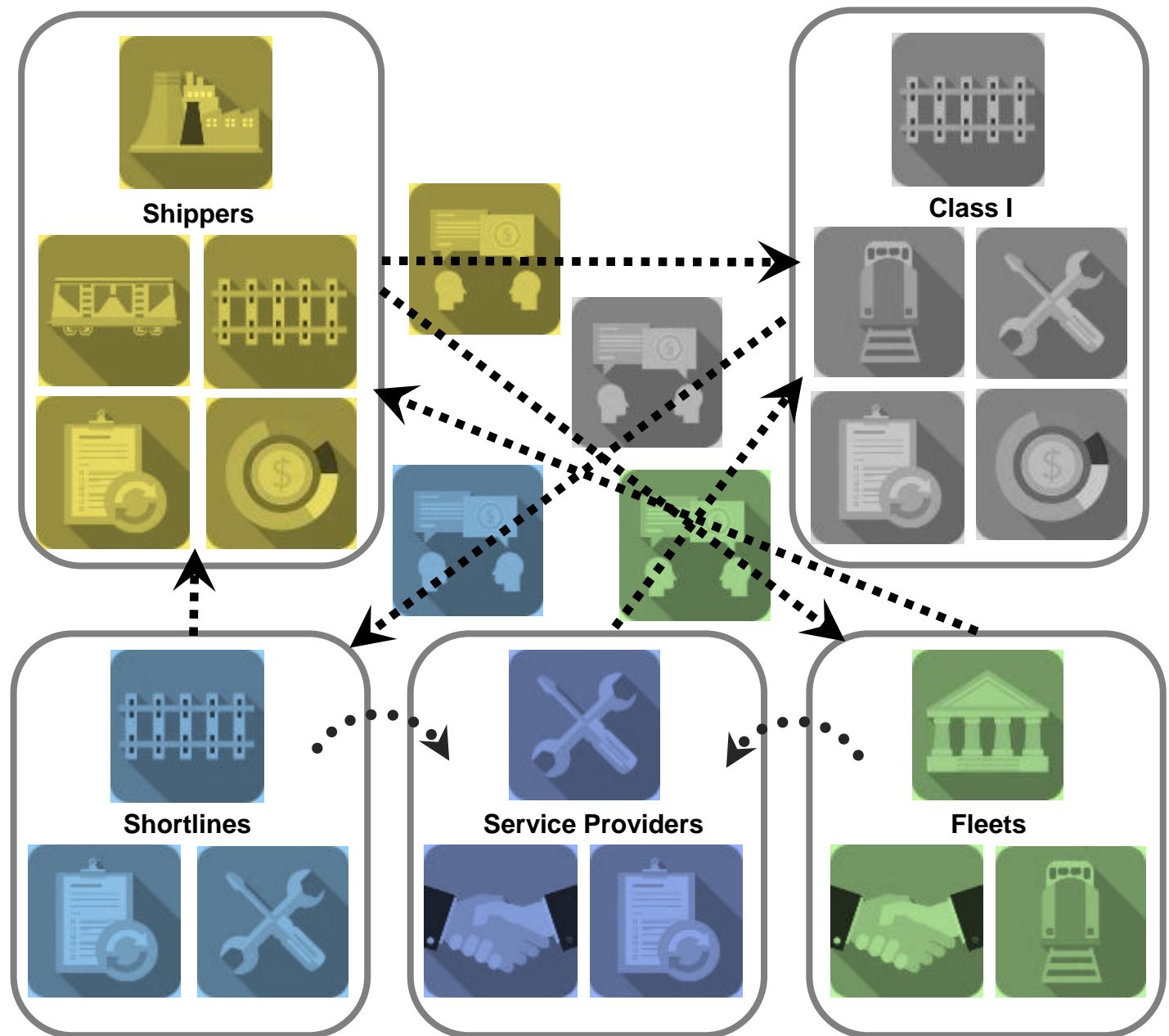
“Just like the taxi dispatch industry was up-ended by digital spot markets for transportation services in only the last few years, so too has the logistics industry began the slow process of transitioning to this new way of doing business. It’s in those areas of friction in a legacy system that efficiency gains and a market foothold can be found.”

- Crunchbase News (2017)

RAIL INDUSTRY MARKET PROBLEMS

- No Open, Coordinated Exchange
- No Centralized, Mapped Resources
- No Market-Driven Pricing Insights
- No Engagement Standards
- No Procurement Support

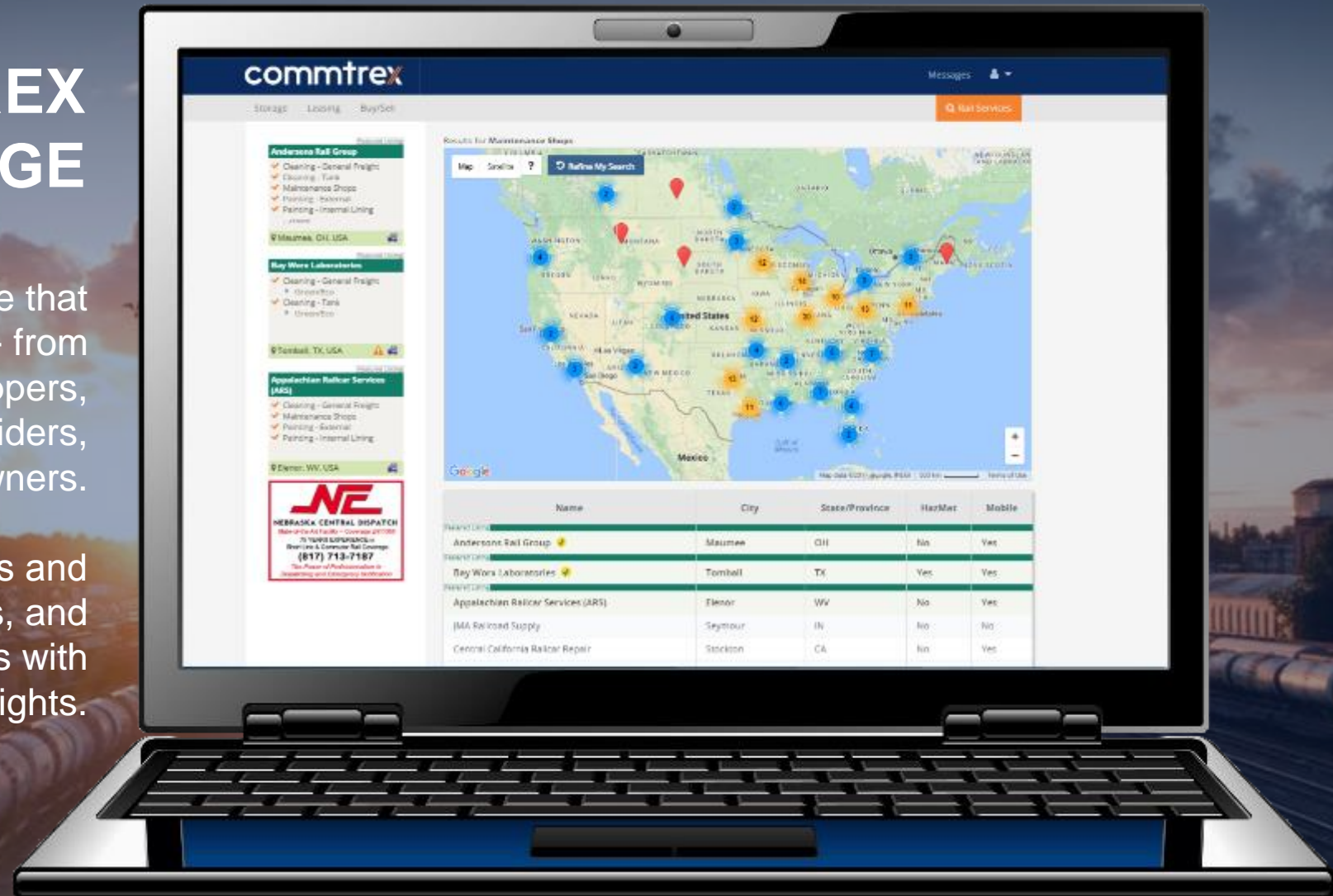
DISCONNECTED DATA
PRICING DISCREPANCIES
OPAQUE MARKET
HIGHLY INEFFICIENT



THE COMMTREX EXCHANGE

The only open, electronic marketplace that expedites and improves every step - from connection to contract - between rail shippers, storage providers, service providers, and asset owners.

Commtrex's asset management tools and market data is based on real transactions, and benefits our member companies with engagement efficiencies and financial insights.



WHY NOW? ... “THE PERFECT STORM”

Market Timing

Massive Generational Shift In Workforce

- 76 million Baby Boomers in the US are turning 65 at the rate of one every 8 seconds.
- 60 million Baby Boomers will exit the workforce by 2025.
- Generation Xers and Millennials rely on technology.
- 10,000 baby boomers retire everyday.

Railroad And Transportation Industry Focus On Technology

- Class I executives are looking to technology and an improved focused quality process as their competitive advantage (e.g. PTC).
- Greater focus on capital efficiency (“Do more with less”).

Commodity Market Volatility And Unpredictability

- 2012-2014 was a bull market for commodities. 2015-2016 shifted to a major bear market across the board.
- >30% of all railcars in the U.S. were in storage in 2016.
- Shippers are reducing their fleet sizes.

MILLENNIALS - WHO ARE THEY?

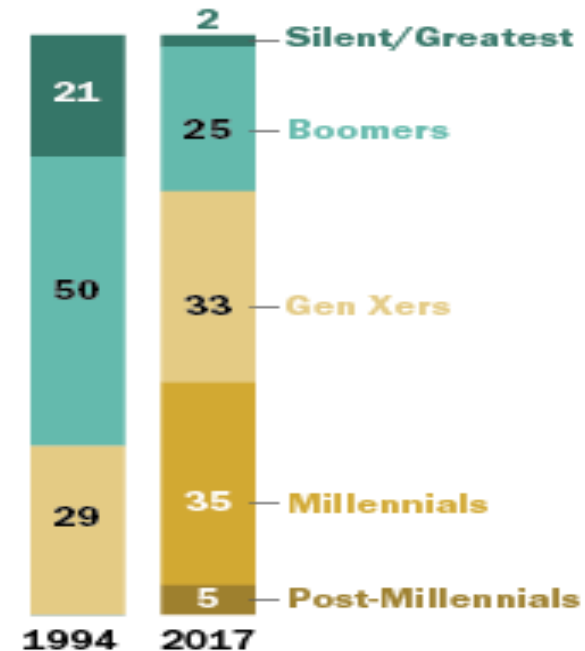
- Individuals born between the years of 1980-2000.
- Largest generation in U.S. history.
- In the last 5 years, 87% of Millennials have taken on management roles.
- This is the first generation of digital natives, and their affinity towards technology will shape how they operate in their personal and professional lives.



MILLENNIALS IN NUMBERS

- 35% of the U.S. workforce (current)
- 50% of the U.S. workforce by 2020
- 75% of the U.S. workforce by 2025

% of the U.S. labor force

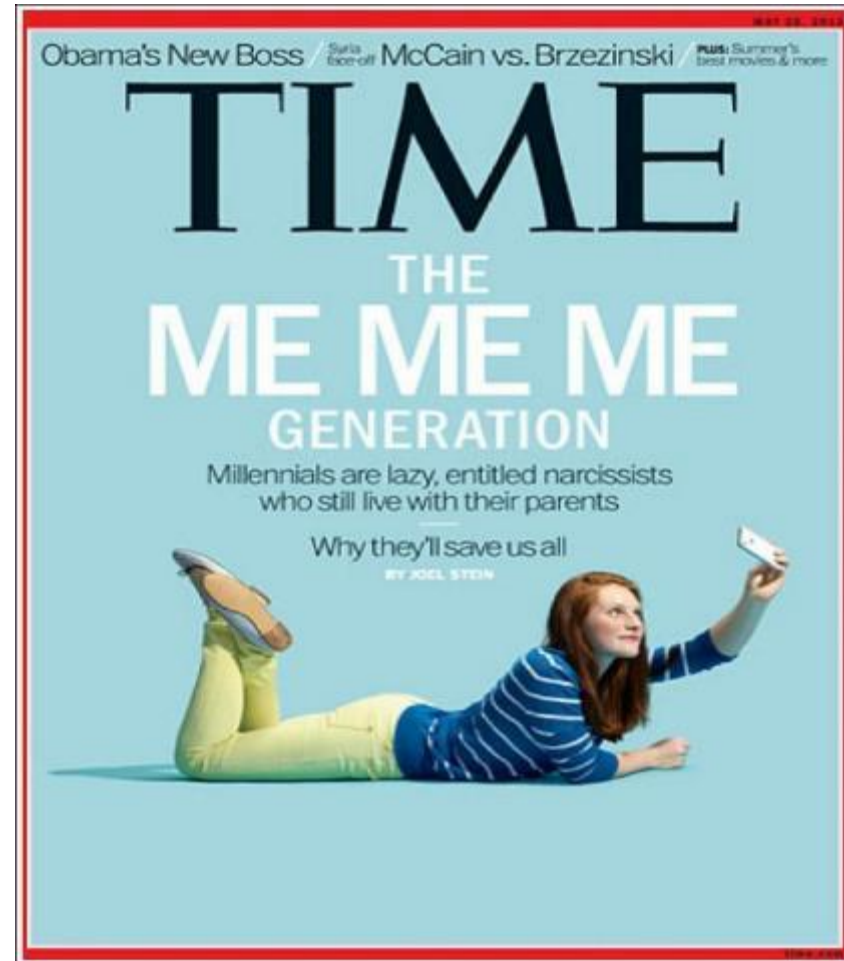


Note: Labor force includes those ages 16 and older who are working or looking for work. Annual averages shown.
Source: Pew Research Center analysis of monthly 1994 and 2017 Current Population Survey (IPUMS).

PEW RESEARCH CENTER

CHARACTERISTICS OF MILLENNIALS

- Entitled
- Unfocused
- Technologically savvy
- Selfish
- Group-oriented
- Impatient



PARENTING

- Helicopter parenting
- Advocates for their children



TECHNOLOGY

- Raised in a rapidly changing technological environment
- “Sharing” or “Access” Economy



Instagram

CONNECTING RAIL SHIPPERS WITH PROVIDERS

Facilitating business between rail shippers, asset owners, storage providers and service providers.



**LEASING
MARKETPLACE**



**STORAGE
MARKETPLACE**



**SERVICES
DIRECTORY**



**BUY & SELL
MARKETPLACE**

- **Railcars:** >22,000 freight and tank cars
- **Storage Spaces:** >185,000
 - (90% of all Shortline RR's)
- **Rail Service Providers:** >3,500 Locations
 - 1300 Transload Facilities
 - 250 repair shops
 - 100 scrap locations

DESIGNED FOR FREE-MARKET TRADE:



"ALWAYS OPEN" CLOUD BASED TECHNOLOGY

Commtrex is accessible anywhere internet connectivity is available, and through any device. Introductions can occur anytime.



ENSURES MEMBER PRIVACY WITH SECURE PLATFORM

Commtrex runs on a secure, HTTPS encoded service. Your identity, assets, introductions, and transactions are completely private and protected.



EXPEDITES DECISIONS USING MAPPED INTELLIGENCE

Commtrex maps storage and services locations according to location and rail line, expediting decision making.



MARKET BASED DATA ENCOURAGES FAIR PRICING

Average regional market prices are available to Members, covering storage and leasing transactions.



FACILITATES INTERACTIONS THROUGH DIALOGUE

The Leasing Marketplace is designed for both parties to discuss and agree upon all core components before finalizing a deal.



RETAINS DEAL-BASED DOCUMENT STORAGE

Commtrex provides Members the ability to store asset-related electronic documents within each deal.

SUBSTANTIAL OPPORTUNITIES TO AUTOMATE COLLABORATIVE BUSINESS PROCESS

The Commtrex Exchange Markets



Storage



Services



Leasing



Buy & Sell



Market Intel

- Real-time average pricing dashboard



Exclusive Intel

- Contract scoring
- Contract alerts



Professional Services

- Contract Audits

Transactions

Rail and Storage Assets

Members

Four Open Markets Expediting RFP Process

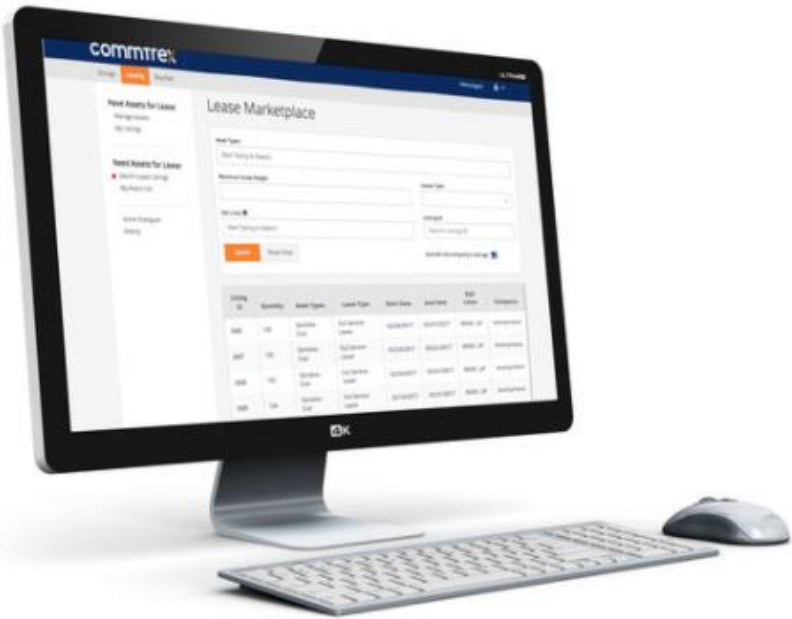
Powered by the assets, contracts and analytics, are four independent markets supporting storage, services, asset leasing and buy & sell.

Freight Management Centric Intel and Analytics

Commtrex delivers 3 types of data offerings to every member. Automated 24/7 market intelligence on average prices, exclusive contract pricing scoring and alerts based upon real-time Market Intel reports, extends accurate financial adjustments through contract renewals. Professional Services provides transaction audits.

True Market Data Sets Trustworthy Foundation

By hosting a large array of data that encompasses mapped leasing, storage, and service transactions in addition to rail and storage assets, the foundation supports freight transportation analytics around pricing and availability, which has never been available before.



THE LEASING MARKETPLACE

The Commtrex Exchange introduces rail asset owners who desire to lease rail assets (Lessees) to entities who have rail assets available to lease (Lessors). This includes other shippers, financial institutions, and fleet owners.

LESSEE BENEFITS

- **SAVES TIME** The Commtrex Exchange helps you find available leasing opportunities for assets.
- **TRACKS DIALOGUES** Commtrex manages and saves your conversations with prospective Lessors, so the contract terms are clear and quickly agreed upon.
- **BECOMES A NETWORKING HUB** Commtrex connects you with helpful industry resources, extending your network reach.
- **KEEPS YOU ORGANIZED** Commtrex simplifies the searching, connecting, and negotiating process with other parties.

LESSOR BENEFITS

- **EXTENDS YOUR OPPORTUNITY REACH** Commtrex exposes your available leasing assets to Members who may not have been aware of their availability, conditions, and terms.
- **MONETIZES UNUSED RAIL ASSETS** Lessors avoid storage fees when they capitalize on a short or long-term leasing agreement.
- **TRACKS DIALOGUES** Commtrex manages your conversations with prospective Lessees, so the contract terms are clear and quickly agreed upon.
- **KEEPS YOU ORGANIZED** Commtrex Exchange allows you to manage each rail asset lease dialogue separately and handles all of the agreement components, allowing you to track your deals within a system that can be accessed anywhere and at any time.



THE STORAGE MARKETPLACE

The Commtrex Exchange is designed to connect rail shippers and asset owners to storage facility providers through a direct introduction.

Shippers can request storage quotes from storage providers throughout the continent, on a 24/7 basis.

SHIPPER BENEFITS

- **SAVES TIME** The Commtrex Exchange helps you find storage yard locations and availability.
- **SHARES RATES** Commtrex updates the regional average storage prices in real time so you can better negotiate deals.
- **BECOMES A NETWORKING HUB** Commtrex connects you with helpful industry resources, expanding your network reach.
- **KEEPS YOU ORGANIZED** Commtrex simplifies the searching, connecting, and negotiating process with other parties.

STORAGE FACILITY BENEFITS

- **EXPANDS YOUR FACILITY'S EXPOSURE** Commtrex identifies your facility to Members who may not have been aware of your locations or provisions.
- **MONETIZES UNUSED SPACE** Commtrex allows you to quickly market unused storage by listing rail line, availability, and location.
- **PROVIDES REGIONAL RATES** The current regional data helps your facility set pricing according to market based rates.
- **KEEPS YOU ORGANIZED** The Commtrex Exchange allows you to manage each location separately, and/or in aggregate, by handling all of the deals associated with each location. You can track your deals within a simple and effective system.



THE BUY/SELL MARKETPLACE

The Commtrex Exchange provides electronic listings as an optimal method for Sellers to market the availability of their rail-related Assets.

RAIL ASSET SELLER BENEFITS

- **GENERATE INTERIM CASH FLOW** Market your Rail Assets as available Leasing options to generate interim cash flow while they are listed For Sale on The Exchange.
- **SAVES TIME** The Commtrex Exchange helps you find Buyers across multiple industries and locations.
- **PROVIDES PRICING AND NEGOTIATION GUIDANCE** Commtrex will guide you through the entire selling process.
- **KEEPS YOU ORGANIZED** Commtrex simplifies managing your Rail Assets and information, while connecting and negotiating with other parties.

RAIL ASSET BUYER BENEFITS

- **EXPAND YOUR ASSET SEARCH** Commtrex allows you to create a Rail Asset Watch List. When you find a listing that is of interest to you, you can add that Asset to your Watch List or contact a Commtrex agent for assistance.
- **PROVIDES HISTORICAL TRANSACTIONS** Commtrex tracks all of your Rail Asset transactions, including Buy/Sell and Leasing, so you can track your terms and prices.
- **KEEPS YOU ORGANIZED** Commtrex Exchange allows you to manage your Rail Assets and deals in a convenient, secure location.



THE RAIL SERVICES DIRECTORY

The Commtrex Exchange includes an interactive Rail Services Directory, listing Rail Services by relevancy and location. Commtrex has collected an extensive list of locations across the US and Canada. Each location is categorized based upon their services offered, and Members can search and compare facilities.

RAIL SHIPPER BENEFITS

- **SAVES TIME** Commtrex Exchange helps you find rail service providers by mapping each location alongside color-coded Class I Railroads, and listing the specific service categories.
- **SHARES COMPANY PROFILES** Commtrex has collected and maintains the rail service provider contact information, so your searches will display detailed results.
- **KEEPS YOU ORGANIZED** Commtrex simplifies searching and connecting with other parties.

RAIL SERVICE PROVIDER BENEFITS

- **EXTENDS YOUR COMPANY'S REACH** Commtrex presents your facility and all of your services to Members within the Exchange who might not have been aware of your locations or offerings. Non-Members are able to search Google or any search engine to find and view your Commtrex public page.
- **MAPS LOCATION BY ADDRESS AND CLASS 1 RAILROAD** Commtrex's mapping allows prospective clients to search for your relevant services by physical address and color-coded Class I Railroad(s).

SHIPPER MEMBERSHIP ADVANTAGES:

Transparency on pricing; Privacy on transactions



Time Saving

24/7 automated market expedites RFP and negotiations by 85%



Mapped Directory

Services the US and Canada, mapping assets and locations



Market Intel

Provides real-time market price reports based upon contracts



Business Generator

Built to efficiently create connections and contract terms



Manages Business

Tracks contracts, monitors and alerts price changes



Company Intel

Bolsters business decisions with market insight



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